



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 16th February 2017

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Present:

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

Law Officers

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

People's Deputies

St Peter Port South

Deputies P. T. R. Ferbrache, J. Kuttelwascher, D. A. Tindall,
B. L. Brehaut, R. H. Tooley

St Peter Port North

Deputies, J. A. B. Gollop, C. N. K. Parkinson, L. C. Queripel, M. K. Le Clerc,
M. P. Leadbeater, J. I. Mooney

St Sampson

Deputies L. S. Trott, P. R. Le Pelley, J. S. Merrett, G. A. St Pier,
C. P. Meerveld

The Vale

Deputies M. J. Fallaize, N. R. Inder, M. M. Lowe, L. B. Queripel,
J. C. S. F. Smithies, S. T. Hansmann Rouxel

The Castel

Deputies R Graham L.V.O, M. B. E, C. J. Green, B. J. E. Paint, M. H. Dorey,

The West

Deputies A. H. Brouard, A. C. Dudley-Owen, E. A. Yerby,
D. de G. De Lisle, S. L. Langlois

The South-East

Deputies H. J. R. Soulsby, H. L. de Sausmarez, P. J. Roffey,
R. G. Prow, V. S. Oliver

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

S. M. D Ross, Esq. (H.M. Senior Deputy Greffier)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Procureur); Deputy T. J. Stephens (*indisposée*);
Deputy J. P. Le Tocq (*relevé à 10h 25*)

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States of Deliberation

*The States met at 9.30 a.m. in the presence of
His Excellency Vice-Admiral Sir Ian Corder, K.B.E., C.B.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE BAILIFF *in the Chair*]

PRAYERS

The Senior Deputy Greffier

EVOCATION

The Senior Deputy Greffier: Billet d'État V, continuation of the debate.

Procedural – Re personal statements

The Bailiff: Members, before we continue the debate, just in relation to personal statements, can I say that yesterday I did give permission to Deputy Trott under Rule 10(1) to make a statement advising Members that he had stepped aside from his duties on the Policy & Resources Committee while a complaint was being investigated. As you know, at the end of yesterday there was some confusion between Deputy Lowe and I as to whether she was to make a statement and I apologise to her for that confusion. But as I understand it both Deputy Lowe and Deputy Le Pelley have now made statements that have been issued publicly, and therefore I do not consider that there is any justification under Rule 10(1) for me to give permission, as I do not consider that there is any further statement which should be made. So there will be no further statement from either of those.

As a general rule, I would just like to say that I do not consider in normal circumstances that it will be appropriate for Members to make statements in this Chamber concerning complaints that are currently under investigation. So there will be no further personal statements in relation to that matter.

Billet d'État V

III. States' Trading Supervisory Board and Committee for the Environment & Infrastructure – Implementation of the Solid Waste Strategy – Debate continued

The Bailiff: Deputy Roffey.

Withdrawal of Amendment 4:

[To insert a new Proposition 9 –

'9. To instruct the Committee for the Environment and Infrastructure, in liaison with the States Trading Supervisory Board and any other relevant party, to investigate the most cost effective way to collect recyclables and to report back to the States with their conclusions before the end of 2017. Such investigation must consider, inter alia, a Kerb-Side scheme run by individual parishes, an island wide Kerb-Side scheme and an enhanced system of Bring Banks.']

Deputy Roffey: Thank you, sir.

20 I rise to ask leave of the States to withdraw amendment 4 which stands in my name. I will very briefly explain why I want it withdrawn.

It became clear from debate yesterday, both on the Kuttelwascher amendment and my amendment, that the vast majority of Members are determined to spend £2 million a year on kerbside recycling (*Interjections*) and that very few of them see anything of beauty in bring banks. Personally, I see one thing of incredible beauty in bring banks and that is their cost relative to kerbside. But I am obviously in a minority.

25 If it was just down to me, being stubborn, I would have ploughed on to a noble defeat. But my seconder, who is more logical, advised me that perhaps we should seek leave to withdraw this amendment and to substitute it with amendment number 5, which is identical apart from being free of any distraction by mentioning bring banks, i.e. it would only refer to the possibility of kerbside by parochial arrangement or by Island-wide arrangement.

30 So if Members do not give me permission to withdraw we can debate both, that is not a problem, but I suggest it might be in their interest to give me that permission.

35 **The Bailiff:** Deputy Merrett, do you support that motion to withdraw?

Deputy Merrett: I do, sir.

40 **The Bailiff:** So I put to you then the motion that amendment 4 be withdrawn. Those in favour; those against?

Some Members voted Pour; others voted Contre.

The Bailiff: I believe that was carried but if anybody wishes to have a recorded vote to confirm that then we can have a recorded vote.

45 **Deputy Roffey:** I think it would be quite interesting – I am sorry, but (*Laughter*) I know Deputy Langlois does not want to be here but nevertheless I think that would be quite interesting!

The Bailiff: We will have a recorded vote on the motion to withdraw amendment 4.

There was a recorded vote.

Not carried – Pour 18, Contre 20, Ne vote pas 0, Absent 2

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Dorey	Deputy Graham	None	Deputy Le Tocq
Deputy Yerby	Deputy Green		Deputy Stephens
Deputy De Lisle	Deputy Paint		
Deputy Langlois	Deputy Brouard		
Deputy de Sausmarez	Deputy Dudley-Owen		
Deputy Prow	Deputy Soulsby		
Deputy Oliver	Deputy Roffey		
Deputy Ferbrache	Alderney Rep. Jean		
Deputy Tindall	Alderney Rep. McKinley		
Deputy Brehaut	Deputy Kuttelwascher		
Deputy Tooley	Deputy Gollop		
Deputy Parkinson	Deputy Lester Queripel		
Deputy Le Clerc	Deputy Leadbeater		
Deputy Merrett	Deputy Mooney		
Deputy St Pier	Deputy Trott		
Deputy Fallaize	Deputy Le Pelley		
Deputy Smithies	Deputy Meerveld		
Deputy Hansmann Rouxel	Deputy Inder		
	Deputy Lowe		
	Deputy Laurie Queripel		

The Bailiff: Members, the result of the voting on the motion to withdraw amendment 4 was 18 in favour and 20 against. I declare that motion lost and therefore amendment 4 is still in play. We will continue with the debate which I will remind Members is the debate on amendments 2 and 4 both running together.
Deputy Gollop will speak next.

Deputy Gollop: I had no strong feelings between amendments 5 and 4 but I switched in the last vote again because I actually wanted to debate amendment 4, because people were saying 'What is an enhanced bring bank?' Would it provide a free wash, like a shower, when you went to it? I thought that could be quite useful actually. *(Laughter)* Or some other benefit, hot air expanding out of it or something?

But a 'system' can be all kind of things from an IT system to a bus system, and when you talk about an enhanced system you mean expansion. Now, I entirely agree with what Deputy Parkinson said yesterday. I used to live in the Trinity Square area for four years and you can imagine a pitiful picture of me walking along sometimes carrying carrier bags, not full of newspapers necessarily or States' papers, but of sundry items to recycle. There was absolutely nothing in the Charroterie/Trinity Square/Old Quarter area. If you were taking it you would probably need a taxi, but I am sure Deputy Inder or other people would not want to take me and my rubbish in a taxi. I had to walk to the nearest bring bank and there were rather bland ones in the centre of Town designed for tourists, but the other ones were much further out at Salerie.

Now, what is bizarre about the bring bank system is they are precisely in areas of picturesque natural beauty which, from a planning point of view, I do not really approve of when you see them all scattered around at Vazon or L'Eree or wherever. But they are not in the places where people live, especially people who are hard-working guest workers, who are young people with busy lives who go out at night, not necessarily the most affluent people on the Island or the most family orientated. We needed a programme of getting more modernistic bring banks into the centre of parishes, communities and the Town, and estates and areas where people live. That has not happened as much as it should have done, maybe due to budgetary limitations. So I actually want that part of the amendment.

80 The joy of this amendment and another one Deputy Roffey may bring of course, is that it is not unlike the Kuttelwascher/Mooney amendment which was really a kind of *sursis*. It went, 'This is a report; it is to instruct Environment & Infrastructure in liaison with the Strategic Waste Authority, effectively ...'

to investigate the most cost effective way to collect recyclables and to report back to the States with their conclusions before the end of [*the year*]. Such investigation must consider ... a Kerb-Side scheme run by individual parishes, an island wide Kerb-Side scheme and an enhanced system of Bring Banks.

If you look at the individual components of that there are those in our society who want parishes to do more and probably those who want them to do less, but in any case it allows the parishes, especially the bigger ones, to consider whether they could run a better kerbside scheme – they possibly could – and to evaluate.

85 Now, various Members said yesterday that you should not speculate on the costs and you should either make a pragmatic decision or believe in what we are doing, which is ultimately a waste hierarchy focusing on reduction, then reuse, then recycling. We have not done as much as we could have done on waste reduction, we still buy food ... apples covered in plastic and all that kind of thing. But the problem, as I am sure Deputy de Lisle and many others would confirm, is that recyclables – as Deputy Kuttelwascher said – are a prisoner of the international money market and commodities market. If oil is expensive, recycling is more viable than if oil is cheap – and there are many other areas like that. So to have a programme that is consistent does require a degree of flexibility and research.

95 I personally would like to see not only kerbside continuing, whether it is run by the parishes or whether it is run by the States, but we will come on to another amendment perhaps on that. But I would also like to see the bring banks intensify. I do not see it as an either/or choice between one or the other. So I do support this amendment.

100 The other amendment, that is seconded by Deputy Meerveld, I do not like, I must admit. It effectively questions the validity of performance indicators and targets. Now, we are always looking at targets for everything from financial transformation programmes to statistical digests, to Deputy St Pier's obvious targets for expenditure reduction, and so on and so forth. Why in this area would we abandon any methodological analysis? Indeed when I sat on Deputy Parkinson's States' Strategic Plan sub-committee there was a feeling at the time that we lacked key performance indicators, we lacked measures, we lacked ways of actually evaluating, for example the success or failures of diverse policies from preventative health to expanding the bus service, for example. Why would we go against targets in this area?

105 Of course, Deputy Fallaize, you said you can get target obsession and be targeting the wrong areas, but I think if you take Deputy de Sausmarez's approach more and you actually look at the overall value of the measures that you are looking at, I think it is important to support targets.

110 I was entertained by Deputy Roffey's description of the 'cash cows', but I mean you can of course make cash from waste as well. When I mentioned cash cow it was perhaps taken out of context all those years ago, but it comes of course from the Boston Consulting Group Management Consultancy whereby they identified in the private and public sector that there are some items that you can raise the price of and you can sustain significant revenue, because people would continue to purchase them.

115 I also say to you, sir, the Presiding Officer, when Deputy Roffey mentioned the enthusiasm of Mr Richard Collas with the Guernsey Conservation Society, the Environmental Council and many other initiatives – and I know the gentleman very well and have great respect for his work – it is not of course yourself, sir, but I believe your cousin. (*Laughter*)

120 **The Bailiff:** Yes, thank you for reminding me that it is not myself!
Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

125 This is fascinating. We are debating this now I think because some people voted in error. Deputy Heidi Soulsby acknowledged that with a blush and Deputy Lowe said she voted that way to make it interesting. So, interesting it will be.

I could not find this note yesterday when we were discussing bring banks, so I will just read it now: 'We will have an enhanced facility at Longue Hougue at the new purpose-built household waste recycling centre. We will also retain some existing bring bank sites or one or two new improved sites. The decision will be made once the full kerbside system is up and running and we can then judge what remaining demand, if any, there is. If cost-effective to retain some of the bring banks then we may decide to do that.'

135 But importantly: 'Use of bring bank sites has already fallen by around 60% for most materials since kerbside was introduced and glass in kerbside would of course see another significant reduction.'

Deputy Fallaize asked a question yesterday which was: 'What would be the implication to Environment & Infrastructure STSD if this amendment succeeded and, importantly, the Prow/Roffey amendment? The reality is that we do not have the staff or resources to do any of this. The people dealing with the waste issue, you will know them, it is a very small group of people who would be fully committed to delivering on a waste strategy. If you want to send people once again around the block or give them something else to do, they will not be able to do it. Somebody else is going to have to do this. So if you want to approve an amendment that initially the proposer and the seconder did not want placed, if you want to again approve this and support it, then it would be something of a financial imposition on E&I and STSB to the extent that Deputy Charles Parkinson and myself would consider placing an amendment to ensure that we had the resources to deliver on this amendment, and another amendment if passed.'

I can see some people see that as perhaps shroud-waving and that it is designed to perturb people in voting for these, but it is a fact. I respect the will of this Assembly; placing amendments is what we do. If you place an amendment with a resource implication you must realise at this time the resource is simply not there. So, if you are willing to support this amendment and any following amendment, we will have to place an amendment to propose that we have funds to secure a resource if needed or a staff member to carry out any of this work.

I am sorry, obviously I cannot support the Meerveld amendment either.

155 Thank you.

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

160 I am equally amazed. I do not think since this rule has been introduced about withdrawing amendments that I have seen the Assembly not agree with the proposer and seconder who want to withdraw an amendment. Anyway we are always entering new ground. *(Laughter)*

165 Firstly, I would like to speak on Roffey 2, if I may call it that. I do not intend to repeat more of the arguments from my speech yesterday but I intend to remind Members about the main points that equally apply to this amendment as to Deputy Kuttelwascher's. The targets were supported by extensive consultation in the period from 2010 to 2012. All four of the proposals that were shortlisted included maximising recycling. The targets were supported by the States in January 2012 by 41 votes to 1. The targets were not challenged at subsequent debates – and, most important, the workstreams have been specified, developed and negotiated based on those targets. If there are no targets, how are P&R going to prove that the contracts are value for money when there is no target they are trying to achieve? Please reject this amendment, as you did the amendment yesterday.

170 On amendment 4 – I had 5 in my speech – but this is amendment 4, Parish Island Collection. This topic was covered in detail over several pages in January 2014, Billet II. If Members want to look at it I think it is page 100 if they can access it online or they have got it with them. The Proposition which was supported by the States was: 'continue with the current system that the

parishes have responsibility for collections', and includes the ability of the Douzaines, if they choose, to delegate their responsibilities to the Waste Disposal Authority.

180 The law has been drafted and approved by this Assembly late in 2015. It just awaits a commencement ordinance – a simple ordinance that switches on a law at a particular date. The project plan for the strategy includes the Douzaines awarding the contract for the collection of the waste and recycles at the end of this year, so that contractors have sufficient time to procure the vehicles and equipment in time for the new system to be up and running when the transfer station is commissioned.

185 There is no point in this report. The contracts will have been awarded for the collection before the end of the year, as specified in the current project plan. This report will just divert resources, as Deputy Brehaut said, at this critical time – and I emphasise those words 'critical time' – when all resources need to be focused on delivering the strategy. If the States want to reconsider who is responsible for collection, then that should be done once the new strategy is up and running,
190 knowing that if a report proposed a change from the Douzaine to the Waste Disposal Authority and that was then supported by the States, the law would have to be amended and the States would have to approve the amended law. So it will take time for any change to take place. There is absolutely no point in supporting this amendment at this time. You would just divert resources.

195 On the bring banks ... and I am surprised really, because yesterday I think there was a message about 'This is expensive'; and now we are talking about enhancing bring banks. That costs money; that is going to come out of the charges. Why spend money on them if you have kerbside collection? There is no point. And the points about socio-inclusion, access for disabled, infirm and elderly were well-covered yesterday.

200 As Deputy Brehaut says, one location will be enhanced. And yes, there is still a need for some bring banks, for example for polystyrene, sometimes when people have large bits of cardboard which they cannot fit in their bags, and there are books, and there are textiles. So there is still going to be a limited need for bring banks. But I do not believe that we should be at this point in time concentrating resources on trying to enhance them.

205 I would just add one final point. Finding new or alternative sites has proved extremely difficult – the number of options previously ruled out on planning grounds, and proposals for others drawn up and withdrawn or rejected following opposition from the parish, the public or due to traffic concerns. So I ask you please reject both of these amendments and let's just concentrate on delivering the strategy.

210 **The Bailiff:** Deputy Brouard.

Deputy Brouard: Thank you, sir.

215 I just wanted to align myself with the speeches yesterday of Deputy Fallaize and Deputy Langlois who both summed it up pretty well. Just looking at part of the amendment here it says: 'the most cost-effective way ...' but as Deputy Fallaize will agree, what about convenience, what about noise, what about the time of day, etc.?

220 I am also very concerned that if we end up with one Island contractor, then who will be around three years later to challenge that contractor for a good price? At the moment by having several contractors we can work one contractor against another to get a keen price. And that is in fact what is happening now, we have got a combined contractor who is working in the West. So the contractors can work together to help in certain areas and certain parts of parishes can be done by another contractor. So I cannot see there is a particular problem.

225 I just want to give Deputy Dorey a little bit of reassurance. The reason why I voted to make sure this item carried on being debated was not to support it, but to make sure it was in fact defeated – and I think there may be some others in the same camp who want to see it defeated, as such. But I think what Deputy Langlois was absolutely spot on, we need to press on, as Deputy Dorey said this morning. So please let's get rid of this amendment, defeat it, and let's move on and get our waste strategy up and running.

The Bailiff: Deputy Soulsby and then Deputy Meerveld.

230

Deputy Soulsby: Yes, so whether I voted the right way or wrong way I am pretty agnostic on these amendments I have to say and my primary issue is over what Deputy Brehaut spoke about, the actual time that might be taken up by doing the work required on these amendments. But of course if this was defeated it does not mean that the other amendment can be laid afterwards.

235

The Bailiff: Deputy Meerveld.

Deputy Meerveld: Sir, with your indulgence I will make some general remarks and forfeit my right to speak in general debate. (**The Bailiff:** Thank you.)

240

I support both of these amendments, numbers 2 and 4, and I support the research on the cost-effectiveness of the collection of waste because it should be a fundamental part of the contract, of the whole project. At the end of the day, Deputy Parkinson and Deputy Brehaut have both said that this is absolutely fundamental, we have to have kerbside collection to make this system work. In which case, in any commercial world we would be looking at the most cost-effective way of doing that.

245

As Deputy Brouard alluded to, the most cost-effective way may be having more than one contractor. But you would do that as part of the implementation. If you are going to say to me, 'No, we are not looking at the cost-effectiveness, we are going to ignore that, we are just going ahead', then I have got major concerns about how we run our projects in general. If you are saying you do not have resources to do that, then again I have major reservations about how the project is being implemented.

250

So I would definitely like to see a report come back and this should be part of the implementation of the project. It should be fundamental to the implementation of the project and should be simply printing off the findings that have been done as part of proper project management.

255

I also support the idea of looking at the bring banks. I am very happy to hear that the bring banks will not die *en masse* when this new policy comes in. I, and my family, have always recycled to the maximum, but there have been occasions when we have had family parties, etc. and we have produced more bags than the roadside collection would pick up. I have gone to the bring banks with excessive amounts of packaging for Christmas and birthday parties and things like that, to get rid of those excesses. An enhanced bring bank for me would be one that is not located on the coast, it is situated on concrete or tarmac, so it can be cleaned up around it easily, and preferably under a tin roof so you can actually drop off your waste without being rained on.

260

Yes, there is a cost associated with that but this policy has got to be about how people can access it and being able to give multiple methods for people to get easy access to be able to dispose of their garbage. I yield to Deputy Fallaize.

265

Deputy Kuttelwascher: Point of correction, sir.

270

The Bailiff: Deputy Fallaize.

Deputy Fallaize: Mine was a give way, if Deputy Kuttelwascher has a point of correction.

The Bailiff: Yes, I think Deputy Meerveld was giving away to Deputy Fallaize, he was the one –

275

Deputy Fallaize: Yes, but if Deputy Kuttelwascher wants to make a point of correction –

The Bailiff: Are you giving way to Deputy Fallaize?

280

Deputy Meerveld: I am giving way to Deputy Fallaize.

Deputy Fallaize: So, Deputy Kuttelwascher, just to make a point of correction, I am happy to –

The Bailiff: Well, I think you are already standing to give way and you have not yet said anything, so I do not think – (*Laughter*)

285

Deputy Fallaize: He is pre-empting me!

Deputy Meerveld makes a good point about cost effectiveness and acknowledges, as I think most speakers have, that whatever is done in terms of collection, some bring banks will continue to be necessary.

290

But I am confused because some of the more recent speakers speaking in support of this amendment have created the impression that this amendment accepts that there is going to be kerbside collection and then asks for some analysis about whether bring banks can be enhanced as well as kerbside collection. Now that is not the way in which the amendment was presented by Deputy Roffey.

295

Can we just have some clarity from speakers in support of this amendment about whether they are suggesting that they envisage that bring banks either would replace kerbside or whether the enhanced system of bring banks that they envisage would be as well as kerbside, because you cannot have the two together?

300

Deputy Roffey has presented it on the basis that you can save £2 million-a-year by doing away with kerbside collection and having enhanced bring banks, but some of the speakers in support of this amendment are saying that they want enhanced bring banks in additional to kerbside. So which is it?

305

The Bailiff: Deputy Kuttelwascher, point of correction.

310

Deputy Kuttelwascher: My point of correction relates to a comment made regarding limits on how much you can put out in terms of recycling bags. My impression has been, rightly or wrongly, that there is no limit on how many recycling bags you put out. Is that still the case? In which case, the statement made by Deputy Meerveld regarding when he has his events and parties and he has more than usual is not a problem; you just put out as many bags as you want.

Thank you.

315

The Bailiff: Deputy Meerveld.

320

Deputy Meerveld: Just to answer those comments in sequence: to Deputy Fallaize, yes, I would envisage a system that would have both, and I am reassured by the statements from Deputy Dorey and Deputy Brehaut that those bring banks would exist. I would envisage an enhancement to what we have got now by removing them from the coast and putting them into a more discrete area, having a concrete base or a tarmac base you can actually clean up around easily, and preferably having a roof over them so you have access to them without getting wet or the wind blowing the rubbish around.

325

Yes, you can put out an excess amount of garbage. I have actually been in situations where it says recycling out in extra bags, but again with Christmas boxes and parcels I have had stuff that will not fit in the recycling bags; I have had situations where I have had black-bag waste which was in excess of what they would be picking up and they have left my black bag at the side of the road with food waste in it being attacked by vermin for a week. Having said that, most of my food waste goes to the chickens, except for the chicken. (*Interjections*)

330

Going on from there! I would support a report coming back to the States telling us the status of the implementation of kerbside recycling and looking at whether it has been done cost-effectively – and I would question, if that is not being done as part of the implementation of the project, why not?

My overall issue – and the reason I have supported Amendment 2 – with this whole proposal is cost: the cost to the States that we are approving the expenditure of and the amount that is going to be passed down onto the public to cover those costs.

335 This is where I am reporting the strange situation of coming from a commercial background, where I moved through everything very practically and commercially and I look at the practicalities of implementation and delivery; whereas Deputy De Lisle said yesterday 'Commercial companies all set targets – why shouldn't we have targets? Why shouldn't we have a 70% target; a stretched target?' The problem is that companies and public sector view targets totally differently.
340 In the private sector, if you set a target – and it may be a stretch target – at every stage in the process of trying to achieve that target you are looking at value for money and return on capital. At any stage, if that target becomes too expensive, you are likely to amend the project, amend the target and revise your position, or scrap the project completely and walk away from it if it is losing money.

345 The problem in the public sector is you create a public expectation – this is not just the States of Guernsey, this is governments worldwide. Then we have a nasty habit of going out and writing out greater and greater cheques to try and achieve an arbitrary target and we create an expectation in the public mind. The problem with stretch targets are you have the law of diminishing returns. You can end up in the situation where the cost of going from 69% of
350 collection to 70% collection is actually greater than the cost of going from 50% to 60% – but you have created an expectation and you are going to pursue it.

We have had an example inside of Education with the preschool provision, where there have been reservations about the cost-effectiveness of that provision and the impact on the commercial world, but we were advised by officers, or there was advice from officers, that there
355 was a public expectation for it to proceed and therefore a trial has gone ahead at a cost of nearly £1 million. Whereas, in a commercial world I would have said, 'Hold back on that; re-evaluate it before you start.'

That is why I am suggesting that we look at removing this as a fixed target. It actually occurred to me in debate yesterday that there could be a different way of looking at this. How do we make
360 this work within the context of public spending? Maybe what we should be doing is saying we approve a budget for waste collection: now, go and collect as much as you can and recycle as much as you can within a fixed amount. That gives the incentive to actually try and be as efficient and as effective as possible and, if you want to increase the percentage of collecting, you could then come back to the States and say, 'We want to collect an extra 5%; we want to collect an extra
365 10%, but we are going to need x amount of money and funding to do it. That is why I would like to take the 70% out, because I do not want to see an expectation created that then has us driving to that target at any cost.

Talking about cost, I am concerned at the escalation in the costs over the time that this project has been reviewed. I am concerned that they will continue to escalate through implementation. I
370 am also concerned on how that money has been recovered from the public. I am *very* concerned about what I call 'stealth taxes'. It is very easy for Government to say, 'Ah well, we are going to do a project – it is in the greater good; it is in the interest of society – but we are going to charge the end-user. We are going to pass those costs on.'

That is all well and good but we are doing more and more of that and we are seeing more and
375 more of that in this term, and I am concerned about the squeezed middle classes. This is not the people on social benefits; not the poorest in society who ultimately would probably get this provided for free. I am worried about those people who are just outside that band, who are currently trying to become homeowners, or are homeowners, who are trying to stay out of GHA housing or social housing and who are getting more costs put on them. That extra £300 or £400
380 that this will represent to a family, on average, is another blow on top of increased fuel charges, reduced Family Allowance. The list goes on where we are taking money – little bits, little incremental pieces out of their household income – and squeezing them harder and harder in a

period where we are not seeing economic growth and the wage growth that we used to do to help recover it.

385 This is why I have grave reservations about this whole policy. I also have reservations as a new Member that I have not been involved in the process and it has been presented to me as a *fait accompli* – ‘You have to agree with this.’ That is why, because of my reservations, I will be supporting these amendments, but will actually be abstaining from the consolidated proposal.

Thank you.

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The Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

395 I just want to thank Deputy Meerveld for making a wonderful speech on my amendment which is now out of the way. I am surprised that he did not vote according to the views he has just expressed, and really that is all I want to say on these two amendments.

Thank you, sir.

The Bailiff: Deputy Tooley.

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Deputy Tooley: Thank you, sir.

405 Sir, for me, as for many others, the bigger issue here is about reducing the waste we produce: not over-purchasing things we do not need and then allowing them to perish; using up leftovers rather than discarding them; repairing rather than replacing; fixing and making do; encouraging our retailers and manufacturers to cut down on unnecessary packaging – but that is not what we are here to debate today.

410 Deputy Kuttelwascher has pointed out that delivering on this may well lead to us failing to meet targets – well, great! I think that is fabulous. I cannot think of a better reason to fail to deliver a solution than to remove the problem in the first place. It is like saying that cutting out car accidents makes seatbelts redundant.

415 The clock has ticked away the seconds; sands of time running downward, filling up the spaces where once we placed our rubbish; trickling into the gaps between the broken glass and cartons; sliding away from the crumpled packets and crushed containers; dripping through the leaves of the collective purse – tick, tick, tick.

420 Sir, imagine if you will that I am a parent of a fairly normal, if slightly larger than average, Guernsey family. Let’s call me Dawn, shall we – people seem to like that! (*Laughter*) My children want to save the polar bears, the rainforests and the world at large, so they believe in recycling. I believe in recycling because I believe in my children and I want them not to be drowning in waste and using up the precious resources that the world has left. So I do my best: I want to recycle and I try, but I am busy and I am occasionally guilty of doing not what is best but what is easiest.

425 Would it have been better for the world if I had walked here today? Yes, but it might rain on the way home, so I came in the car. This Chamber has no difficulty accepting that the vast majority of members of the Guernsey public want their car for convenience.

425 Would it be better for the environment if Dawn had used cloth nappies for her children? Yes, but ...

430 When it comes to recycling she wants to do it; she believes in doing it – but let’s not beat around the bush here, I am not talking about Dawn; I am talking about me. I am talking about the average parent of a Guernsey family. I know that I recycle more efficiently when I know it is easy to do so. I know I am more likely to recycle my milk cartons if there is not a risk of sickly-sour milk residue seeping into my car’s carpets. I know that if my food waste is collected separately I will separate it.

I have a confession: yesterday I threw away a complete, unopened vanilla New York cheesecake because it had green spots, and while I know it is perhaps a good idea to create our own, growing my own penicillin did not seem like such a good idea.

435 I separated the cardboard and the plastic and the tin container and put them in recycling boxes. It would not have been difficult for me to then place the cheesecake in a food recycling box where it would sit in that box in my kitchen rather than in the bin in my kitchen. Food waste already goes in my kitchen bin and then to the bin by my door. It is not suddenly going to be smelly or less pleasant because it is in a different bin.

440 I will not be supporting this amendment because I know that while it is fantastic to have places we can take our rubbish as and when we want to take it, sometimes there is too much packaging hanging around from Christmas or wherever and it is going to sit in those plastic bags by my back door and get soggy and get heavy and be a nuisance, waiting until next week when it is a white bag that is collected. Sometimes I want to take my recycling somewhere, and it would be great to have that.

445 An enhanced facility would be amazing, although in response to an email that Deputy Ferbrache sent around last night, I think it will need to be enhanced by more than having Deputy Fallaize on a recording reading out the Rules of Procedure. It might need to be enhanced with a crèche to make it somewhere that I can place my children while I put dangerous glass bottles into a box. *(Interjection by Deputy Ferbrache) (Laughter)* Oh, God, if only! That would be an enhancement we could call for.

450 An enhanced bring bank facility will have to do more to encourage people to use it than we are able to do on the limited budget that is being suggested would make this practical. We need to keep collecting our recycling from people's doorsteps. We need to make it easy for people to do the right thing.

455 Ultimately, people want to do the right thing, and that is why I will not be supporting these amendments.

The Bailiff: Deputy Merrett.

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Deputy Merrett: Thank you, sir.

Mr Bailiff, fellow States' Members, before I speak I need to declare that Andrew Merrett, in his capacity as director of Lovell Ozanne Architects, did have an interest in the Waste Transfer Station, but only in design and planning stage and the company has no interest.

465 I am seconding amendment 4 because, whereas I do see the benefits in kerbside recycling, we need to do it in the most cost-effective way. If it is potentially more cost-effective, as stated in the policy paper at 7.15, page 23, that Islanders could potentially save approximately £250,000 per year, a quarter of a million pounds a year, by having the Island-wide collection service rather than the parochial one, then I think it should be properly costed out and labelled for the States, for us, to decide.

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Two hundred and fifty thousand pounds, a quarter of a million saving – that is a recurring saving every year on year. I do not think that £¼ million per year – to quote a word that was used yesterday by the Deputy – is 'trivial'! How can the potential saving of £¼ million be trivial? How much do you have to earn a year before you start to think that £¼ million is trivial; that £¼ million is not okay to save?

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I assumed the definitive costings for an Island-wide service compared to a parochial service would be the next stage in the process; the parochial protections were not a done deal. Surely the costings have been done and considered by the Committee and Board. How on earth would the potential savings have been recognised? I believe it should be the States who make an informed decision regarding the Island-wide or parochial kerbside collection service. Even if it is not the States or the STSB that are tasked – and P&R overlooking this – how can either of them decide if it is better value for the parochial or Island-wide collection service without the necessary costings?

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This decision should be made with in-depth, intelligent scrutiny and in an open and transparent way. This should not be a done deal without the relevant costings. The States represent this Island in its entirety; therefore, we need to be thinking of this Island as a whole and

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not in parochial silos. We need to be ensuring that all Islanders are getting the best value for their money: the biggest bang for their buck.

490 In my opinion, the primary objective of this amendment is to ensure that the States offer the most cost-effective way of collecting recycling and the States as a whole make the decision; hence, the end of 2017 deadline. Assuming the estimated saving in the policy paper has a solid foundation this should not be too onerous for the relevant Committees to bring to the States by the end of the year.

495 Bring banks clearly still have a place. What if you do have excessively sized cardboard to recycle? What if you are going on holiday and you want to drop it off before you go? What if the dictated pick-up day does not suit you or your household? What if you forgot to put out your recycling? What if you are not home or you do not have enough space in your home to store all of your recycling? All Islanders should be able to reduce their black bag waste. All Islanders should have the same opportunity.

500 Okay, so let's go back to the kerbside. As Members may be aware, the current Parochial Collection of Refuse (Guernsey) Law 2001 does not contain specific provisions related to kerbside collections or create powers enabling directions to be made requiring certain waste streams to be put out for recycling and separated; there are no enforcement powers in the law. These are important matters to note. A significant failure to comply with the requirements for the separation of waste can cause technical difficulties at the recycling and recovery sites.

505 In 2014, the States approved proposals for new legislation further to which the Parochial Collection of Waste (Guernsey) Law 2015 was prepared and approved by the States on 21st September 2015. It is important to note this law is not yet in force and cannot come into force until the Policy & Resource Committee makes an order commencing the law. The Environment Pollution (Guernsey) (Amendment) Law 2015, which is relevant to this issue, has also
510 been drafted but is not fully in force.

Both laws were approved by the States on the basis that the parish is still carrying out all waste collection services. So, assuming that the current Waste Strategy is implemented by the Waste Disposal Authority – currently known as the STSB – carrying out kerbside collections, we will need to approve further legislation provisions in order to enable the STSB to do the job effectively.

515 Why should we report back by the end of 2017? Because we should note that in terms of the Douzaines delegating their functions, although there is some flexibility which allows a Douzaine to delegate functions to be carried out in the name of the WDA, under section 18 of the 2015 law as a matter of practicality all the Douzaines would have to agree to this to work Island-wide – *all* the Douzaines!

520 Alternatively, the Douzaines could agree to enter a collective agreement to commission one central body, such as STSB, to carry out the job of waste collection on behalf of all the parishes. All the Douzaines would have to agree, and how likely is that to happen? I would argue it is unlikely. In fact, it would be mission impossible. Not even 007 would attempt that mission.

525 If the Parochial Collection of Waste (Guernsey) Law 2015 is brought into force in its current form, we would be at the mercy of all the Douzaines agreeing or the States having to repeal or amend the law. Currently, a change in who runs kerbside collection at present is unlikely to require an amendment to the Waste Management Plan as kerbside itself will still be provided.

530 As I have already stated, the Parochial Collection of Waste (Guernsey) Law 2015 is not yet in force as it is intended to be commenced at the time of the new waste infrastructure comes into operation and the new charging scheme consisting of a parish waste rate for collection and transfer and a WDA charge if disposal and recovery is enforced.

535 If the States do agree to changes in who should run kerbside recycling collection, whilst it will be necessary to make some legislative changes to the legislation that has already been prepared in order to implement the strategy based on kerbside collection by the Douzaine, those changes should not be particularly difficult to achieve. In essence, what would be involved would be the creation of duties requiring and enabling STSB to undertake collection and transfer of kerbside recycling from dwelling houses with charges and exercising enforcement in place from the

540 Douzaines, saving even more money and time in doing yet another U-turn in the saga that is the Guernsey Waste Strategy, saving even more than that trivial £¼ million a year, saving more money and time in doing yet another U-turn.

Please support amendment 4 which will help ensure that the most cost-effective way of collecting recyclables is debated in this Chamber and not decided behind closed doors.

Thank you.

545 **Deputy Dorey:** Point of correction: the report says £150,000 to £250,000. I think it is wrong just to use one number when there is quite definitely a range in the Billet.

The Bailiff: Deputy Smithies.

550 **Deputy Smithies:** Thank you, sir.

Amendment 2 and amendment 4 are very different creatures. Four is actually a delaying amendment and a costly amendment. The work it instructs is already in hand and will form part of the five-year review. To report back in nine months can only interfere with the timetable – and it is a very tight timetable – for the introduction of the Waste Strategy. It is therefore a distraction.

555 Deputy Merrett – and I bow to Deputy Dorey's correction – quotes the higher figure on page 23 at 7.15, but totally ignores the figure on page 23 at 8.3: £75,000 per month of delay. So if we take the lower figure that is two months' delay, we wipe out the £150,000 which she seeks to save.

Amendment 2: the target should perhaps have been better worded in the original –

560 **Deputy Merrett:** Point of correction, please sir.

The £¼ million, or up to £¼ million, is a recurring year-on-year cost, not a single saving. It is a year-on-year cost.

565 **Deputy Smithies:** And that saving can be approved after the implementation of the programme in the ongoing discussions.

Amendment 2: the target should perhaps have been better worded in the original resolutions and perhaps also in this one too. In 2012, the targets were set on the understanding the strategy will be implemented by the end of 2015. With a three-year delay, it is perfectly reasonable to delay the target dates. Maybe 70% within ten years of full implementation would have been better. Hindsight is a wonderful thing.

570 Targets are important, but they must be realistic. I will be voting against 2 and 4 and, if necessary, 5.

The Bailiff: Deputy Le Tocq, do you wish to be *relevé*?

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Deputy Le Tocq: Yes please, sir.

The Bailiff: Deputy Parkinson.

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

I do not propose to speak on amendment 2. I think the Assembly yesterday accepted that the entire Waste Strategy is built around targeted high rates of recycling. We debated that very thoroughly and the Assembly very wisely comprehensively rejected attempts to undermine those targets yesterday, so I hope they will do so again today.

585 On amendment 4, as Deputy Merrett has just explained, the parishes have legal responsibility for arranging collections of waste under the current law. When new arrangements come into effect, the legal responsibility will be extended to include whatever additional collections the WDA stipulates. The parishes will be responsible for levying the collection charges as well.

590 The collections could be organised on an Island-wide basis and that could be achieved by one
of two mechanisms: either the parishes could delegate their responsibilities for collection to the
WDA – or, in principle, anyone else – or we could change the law to remove the responsibility of
the parishes in this area. If it is decided with the parishes that central management of the system
would be more efficient, changing the law would be one way of achieving this but it is not the
only way. If that route is taken the matter would inevitably, of course, come back to the States.

595 Incidentally, there was an impression in some of the speeches yesterday that certain Members
thought that Island-wide collection meant collection by States' Works. That is far from necessarily
the case. The potential efficiency gains in an Island-wide system arise from the rationalisation of
the collection rounds, not from bringing the collection system in-house.

600 The preparation of another report by the end of this year would not only be an unnecessary
distraction but would require resources that we simply do not have available. I do hope Members
will not reverse yesterday's decision on the enhanced system of bring banks either. It has been
said that there will be ... No, it is true certainly that there will be at least one enhanced bring bank
at Longue Hougue in the form of the Household Waste Recycling Centre and some others will
remain, but without researching any report at all I can tell the Assembly now that a system of
605 bring banks would be cheaper than a kerbside organised on an Island-wide basis. I can tell the
Assembly now that kerbside organised on an Island-wide basis is likely to be cheaper than
kerbside organised by the parishes. But the most expensive option of all would be a kerbside
recycling system on an Island-wide basis together with a comprehensive system of bring banks. I
do hope, when he sums up, that Deputy Roffey will acknowledge this and suggest to the
610 Assembly what extra cost the taxpayers and ratepayers might be willing to bear.

What is actually being proposed in the report is a sensible way forward. We do not need the
distraction of preparing an additional report by the end of 2017. We have not got the resources to
produce it. As the system develops – and we are entering a new world – I have no doubt it will
evolve over time and it may be that in due course we agree with the parishes that collections
615 would be more efficiently organised on an Island-wide basis. But I would prefer to do that with
their agreement and with their co-operation rather than to legislate to remove some of their
current responsibilities if we do not have to do that and we do not need to sort this out by the
end of 2017. In due course, I am very hopeful that we will come to an agreement with the
parishes. They are not in the same place on this issue, to be honest. At the moment, I do not know
620 that we would get a unanimous agreement, but I am confident that we can work towards that. I
prefer to do this by co-operation and consensus and agreement. Legislation to remove some of the
statutory powers of the parishes could be introduced into the Assembly; I hope it will not be
necessary to do that. If it is introduced, I can say that would certainly be, as far as I am concerned,
a last resort.

625 So the States can develop the collection system and over time I suspect that it will be
amended, and I do not think we need the distraction of trying to produce a report, which basically
will tell us what we will already know, by the end of 2017.

The Bailiff: Deputy Dudley-Owen.

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Deputy Dudley-Owen: Yes, thank you, sir.

I am a Douzenier for the Forest and therefore value the work of the Douzaines in dealing with
the collection of our waste and really know first-hand the time and effort *gratis* that goes into this
service. I do appreciate there is an administration cost that is passed back.

635 I have been inclined to support this amendment because of the figures stated within the report
of the savings and I have been keen to see these justified. I do feel that there is a lot of talk within
the Chamber about removing ... it is like a Sword of Damocles hanging over the work that the
Douzaines do in regard to collection of waste and a feeling that these so-called undemocratically
elected parochial groups really should have this last vestige of heritage work taken away from
640 them. Well, I disagree with that entirely and the reason that I thought I might support this

amendment was because, once and for all, I wanted to put this matter to bed, because I really can't see how the free work that is done by the Douzaines can be saved upon.

645 However, I am really heartened by the information given by Deputy Smithies and also Deputy Parkinson that they would be seeking a consensus view working with the Douzaines to see how if any savings can be made they can work together on this matter.

So I think in view of that I will not be supporting, I am afraid, the Roffey/Merrett amendment.

The Bailiff: Deputy Yerby.

650 **Deputy Yerby:** Thank you, sir.

For the reasons given yesterday, I will not be supporting the Roffey/Meerveld amendment, but as for the Roffey/Merrett amendment, I am rather more torn.

655 I am very tempted to call the bluff of Environment & Infrastructure and States' Trading Supervisory Board, because they have flagged a six-figure saving and whether it is £100,000 or £250,000, that is not unsubstantial and so saying that there are no resources to do the work suggests that it might, in fact, be an invest-to-save project.

660 I also felt that the question of opposing it on the grounds that it only asked the Committees to look into cost-effectiveness was being a little bit too pedantic, because cost-effectiveness has two elements – the cost and the effectiveness – and when we are looking at how effective something is going to be, we have to take matters such as convenience and accessibility into account. So those other aspects would form part of the evaluation.

665 I am also concerned by what Deputy Merrett has flagged up in terms of the complications involved in changing the way of doing this once one route has been started down. I noted that she said that all Douzaines would have to agree to a change of plan and Deputy Dorey was shaking his head during that. I am more than happy to give way if he would like to explain why that was. If not, perhaps that would be picked up in the summing up.

I would almost certainly have supported amendment 5 if it had been laid because of the absence of bring banks, because of the points that Deputy Tooley raised. That also gives me pause over supporting amendment 4.

670 So those are the main arguments in favour of voting for the amendment, but on the other hand I do believe my colleagues when they say they will do the work according to a sensible timeframe and what is more, when we come to voting on the policy letter as a whole, I am going to support the Propositions which delegate final sign-off to the Policy & Resources Committee, which means I trust them together with the two Committees to reach a sensible solution on the overall project; and if I trust them to do that on the whole thing, then I find it hard to single out
675 just one element and say, 'But you must look further into it and you must do it in this way.' That in the end is probably going to take me, grudgingly, to voting against the amendment. But I am not happy with it being shrugged off as a distraction and I think even less so because it was the Committees that flagged up the potential savings to begin with and I am just standing effectively
680 to register my dissatisfaction with that.

The Bailiff: Deputy Paint.

685 **Deputy Paint:** Sir, I think we should be looking back at a little bit of history here to see how tenders have worked in the past.

First of all though, if we talk about bring banks, only a few years ago when PSD, as it was then, started removing bring banks there was a public uproar, people wanted to go to bring banks. Okay, they were reduced so you could allow kerbside recycling, but the cost was huge and it will continue to be huge and rise.

690 In the tenders, the Castel Parish had three tenders, I think it was, last year. The most expensive one was public works. That one changed so if we start going for a central collection of waste, it is

going to cost much more than what it does today and has done in the past. These are the dangers we have to face. Do you want to see –?

695 **Deputy Dorey:** Point of correction.

The Bailiff: Deputy Dorey.

700 **Deputy Dorey:** I think Deputy Parkinson explained quite clearly that if it was centralised it would not be the idea that States' Works does it; it will go out to tender and States' Works could tender for it but other private organisations could equally tender, so you cannot say if it is centralised it will be States' Works doing the work.

705 **Deputy Paint:** Thank you, Deputy Dorey, for that, because that was my next point.

My next point is we might find a contractor coming from the UK using cheap labour that will undercut everybody and where will we be then? You would be putting people out of work. You would be putting actual tenderers out of work at the moment. Where they are going to work? They have done this for many years. There are huge, great dangers in what is being proposed.

710 I said yesterday that I was happy with some of what Deputy Roffey said. It was the bring banks I was interested in. People did want to recycle through bring banks. As we have already heard yesterday, there has not been a huge great rise in recycling because of kerbside recycling, but I am sure there has been a huge great rise in cost.

715 **Deputy de Sausmarez:** Point of correction.

The Bailiff: Deputy de Sausmarez.

720 **Deputy de Sausmarez:** Sorry, there has been a really significant rise in collections from domestic properties – 30% in terms of the blue bag materials. I would consider that significant.

Deputy Paint: Well, 1% or 2% is what I have heard.

Deputy de Sausmarez: May I respond?

725 **The Bailiff:** No. (*Laughter*) You have made your point, he has made his point.

Deputy Paint: Thank you for that point, but I do not believe you. (*Laughter*)

I feel that at the end of the day, no matter what you do and if you follow this line your costs are going to rise in one way or another.

730 That is all I have to say, sir.

The Bailiff: Deputy de Sausmarez.

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

Just picking straight up from that point that Deputy Paint made, I can understand where the confusion lies because the overall recycling figures cover a huge range of things and there are two things that skew the figures, if you like. One is the overall drop in the volume of paper recycling which has dropped by about 30%, globally as well as locally; and the other is the variable nature of the green waste. So our green waste volumes depend very much on the weather and so they can really fundamentally influence our recycling rates, because as we heard from Deputy Roffey, they are now included in our overall recycling rates.

740 I think what is important though, is not the overall figure, but we are talking about domestic recycling here. So it is important to note that kerbside recycling has been *very* effective in

745 increasing the levels of recycling, especially, as I said, with blue bag mixed waste materials, which have increased to the tune of about 30%, and engagement is considerably higher since we have had kerbside.

I think we have got so much data locally, and it is backed up globally, that kerbside recycling is indeed what makes the recycling initiatives effective. That is just a fact – it is. It is a fact here, it is a fact everywhere else.

750 I think in terms of amendment 4, this is what it boils down to: amendment 4 does still include the element of bring banks. I would like to ... I think it was Deputy Fallaize who pointed out that some of these speeches in support of amendment 4 do tend to conflate this issue. We raise this Utopian vision of these wonderful enhanced bring banks – enhanced not only by recitals of Rules of Procedure and education speeches, etc., but I think probably more realistically, a European system with these wonderful underground or covered ... Deputy Meerveld's covered bring banks. That is great, but ultimately what this comes down to is not either/or, because there is no way we are going to achieve cost savings with bring banks and kerbside recycling, so let's be very clear about this: what this amendment asks us to do is that this is calling for an end to kerbside collections. That is what it asks for. I think to me, that is what this amendment boils down to.

760 The other issues will probably be covered in amendment 5 if this one falls.

This calls for an end to kerbside recycling, justified mainly on the grounds of cost and ignoring all other considerations, and I would like to commend Deputy Tooley on a thorough explanation.

Deputy Fallaize: Point of correction, sir.

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The Bailiff: Deputy Fallaize.

Deputy Fallaize: In fairness, it does not. (*Interjections*) Daft though the amendment is, it does actually call for an investigation into an end to kerbside recycling. (*Interjections*) It does not call for an end to it in itself. Now, Deputy Roffey obviously wants it to end, because he keeps saying he does, but the wording of the amendment does call for an investigation.

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Still a very bad amendment, but not quite so bad! (*Laughter*)

Deputy de Sausmarez: Okay, I completely accept that clarification, but I think it is important to understand the intent behind it, because I do not think Deputy Roffey would be in any way duplicitous about that. (*Interjection*)

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While we are talking about the wording, I am surprised that Deputy Fallaize has not actually picked up on this. We are being asked to consider a kerbside scheme. I am not sure how broad that scheme ... or what that scheme envisages. Is it a collection scheme? I am not sure, or is it something far broader? Perhaps a little bit of clarification on that might be useful!

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Thank you very much. I would certainly urge my colleagues to reject amendment 4 and of course amendment 2. Thank you.

The Bailiff: I see no one else. Both Presidents have spoken, so Deputy Roffey will reply on both amendments.

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Deputy Roffey: Sir, they are very different. Could I reply on them separately?

The Bailiff: Yes. Do you want to reply on amendment 2 and we will vote on amendment 2?

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Deputy Roffey: Yes, fine.

The Bailiff: Then you will reply on amendment 4 and we will vote on amendment 4.

Deputy Roffey: Okay, I will do amendment 2 first.

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The Bailiff: Unless you want to do them the other way round?

Deputy Roffey: No, no, two is fine! (*Laughter*) I don't mind which way, two is good, it comes before four, so why not?

800 Deputy Hansmann Rouxel said it was really important to have targets because without targets, the Committees would not be focused on the task of increasing recycling. If that is really true, we have got the wrong people on both of those Committees, I have to say. If they require –

The Bailiff: Deputy Hansmann Rouxel.

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Deputy Hansmann Rouxel: I did not say that they would not be able to focus. I said if you take out the targets, it is part of the Strategy, and therefore those component elements ... I do not think I even mentioned anything about being able to focus.

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Deputy Roffey: Well, okay, I will look back at *Hansard*. (*Laughter*) It may not be that word, but the impression I got is that it would keep the attention of the Committees really trying to do delivering high recycling rates because the targets were there. I do not have such a dim view of the two Committees involved to actually think that that is the case.

815 Both Deputy Dorey and Deputy Fallaize – and Deputy Parkinson – have said that the Strategy is absolutely grounded in high recycling targets. Of course it is *not*! It might be closer to the truth to say that it is grounded in achieving high recycling *rates* – a totally different thing from targets. Targets and actually what you achieve are two totally different things. Deputy De Lisle points back to the golden days when he and I were sitting up there and he first brought in this target of 50%. I said, 'Look what we have achieved since!' Actually in terms of recycling rates, if you keep a
820 common denominator as far as methodology is concerned, we have achieved only a few percentage points increase.

825 What we have achieved is a big reduction in black bag waste. Therefore, what I say to Deputy Gollop, when he says, 'We need benchmarks to see how well we are doing', is this sets the wrong benchmark! It is not about how high the recycling rate is, but how much we drive down the amount going into black bags.

830 That could not be more clearly illustrated than in the little spat we had between the Deputy on my right and the Deputy on my left – both in physical terms and probably political terms as well! (*Laughter*) – because they were both right! Bringing in kerbside recycling has only brought about a smidgen increase in the total recycling rate, and yet that is what we are setting targets for – total recycling rate.

835 What has been happening underneath that is the amount of paper – a very good thing – that is being generated as waste in the first place has gone down. So we have seen a very big decrease in the amount going into black bags, without an actually big increase in the total amount being recycled.

840 What are we trying to do in future? What messages are we trying to send out?

845 One of the big problems we are trying to solve here is that 40% of our black bag waste is food waste. We are hoping that when we start charging people per black bag, that they will – I am not sure all of them will – but we are hoping that they will stop doing that and they will no longer put their food into that black bag.

840 If they do that, there are two ways they could do it, I suppose, for 80% of people – you do not need a big garden. If you live in a flat you cannot do it, I accept, but for 80% they could actually home compost it instead. Alternatively they could put it in their food caddies – they have got very simple locks, we all know about that (*Laughter*) – and send it out.

845 If we are setting figures, if they go into the food caddies, that will drive up the recycling. If they put it in their home composting, it will not drive up the recycling rate. But which is best? If they put it in the food caddies, Guernsey has to pay a large amount of money to send it off to an anaerobic digester in the UK and have it treated. If they do it at home, it does not cost us

850 anything! And yet these targets are saying it is a good thing if they put it in the caddy because then the recycling rate is going up. It is not such a good thing if they home compost because it is not going up.

You could extend that. I would like people to buy less packaging – less cardboard, less plastic, less polystyrene. Yet if they do buy lots of it, and we take it away from them for free, according to our targets we are setting, that is a great thing that is happening because the recycling rate will be going up! If they stop doing that, and probably healthier for them all to buy a few less tins –
855 certainly healthier for me to buy a few less bottles, but that is another matter! (*Laughter*) – under those, if we simply change our behaviour to generate less waste, that will not send the rate up.

So far from targets being a good thing in this sense, I think they are a *perverse* incentive. We are setting the *wrong* targets.

860 I actually do not want targets at all, but if we did, it should be targets on reducing black bag waste so that we have to produce less refuse derived fuel, we do not need such a large facility. But to actually focus everything around 'the more we recycle is good', when actually we should be avoiding the need to recycle in the first place, I think absolutely stinks.

865 So it is very good gesture politics to set targets. I get the impression that most of our Members here today want to make a gesture by setting the 60% and 70% – however perverse those targets are, however illogical they are, however unlikely we will meet – so go ahead and do it, vote against my amendment! (*Laughter*)

The Bailiff: Hon. Members, we vote then on amendment 2 proposed by Deputy Roffey, seconded by Deputy Meerveld – *aux voix*. Those in favour; those against?

Some Members voted Pour; others voted Contre.

870 **A Member:** A recorded vote, please sir.

The Bailiff: A recorded vote, yes.

There was a recorded vote.

Not carried – Pour 19, Contre 20, Ne vote pas 0, Absent 1

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Graham	Deputy Dorey	None	Deputy Stephens
Deputy Green	Deputy Le Tocq		
Deputy Paint	Deputy Brouard		
Deputy Dudley-Owen	Deputy Yerby		
Deputy Roffey	Deputy De Lisle		
Deputy Prow	Deputy Langlois		
Deputy Oliver	Deputy Soulsby		
Alderney Rep. Jean	Deputy de Sausmarez		
Alderney Rep. McKinley	Deputy Tindall		
Deputy Ferbrache	Deputy Brehaut		
Deputy Kuttelwascher	Deputy Tooley		
Deputy Lester Queripel	Deputy Gollop		
Deputy Leadbeater	Deputy Parkinson		
Deputy Mooney	Deputy Le Clerc		
Deputy Trott	Deputy Le Pelley		
Deputy Meerveld	Deputy Merrett		
Deputy Inder	Deputy St Pier		
Deputy Lowe	Deputy Fallaize		
Deputy Laurie Queripel	Deputy Smithies		
	Deputy Hansmann Rouxel		

The Bailiff: Members, the voting on amendment 2 was 19 in favour, with 20 against. I declare the amendment lost.

875 Deputy Roffey will now sum up on amendment 4.

Deputy Roffey: Just failed short of my target there – never mind! (*Laughter*)

880 Let me absolutely clarify. Deputy Fallaize is right, Deputy de Sausmarez over-egged it. What I was after with this amendment was to compare three possible ... Look, whichever way we go, even if we keep kerbside, I think for all the reasons said by others, having a few bring banks is a very good idea. But that is not what this amendment is about.

885 Deputy Parkinson is quite right: to have a comprehensive kerbside scheme and then to hugely increase the number of bring banks as well would be even more expensive. What this amendment is saying is can we look at the three options for bringing in our recycling? The three basic options are: kerbside as presently organised by the parishes; kerbside organised in some way on an Island-wide basis, and I take absolutely Deputy Parkinson's point, there are different ways of skinning that cat; or saving, not £2 million because obviously there is only a net saving – there will be a cost to doing it through bring banks as well, but it would be by reverting to a significant number, and buy in a cart system – I am not talking about enhanced bring banks. Nice to see – I agree it would be nice to see – but I am talking of a far more comprehensive system of bring banks – I want to make sure that this Assembly really wants to commit to £2 million a year. I want to ask that question.

890 If it does, fine. I do not agree with them actually. I think it is the best system for doing it, kerbside, but I do not know that that price tag is affordable at the present time. It will be interesting to see how many people vote in favour, because Members obviously voted to debate it, and why the heck they did if they were not mindful to vote in favour of it ... ! Deputy Brouard often amazes me! He voted for it, in order for it to be defeated. It would have been gone and defeated and removed, had it not been there... One way or the other, amendment 5 is going to be laid, although I have to say I will lay it without saying a word about it, because it will all have been said on this one.

900 What confuses me slightly about this is all of these resources that are going to be needed to bring forward this report. Certainly I will almost cover ... Amendment 5 is not in play, so I cannot talk about it, but it will apply.

905 Deputy Parkinson tells us, 'We already know all the answers. I can tell you now, this is going to be cheaper than that, this is going to be more cheaply ... this is how it can be done.' But if we actually look at it – 'Oh, that is going to be a huge amount of officer time, to actually go into it!'

In this Billet, and they must have almost been expecting an amendment – if not, they are more green than they are cabbage-looking – in this Billet, in paragraph 7.15, it says:

Moving from parish boundary-based collection rounds to an island-wide arrangement would potentially achieve savings of £150,000-£250,000 per year through improved efficiencies.

910 I do not think they are just making that up on the fly. I presume that they have looked into it, and that those figures have not just been lobbed in to mislead us – that they already know! So where is all this huge amount of officer work that is going to require ... certainly under amendment 5 if it gets laid, I accept that looking into where to put new bring banks would take a lot more work, but certainly on the other option, it would take almost no work at all, unless we are being misled, and actually there is no basis or groundwork behind these figures whatsoever.

915 Deputy Langlois was a little bit rude about me yesterday, really, suggesting that I was fiddling while Rome burnt and what were we all doing here? He is in a really lovely position, isn't he? Up to £¼ million a year, there is dust in his pockets. He does not really care about it – not worth talking about it – less important than a bonfire! (*Laughter*) Well, I am not sure that is the *Zeitgeist* in Guernsey, out there in the community, that the States could save up to £¼ million a year.

920 I reiterate – I actually stand ... we do not agree on much this morning, but I do agree with Deputy Parkinson – there are lots of ways in which more logical collections could be done. It could actually be done by the parishes.

I do not mean to be a revolutionary, but what if these parishes that share roundsmen actually levy identical rates, decide to make it a joint operation so that that private roundsman, instead of
925 having to stop halfway down one street and go and have it weighed to see how much to bill one parish, could actually carry on and that bill was shared equally per household between both parishes. There are all sorts of ways of doing it.

But when we are struggling for money, to turn around to the people of Guernsey and say, 'We must carry on doing this inefficient way', seems to me to be ... Well, if we do that, we really will be
930 saying that money is no object – and I think it is.

Please look at the amendment. It is not saying that we should move from a parish-based system to a centralised system. It is asking for a report saying what is the most cost-effective way. I hope that the Douzaines rise to that challenge and by inter-working between themselves, they can show that while they keep responsibility, they can organise things that actually will allow the
935 best of all worlds; that will allow them to carry in their traditional role but through co-operation and at a deeply fundamental level, will allow logical rounds around the Island, rather than the illogical rounds that have pertained up to now.

Sir, it really is down to this Assembly. There will be if this is defeated – I will not quite understand why you forced us to debate it, because I did say, one way or another we would lay
940 amendment 5, but I suspect it will be defeated in which case amendment 5 will be laid, and I will not say a word in laying it, because I have already said it. It is the same, but without the option of looking at extra bring banks.

I hope that has clarified, and I look forward to comparing the vote on my motion to withdraw. It is the first time I have ever voted against something I have put forward, I think! (*Laughter*) but I
945 was really putting it forward as a compromise with my seconder! I will look forward to comparing that with the final vote.

So let us have a recorded vote now, just so we make that interesting comparison later on.

Thank you, sir.

950 **The Bailiff:** So we will have a recorded vote, Members, on amendment 4, proposed by Deputy Roffey, seconded by Deputy Merrett.

There was a recorded vote.

Not carried – Pour 19, Contre 20, Ne vote pas 0, Absent 1

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Green	Deputy Graham	None	Deputy Stephens
Deputy Roffey	Deputy Paint		
Deputy Prow	Deputy Dorey		
Deputy Oliver	Deputy Le Tocq		
Alderney Rep. Jean	Deputy Brouard		
Alderney Rep. McKinley	Deputy Dudley-Owen		
Deputy Ferbrache	Deputy Yerby		
Deputy Kuttelwascher	Deputy De Lisle		
Deputy Gollop	Deputy Langlois		
Deputy Lester Queripel	Deputy Soulsby		
Deputy Leadbeater	Deputy de Sausmarez		
Deputy Mooney	Deputy Tindall		
Deputy Trott	Deputy Brehaut		
Deputy Le Pelley	Deputy Tooley		
Deputy Merrett	Deputy Parkinson		
Deputy Meerveld	Deputy Le Clerc		
Deputy Inder	Deputy St Pier		
Deputy Lowe	Deputy Fallaize		

Deputy Laurie Queripel

Deputy Smithies
Deputy Hansmann Rouxel

The Bailiff: Members, the voting on amendment 4 was 19 in favour and 20 against; I declare amendment 4 lost.

Now, Deputy Roffey, do you wish to lay amendment 5?

955

Deputy Roffey: Yes, sir, I do wonder what ... no, I will not go there. *(Laughter)*

The Bailiff: Sorry, I am just asking do you wish to lay the amendment? If so would you like it to be read?

960

Deputy Roffey: Yes, sir. I do, sir, and in doing so I would like to conjure up the –

The Bailiff: Well, just before you speak would you like it to be read for the benefit of anybody listening, if there is anyone still listening who might wish to know what it is about?

965

Deputy Roffey: I can read it if you like? If it was a very long one I would get the Greffier to do it, but as it is short I can –

Deputy Smithies: Sir, can I ask if we need to have a suspension of the Rules to introduce this amendment?

970

The Bailiff: No, not that I am aware of. I am not aware of any reason why.

Deputy Fallaize: If there are resource implications, it needed five days' notice.

975

The Bailiff: There is nothing in the amendment to indicate that there are resource implications.

Deputy Fallaize: Well, no, except that the Presidents of the two Committees laying the policy letter have said that they will lay another amendment seeking money.

980

Deputy Roffey: There is no indication we will pass that, so – frankly I do not see why it would be necessary and I will quite happily ... Anyway, there we go. I accept your ruling anyway, sir, that there is no need to!

985

The Bailiff: There is nothing in the amendment to say that it has resource implications. Deputy Roffey.

Amendment 5

To insert a new Proposition 9 –

'9. To instruct the Committee for the Environment & Infrastructure, in liaison with the States' Trading Supervisory Board and any other relevant party, to investigate the most cost effective way to collect recyclables and to report back to the States with their conclusions before the end of 2017. Such investigation must consider, inter alia, a Kerb-Side scheme run by individual parishes and an island wide Kerb-Side scheme.'

Deputy Roffey: Thank you, I am happy to read it.

Deputy Roffey read Amendment 5

990 **Deputy Roffey:** Sir, I would simply like to conjure up the shade of the late, great Deputy Bill Bell, by saying that amendment stands in my name and I so move. *(Laughter)*

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

995 **Deputy Merrett:** I do, sir.

The Bailiff: Does anybody wish to speak on it?
Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Thank you, sir.

1000 Since I was quoted in Deputy Roffey's final speech, I thought I would get up. I wanted to say the amendment asks for an investigation. That is what has been happening. There is all this muddling that has been happening. If we wait until after the scheme has actually been up and running we will have actual numbers to compare it with. We will be able to see how the scheme that has been proposed will actually be working.

1005 If we do more investigation and we spend more resources on more investigation, we are again just looking at modelling. I think we need to get the scheme up and running, and as STSB has said there will be reviews and they will be looking at how that scheme is working and they will be continuing to work with the parishes.

I absolutely agree with Deputy Roffey and Deputy Merrett saying that we should be looking at cost-effectiveness, but we cannot look at the cost-effectiveness in reality until we have actually got the scheme up and running. We are going to be looking at more modelling, more investigation – this what if, what if, what if ...? There have been so many 'what ifs' throughout this entire process and that is why the waste scheme has gone on for so long. Let's get it up and running then look at how it is working and whether we can do it more cost-effectively.

1015 Thank you.

The Bailiff: Deputy Graham:

Deputy Graham: Thank you, sir.

1020 I rise merely to speak in defence of the value of debate, really. I do think it is incumbent on me, if only to explain to Deputy Roffey that I voted with enthusiasm for debating amendment 4 and seeing it through to the end. And then, perversely, I voted against the amendment and I am sure he would have noticed. The value of the debate to me was this: when we started debating amendments 2 and 4 I was predisposed almost to vote against amendment 2 on the basis of
1025 being consistent with our attitude to amendment 1, and I was minded and I was attracted to amendment 4.

There is a lesson that was given us today in how to respond to an amendment by the proposer, and I thought Deputy Roffey's response to amendment 2 was brilliant. And certainly the logic that he deployed – and I will not rehearse it again – was immaculate. I accepted that, then I
1030 changed my mind and I voted for an amendment that I thought I was predisposed to vote against. But perversely, Deputy Parkinson's response to amendment 4 was the clincher for me rather than Deputy Brehaut's which I did think was a bit of sharp learning. I did precisely hear from Deputy Parkinson on behalf of the board, an undertaking to work very closely with the Douzaines, and as a Douzenier I valued that and that will be embedded in my memory, and that
1035 they would actually do this workstream in the appropriate time.

I think really what was the clincher for me, Deputy Roffey, was this timescale of a report by the end of this year, at what I think is going to be a very crucial time for the board and those who are responsible for managing it. And had it not been for the end of this year time limit on it, I would have voted otherwise.

1040

The Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

1045 I supported the last amendment but now, unfortunately, I am not going to support this one. The bring banks issue has vanished from it and what is left I think is best handled by a proper negotiation between Douzaines, because laws are involved here and Douzaines have the responsibility. If you were trying to impose something it would involve considerable legal work and I would rather leave it as it is, although I would not want kerbside in the first place.

1050 **The Bailiff:** Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

1055 If Members who were in the States in 2014 would remember, and if you go back to the 2014 report and read it, it was quite clear that PSD at the time wanted it to be Island-wide. And I was not a member of PSD then but they worked with the Douzaines, there was a lot of consultation and they came back with proposals which involved Douzaines having responsibility, but with the ability to delegate it. That was approved by the Assembly then and that is in law now – as I said, it is just awaiting a commencement ordinance.

1060 The plan immediately after this debate is to work very closely with the Douzaines so that the collection system can be set up. The project plan is for those contracts to be awarded just before the end of this year in order to be able to achieve the end. So this is not going to make any difference, it will just distract resources at this critical time, as I said earlier.

1065 So I urge you, please reject this amendment. If it was for 2019 I would say, yes, fine, let's do that, we have got the system up and running and we can look at that and if we want to change the law so that when the contracts are awarded for the next time, that will be the time to look at it. But this will not affect the existing contracts. They are going to be awarded before you receive this report. So please, Members, be responsible, be statesmen, reject this amendment so that we can put resources into what we need to do at this time.

Thank you.

1070

The Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir.

1075 I thought there was kerbside collection at the moment, sir, but at a cost. So I assume we know that cost. We are actually trialling it at the moment so while we have to continue with the trial or award them permanent contracts knowing the existing cost, although as stated by Deputy Parkinson it is cheaper to do it differently – I find it quite confusing.

1080 And just regarding the law: to reiterate, if the States do agree to the changes as to who runs kerbside recycling and its collection, I spent time this morning with the Law Officers and they have advised me that those changes would not be particularly good for the courts to achieve. When these laws are enacted the difficult part is then repealing them, or changing them – that would have a cost implication. We do not have to enact them in the first place.

Thank you, sir.

1085 **The Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1090 I think it is a fair point made by Deputy Parkinson that we do know the answer and that based on the modelling that has been done so far, and based on any modelling that could take place in the few months which would remain before this report would have to be laid before the States, the answer from the States Trading Supervisory Board is going to be that it is likely to be cheaper to run a centralised Island-wide scheme than a parochial scheme.

1095 But Deputy Dorey makes an important point about the history of this, and he was very charitable to the former Public Services Department which he later became a member of. But it was not as the result of an objective analysis that the parochial arrangements persist, it was as a result of capitulation by a States' Department to the representations made to it by the parochial authorities. I do not think this States is going to be prepared by legislation to take away the waste management functions of the parishes, any more than the previous States was prepared to. In fact I suspect comparing the two, if one States was likely to do it it would have been more likely that the previous States would have done it rather than this States.

1100 What will happen, I think, is that we will spend money carrying out this review, which potentially will divert time away from the implementation of the strategy. The Committee and the board will report back to tell us what they have already told us, which is that in their opinion it would be cheaper to run an Island waste scheme and they will put proposals before the States to approve that and to amend the necessary legislation. The parochial authorities will lobby their Deputies very intensively, and when it comes to the States the majority of the States will vote against by legislation removing this function from the parishes and handing it to the States. That is what I foresee happening, which is exactly what happened last time. I think the problem is the date of 2017 and trying to do this at the very time that the strategy needs to be implemented.

1110 The laying of these amendments has had a productive effect in that Deputy Parkinson has given an assurance to the States that his board will work with the parishes by negotiation, to try to reach the most cost-effective way of kerbside collection of recyclables. Now, they may very well have done that anyway, but Deputy Parkinson has now given this assurance to the States, it is on record, it is public, and I think that has been helpful. But given the history of this matter, it seems to me much more likely that we will get to the most cost-effective outcome by negotiation than by the States imposing by law what they foresee as the most cost-effective way of doing it, because this States in particular are just not going to be prepared to do that.

1120 Now if I am wrong, and if there is a majority of States' Members who believe that on the basis of the evidence they already have we know a centralised scheme is likely to be cheaper, if they believe that today they would vote in favour of a proposition to prepare legislation to take the waste management or collection functions away from the parishes and vest it centrally in the States, then by all means vote for this amendment. But I do not think there is a majority of States' Members who would be prepared to vote for that sort of legislation; and therefore commissioning this review would be a waste of resources when Deputy Parkinson has already given an assurance that the same work would be done in conjunction with the parishes by negotiation.

1125 So I am delighted that Deputy Roffey has been converted to see the problems of littering our coastal car parks with bring banks, and has laid this slightly better amendment before the States. But I think in the light of Deputy Parkinson's assurance it is superfluous.

1130 **The Bailiff:** Deputy Soulsby.

Deputy Soulsby: Sir, yes, I will be very brief.

1135 Just to agree totally with what Deputy Fallaize just said and I think negotiation is the word. We talk about the assumption being that there will always be people in the parishes who will be willing to do this work for free. But we know from certain parishes trying to recruit constables, that for people to be able to take time out and afford to be able to do work in the parishes is becoming increasingly difficult. So over time perhaps it might become Island-wide.

1140 But that is the process, as Deputy Fallaize said, through negotiation and through evolution, I suspect.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you, sir.

1145 Deputy Fallaize has really cut to the quick of this amendment and the point is that we did get distracted on the bring banks last time to be honest, as we do. But I got into a brown study a few minutes ago, because I was trying to reflect on how many Members of this Assembly are either currently serving Douzeniers, or recent past Douzeniers, or parish constables. The answer is quite a number, although about a decade ago it would have been more.

1150 But I think Deputy Roffey has had his moment of glory with that wonderful quote earlier today, in the media, about are we having a discreet heritage tax here in some way of another. Well, one could say that the perk and the church situation is a variation on a theme and we like that kind of thing sometimes for the benefit of the community and tradition.

1155 I am personally sympathetic to giving this a go though, because I would be prepared to maybe take the difficult decision that Deputy Fallaize is ducking. I have got two reasons for doing that, neither of which in itself is just about the saving of money. The first reason is as a long-serving St Peter Port politician the issues in town are different, and I think the town Constables and Douzaine have been more open-minded about integration and Island-wide solutions than some of their colleagues in the countryside. And that is one facet.

1160 The other reason really, is the political frustration of the history of the tale, because Deputy Fallaize has a point: the last States was full of quite a few people of solid corporate background and if anyone would have taken the call up I might have expected the current Chief Executive of Condor, the then Deputy Luxon. I know he certainly gave it a lot of really heavyweight, serious consideration. But maybe his solution was more based upon mediation and negotiation and workshops, for the simple reason that he not only had a team to carry here but at the time they had to get through a cash-constrained States, and a very complicated waste strategy that had been almost political suicide in the past – and they achieved that. And so to take on the additional burden of up to 10 different authorities remonstrating was a bridge too far.

1170 I think now the mood of the electorate since the election particularly, has been, 'Are we quite right about where we are going on waste?' I have always supported, and still do, an environmental ecological green-based approach. But you do have to evaluate, as I would hope a public accounts-type committee would in a different context, the options available to the Island and I think it makes common sense for the parishes to work together, and there is an argument for Island-wide based solutions or done through States' Works or some other entity or, as Deputy Merrett said, different kinds of contracts.

1175 We really should do this work and if we have to import an intern or a graduate or a consultant, or some team of people who could be political or otherwise, well so much the better because actually we need a fresh pair of eyes and some new thinking on this matter. So I will support the amendment and hope that we give it the benefit of the doubt.

1180 **The Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

1185 Just on the point that Deputy Graham made. There is a difference here, there is a discrete, standalone piece of work that runs parallel to a programme that you are trying to deliver. At some stage that discrete piece of work, which is in this amendment, impacts on a course that you have already committed to taking. And as Deputy Dorey said so well, the contracts have been negotiated, they will be signed and at that point we have a report that has what impact; and what weighting do you then give to the report?

1190 Historically, when I joined St Peter Port Douzaine we had Douzaine representatives who came into this Assembly and there was quite obviously much more of a political input and political engagement with the Douzaines. The Douzaine reps' role disappeared but the parishes still had this role of overseer of the poor, Procureur of the Poor – that role, which I fully supported, being taken into what is now PSS and it is appropriate that it is there. So the role of the Douzaine, it was not that it was diminishing, it was that it needed to re-orientate itself to the changes that were happening immediately around it.

1195

1200 The first opportunity it had to put a stake in the ground to say, 'We have a role and what we do of value is this ...'. And I think it became the refuse collections and the rates, and that argument loomed very large when PSD were trying to bring a strategy and the Douzaines were actually at that time seeking a new role for themselves. I think it was probably, respectfully to PSD colleagues at that time, a disproportionate argument relative to the broader discussion.

1205 What I said in my opening speech yesterday was that I read out the letter from Policy & Resources because it had to be read out, and I also pointed out the work of the Waste Disposal Authority and the States Trading Supervisory Board/Waste Strategy Implementation Programme Board which has joint membership of both Committees. Joint reports are odd things because most of this debate is actually about the 'doing' bit. E&I set the policy, so the knowledge sits with Deputy Parkinson and Deputy Dorey, who have the joint roles in both having an awareness of the policy and the day-to-day delivery. So Deputy Parkinson can give you that assurance because for him it is business as usual in the relationship he has in those negotiations.

1210 I did mention myself that we were - and again this comment, I said that we were shroud waving - but if there was to be a report drafted, I know there is nobody in E&I who can do that today; I know. We have lost a member of staff to the Hydrocarbons Programme Board because that needs a dedicated staff member, and that has created an empty seat somewhere else within E&I. We know which staff individuals are working on the waste strategy and if they have got to give their time to somewhere else then they will not be working or focused on the strategy.

1215 So I would ask Members to reject this amendment and allow us to make headway on this project that is now really, isn't it, long overdue? And let us not set a hare running that produces a piece of work that ultimately can have no influence on a process that has already been initiated.

Thank you.

1220 **The Bailiff:** Deputy Brouard.

Deputy Brouard: Thank you, sir.

1225 I think the time for doing the trials and the investigations is past at this stage, absolutely, as Deputy Parkinson has given the undertaking that he will review matters as we go along, absolutely correct. And just picking up on a couple of words in the amendment here,

a Kerb-Side scheme run by individual parishes and an island wide Kerb-Side scheme.

All our recyclables are collected now on an Island-wide basis although being done by individual parishes, and in some cases some parishes are working together with one contractor to bring that together. So it is a little bit that we are splitting something up that is actually happening as an overall group already.

1230 I personally am not convinced that a single behemoth contractor will do it cheaper, or at least in the long term do it cheaper because there will be no-one left to offer a tender when that tender comes up for renewal. I think those savings, if there are any, would then be soon lost.

1235 I think Deputy Brehaut is absolutely right we must not be distracted at this stage, especially in this year of implementation. We have got to get on. And to have another report coming back to tell us what we already know before the end of 2017 is not going to be as helpful. But I do take comfort from Deputy Parkinson's words that there will be ongoing reviews on how best to do it, and the more they can work with the parishes for the best of all the Island, so much the better. I regrettably will say please reject this amendment.

Thank you, sir.

1240 **The Bailiff:** Deputy Parkinson.

1245 **Deputy Parkinson:** Yes, sir, I am brought to my feet really just to say to Deputy Brouard that an Island-wide organised system of waste collection would not necessarily be collection by one waste contractor, the point is to rationalise the collections system and the rounds. One could

imagine systems developing with two or three contractors but where the rounds are properly planned and integrated, so that we do not spend time sending lorries down one side of a road and then sending a different lorry down the other side of the road.

1250 Basically I do not need to say very much more than that because Deputy Fallaize has made the argument very clearly, why this is unnecessary and unhelpful. I think I should respond to Deputy Roffey's initial assertion that this will not involve any work because we must have done the work already to come up with the figure of £150,000 to £250,000. Well, no, that is an estimate and unfortunately the States has sorry history of making estimates that turn out to be wrong. *(Interjection and laughter)*

1255 We have obviously thought about this but we have not discussed the figures in any detail with the Douzaines or gone out to tender, and we have not wanted to have what could become a contentious argument with the Douzaines at this time. I have said before, and I will say again, and Deputy Graham has already thanked me for saying it, that I am committed to working with the Douzaines to come up with the optimum solution for the Island

1260 As has been said, the decision to make them responsible for waste collections was made as recently as 2014 and frankly the only possible outcome of a review which says it would be much cheaper to organise this centrally, would be either that we pressure the Douzaines into agreeing to co-operate in such a system or that this Assembly takes it in its hands to legislate to remove that power from them. And like Deputy Fallaize, I do not think there would be much appetite for that battle. I hear what Deputy Gollop says, he is up for a fight. But I do not think it is necessary or desirable that such a fight should take place. I think we need to concentrate on bringing the new system into effect; we need to put all of our efforts now into building a waste transfer station and putting in place the necessary contracts. We do not need this distraction here and now by the end of 2017.

1270 Let's go forward with the work that we have to undertake, let's work with the Douzaines to make the collection system as efficient as it can be, and at this stage I am not contemplating either of our Committees bringing a report to the Assembly saying, 'We want to strip the Douzaines of their powers in this area'. Frankly that is simply not a fight I want to have and I do not think it is a fight Deputy Brehaut wants to have. If the Assembly by a majority votes that we need to go down that direction, well obviously we will very reluctantly carry out a policy which I do not support. But please, let's not put us in that difficult position. We would rather work with the Douzaines, we would rather see how this new system beds in, develop the collection system to meet the need – and we do not need a report by the end of this year to tell us frankly what we already know.

1280

The Bailiff: No-one else is rising. Deputy Roffey.

1285 **Deputy Roffey:** Sir, I suppose I ought to start by apologising to Deputy Parkinson for believing his policy letter. *(Laughter)* I thought that they were grounded in some sort of factual research rather than just a guesstimate pulled out of the year. But to the extent that initially my thought had been to bring an amendment asking, not for any report, but asking this Assembly to agree in principle to go for a system of kerbside collection organised on an Island-wide basis. I did not because I heard various Douzaines claiming that they believed that the claims in this Billet were incorrect and it could be done more cost-effectively. I find it hard to understand how, but I thought it was only fair to give them their chance to put the counter-argument forward.

1290 What I am not asking for is a new system to be implemented, if it is decided that we will have a new system on 1st January 2018. I am not asking for the sort of report that comes back and that lays out every jot and title of how it would work. Look at the wording: the wording asks for a report – something I think they could probably do next month by the sounds of it – on whether or not it will be more cost-effective for us to do this on an Island-wide organised basis or on a parish-by-parish basis.

1295

1300 Would we have the backbone – I think Deputy Fallaize asked – to take power away from the Douzaines? I must admit his opposition came slightly as a surprise to me because yesterday he made an off-hand remark when I was talking with Deputy Merrett about changing the amendment and taking out the bring banks. He said, 'Oh, I would second that amendment, along those lines.' But obviously he has had more mature thought about that overnight.

1305 Would we have the backbone? I do not know, but that is basically the decision I want us to take by the end of the year – not to redesign it. I understand it will take time; if contracts have been entered into they will have to be honoured. But I actually want this House to say, 'Do we want to save money and do it the most cost-effective way?'

1310 Deputy Parkinson: 'There are two ways this can be done', of course. It can be done by legislation – and Deputy Kuttelwascher says he is not going to support it because there are laws involved. Well, sir, I ask, what are we? I thought we were a legislator. I thought we decided what the legislation was. If it needs some alteration to the legislation, so be it. It may take time, but I am not asking on the 1st January 2018 for us to change it.

1315 The other way that he pointed out could be through the Douzaines doing it amongst themselves. He said, 'Do we want to pressure them into that?' Actually, yes, I do. I want them to retain the power over this area of Island life, but I want to pressurise them to actually work together in a co-ordinated way in order to save up to £¼ million on behalf of the people of Guernsey. **(A Member: Hear, hear.)**

1320 I think if you pass this amendment, that pressure will start to be felt. I do not think – I hope at least – we will even have to face that difficult decision about whether we take away the power from the Douzaines because they will be so keen to make sure the power is not taken away that they will actually come together and make sure that we do not have this nonsensical situation of a recycling vehicle going half way down one side and then stopping.

1325 Sir, it really is down to Members, but I hope that this Assembly will prove Deputy Fallaize wrong. He keeps implying that we have got far less will, less resolution, less backbone than the last Assembly that he sat in. He obviously was happier sitting there than he is sitting with us. *(Laughter)* I want us to prove him wrong and actually show that this Assembly has more backbone. It is clear – listen to Deputy Gollop. He knows which way we should go with this. He knows we should go hard and wide – so did Deputy Luxon it seems. I hope that will be done through the parishes, but that is the way that we should go.

1330 Let's not back away from it. A quarter of a million is not dust in Islanders' pockets. Let's actually put the pressure on by asking for a very simple report to come back saying, 'Can it be done more cheaply centrally, or is it better done with ten different systems or maybe six or seven if a few parishes co-operate?' I know where it should be and I want to put the pressure on.

Please vote in favour.

1335 **The Bailiff:** We vote then, Members, on amendment 5 proposed by Deputy Roffey, seconded by Deputy Merrett. Those in favour; those against.

Some Members voted Pour; others voted Contre.

The Bailiff: I believe that is defeated, but do you wish to ... ? If anybody wishes to confirm otherwise.

1340 **Deputy Merrett:** I will have a recorded vote, please.

The Bailiff: Right, we will have a recorded vote on amendment 5.

There was a recorded vote.

Not carried – Pour 15, Contre 23, Ne vote pas 0, Absent 2

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Green	Deputy Graham	None	Deputy Trott
Deputy Paint	Deputy Dorey		Deputy Stephens
Deputy Roffey	Deputy Le Tocq		
Deputy Prow	Deputy Brouard		
Deputy Oliver	Deputy Dudley-Owen		
Alderney Rep. Jean	Deputy Yerby		
Alderney Rep. McKinley	Deputy de Lisle		
Deputy Gollop	Deputy Langlois		
Deputy Lester Queripel	Deputy Soulsby		
Deputy Leadbeater	Deputy de Sausmarez		
Deputy Mooney	Deputy Ferbrache		
Deputy Merrett	Deputy Kuttelwascher		
Deputy Meerveld	Deputy Tindall		
Deputy Inder	Deputy Brehaut		
Deputy Lowe	Deputy Tooley		
	Deputy Parkinson		
	Deputy Le Clerc		
	Deputy Le Pelley		
	Deputy St Pier		
	Deputy Fallaize		
	Deputy Laurie Queripel		
	Deputy Smithies		
	Deputy Hansmann Rouxel		

1345 **The Bailiff:** Members, the voting on amendment 5 was 15 in favour and 23 against. I declare amendment 5 lost.

We come to amendment 3, Deputy Roffey.

Amendment 3

To insert a new Proposition 8 –

'8. To direct the States Trading Supervisory Board (as Waste Disposal Authority) and the Committee for the Environment & Infrastructure, after consultation with other relevant committees of the States and the Douzaines and any other relevant parties, to investigate the viability of moving to an on-island solution to waste disposal in the longer term.

Further, to instruct the Committee for the Environment & Infrastructure to contrast and compare the benefits and dis-benefits of any possible on-island disposal option with those of permanent export and to report back to the States with their findings within 3 years, in other words before February 2020.'

Deputy Roffey: Sir, I could talk for hours on this subject, (*Laughter*) but I think people are well and truly fed up, and so I will keep this relatively short.

1350 As we were saying yesterday, I have no doubt at all that we have to export our waste in the short term. Because of this Assembly's constant U-turns over the decades, we have now been left with absolutely no other choice, and I absolutely accept that.

1355 I also accept that, once we start to export our waste, we will really have to do so for quite a few years simply in order to get value out of the infrastructure that we will have built in order to enable that export route. How long that will require us to export our waste in order to get value will probably depend on whether the most expensive part of that infrastructure: the transfer station, will become totally redundant under any revised Waste Strategy. I am not convinced it will necessarily become redundant. It produces RDF and RDF may be a part of any other off-Island, on-Island, somewhere in between, waste strategy – no, I am not suggesting dumping it in the sea!

1360 If it is still useful as a plant producing RDF, then we will probably have to export for probably – I do not know – five to 10 years in order to make sure that we get full value. If it is completely

redundant, maybe we are talking more like 15 years in order to get value out of it. Very sad, in my view, but that, I am afraid, is probably the reality.

1365 I have already explained in my general remarks why I would have much preferred an on-Island solution to our waste, so I am not going to repeat that now. Instead I will concentrate on why I would like *this* Assembly to consider the long-term possibilities for on-Island solutions within the next three years rather than just kicking it down the road to our successors. I know it would be the easiest thing in the world to say, 'Oh, finally we have got across the finish line; let's just not talk about waste again for the next decade. It is going to be a matter for our successors; let them do it.' I understand that temptation, but I do not think it would be the right thing to do for a number of reasons.

1375 Put simply, it seems to take waste strategies forever to get from the concept stage to becoming a reality. I remind you it was seven years ago this month that we dumped Suez and about five years ago when we finally got round to deciding what to do instead. Now we are not going to be exporting our waste for – what, is it another 18 months, something like that? That will be eight and half years from when we got rid of our previous waste strategy and about seven years since we decided what to do instead. It seems to take forever to get it from the concept of what you want to do to actually doing it. So if there is a similar timetable next time – and I do hope it can be quicker actually, and I say that more with hope and expectation – then debating the options three years hence will mean that the soonest any revised strategy could be implemented will probably be about 10 years away from now. I am tempted to say we have got no time to waste; let's get on with it.

1380 There is another reason why I would like this Assembly to consider the options for an on-Island solution in the longer term before it leaves office. It will be us in this room that will have approved exporting our waste. In many cases, like Deputy Brehaut, I know he is going to say, 'What is wrong with that? We are exporting it.' He feels really comfortable with that, but I also know that there are quite a number of us – myself included – who actually do not feel that is the right route to take. We are voting for it against our instincts because of the position we find ourselves in. So, having voted to send it off-Island for the next probably 10 years, I think it falls on us to see if there is a better way of doing it in future, and not leaving it to our successors.

1390 What could those ways of disposing of it on Island be? In a way to even speculate it at great length is actually subverting the whole point of asking for the two Committees to come back in three years' time with those options. I deliberately pushed it right to the outside of this House's life because I do know in the next 18 months they are not even going to be thinking about this for a second because they are going to be totally focussed on implementing what we are probably going to approve sometime this afternoon.

1400 What could the options be? Well, it could be incineration. I do not regard that as a dirty word – none of us do – because we are going to send our waste to incineration. I certainly do not regard it as a dirty word and modern incinerators are actually one heck of a lot cleaner. I will never convince Deputy De Lisle, but they are one heck of a lot cleaner than they used to be in the past, with the fume extraction systems being much better. Yes, there are still some particulates coming out. I know Deputy De Lisle will tell me about that, yes. *(Laughter)*

1405 We can even get electricity out of it if we do it on-Island – and, yes, I know before I am told, it is a very inefficient way of generating electricity, but if you are burning your waste anyway at least you are getting something additional rather than not getting anything out of it at all.

The disadvantage, I suppose, against export, is you have to decide what capacity you want. Build too small an incinerator and the problems are obvious. Build too big an incinerator and then it is not working at full efficiency. The argument is exporting it is far better because if the amounts change, you just export less or your export more.

1410 Okay, that might be an argument against incineration, but I do not think you should have a closed mind here. I am not an expert in this area at all but I keep hearing about incinerators. They could also deal with recently mined landfill material, so you could actually adjust your capacity and the amount that is going through the incinerator by doing that, and by the same action

1415 create the void space you are going to need for the bottom ash. I think these things are worth
looking at if we would prefer to deal with our own problems on Island; if we would prefer to be in
control of our own destiny.

I am sorry Deputy Brehaut, but another option has to be landfill – B&Q it, if you like – in a
quarry. I think it was Deputy Brehaut himself who was dismissing this option on the media, saying
Les Vardes is not going to be available for 10 years or more. When we start to export, I think to
1420 get value out of the infrastructure we build, we will probably have to export for 10 years or more –
hmm, there might be a coincidence of timescales there. Maybe it is not Les Vardes that will be
best for landfill. Maybe that goes into waterfill and maybe there is another quarry currently used
for water that would be better off used for landfill. I accept it would not be cheap. We are not
talking about Bordeaux Mark 6 – or whatever it is. We are talking about something that will be far
1425 more expensive, where you try to create something inert first.

It may be new technology. Now I have to say I am cynical about this because I have been
hearing, ever since I have been following the waste debate, that there is some miracle just around
the corner with the new technology, but I think it is at least worth us horizon-scanning if we would
prefer to dispose of our waste on-Island.

1430 One thing I do know is that, if we have a long-term export strategy, we will be at the mercy of
the markets. At the moment we are getting a really good deal – well done to all the parties
concerned. They are actually getting a rate per tonne that is less than they originally estimated,
because it is a sellers' market for RDF because there is spare capacity in Europe's incinerators. Will
that always be the case? Landfill is becoming less and less popular. Landfill is becoming a dirty
1435 word in many countries. If you stop landfill, a lot of those people will look to divert their waste to
incinerators instead. I do not know. I am not saying it will become a buyers' market and that the
price will go through the roof, but it is certainly a possibility. What I do know is that we are not in
control. Unless we deal with it on-Island, we are going to be subject to the vagaries of the
international market for RDF. I do not feel comfortable with that. We are not in control of the
1440 costs in the longer term.

Sir, I would prefer to look at the options for an on-Island solution and I know some of my
colleagues would as well. Whether it is a majority, I do not know. I hope it might be before we just
go down any definite strategy of export; before we just give a sigh of relief, wipe the sweat off our
brow and say, 'That is settled for the next generation. We do not have to talk rubbish any more' –
1445 although I am sure we will talk rubbish on a number of subjects, but we will not have to talk
rubbish on rubbish any more at least.

I believe we should be taking one more look, and I absolutely understand no work will start on
it in the first 18 months, but I would like an outline of the options before we leave office in three
years' time.

1450 **The Bailiff:** Deputy Prow, do you formally second the amendment?

Deputy Prow: I do, sir.

1455 **The Bailiff:** Deputies Brehaut or Parkinson, do you wish to speak at this stage or reserve your
right to speak later? (*Interjection*) No.
Deputy Laurie Queripel, then.

Deputy Laurie Queripel: Thank you, sir.

1460 I must admit I am somewhat conflicted by this amendment. On the one hand I want a long-
term, on-Island solution. On the other hand, I am concerned about if the export method is too
short in duration – say, five, seven years – that for the significant capital cost spent on the
infrastructure, the facilities down at Longue Hougue, we will not get the best value for money for
that if it is only used for a comparatively short period of time. Perhaps that facility can be used or
1465 adapted for something else, but you do not know at this stage. That is a bit of an unknown to me,

so yes I want an on-Island solution in the long-term, but I really am concerned that we are going to spend a lot of money on a facility that might be used for a comparatively short term on the other hand.

1470 On my third hand, which I have got somewhere, I want as much States' or public money spent on-Island as possible. Money spent off-Island: once it is spent it is gone, and we do too much of that. It cannot circulate; there is no added-value to the spend in regard to the local economy, so if we had an on-Island solution at least the money generated here will be spent on an on-Island solution and that money will be able to circulate and stay within the local economy and have value added to it. So there is that third consideration for me as well, and that is an important one too.

1475 Members may know that I quite like the idea of modern landfill if we are going to go for a local solution, as it were. I think with modern landfill you would be getting an extremely ... Modern landfill is classed by most keen environmentalists as one of the most environmentally friendly ways of dealing with waste. If you use a quarry – say, for example, like Longue Hougue – that may well last for maybe 50 or maybe 100 years if you employed a modern landfill technique. That would be an extremely excellent long-term solution. It would be an environmentally friendly one and it would be a very cost-effective one. So there is that to consider as well.

1480 Before anybody stands up and says that Longue Hougue is a really important water storage facility, I may be wrong but, as I understand it, the water in that is saline. Also, as far as I know, it is not piped or plumped by Guernsey Water for a domestic supply, so it could not be accessed anyway at the moment. That is my understanding; that is my information. Deputy Dorey?

Deputy Dorey: That is not correct. It is a crucial part of our water resource.

1490 **Deputy Laurie Queripel:** But is it not saline? Is that correct? It is very contaminated by salt water and only the first few feet can actually be used as a fresh water supply?

1495 **Deputy Dorey:** I do not believe that is true. I think there is a survey which has been done on our water resources. I am not on the States' Trading & Supervisory Board, I am going back to my days as PSD, but they do use most of the water. There might be a problem at the very bottom, but it is a very important water resource, and we put equipment in specifically to make sure that it is suitable for drinking.

1500 **Deputy Laurie Queripel:** I thank Deputy Dorey for his answer. I just wondered, if he is not quite sure of those facts, if they could be researched further by the relevant Committee and the relevant Committee Members? But, nonetheless, my preference would be for a form of modern on-Island landfill. I think that would offer great value.

1505 Deputy Roffey says that actually the amount of landfill sites are decreasing, but when I did the research for my sursis in 2014 I found that there were still actually 600 landfill sites in operation and active in the UK and quite a few of them were adopting the modern landfill approach. Actually, the modern landfill approach, the kind I am envisaging, has actually been available since about the mid-1990s. If we had adopted that approach at Longue Hougue 20 years ago, perhaps the tip there would only be half full rather than approaching capacity.

1510 So yes, I am a bit conflicted by this amendment, but I think on balance I have argued myself into the position where I will support the amendment.

Thank you, sir.

The Bailiff: Deputy Le Tocq.

1515 **Deputy Le Tocq:** Thank you, sir.

I will be brief because Deputy Laurie Queripel has touched on a lot of the things I would have said. This is the one amendment that I have some sympathy with, and it is for all the reasons that Deputy Laurie Queripel has mentioned.

1520 My one reservation is that 2020 seems too soon to be reporting. We are going in this direction, and in my mind we have got to move in this direction. I do agree with some of the comments that Deputy Roffey made earlier on in if we could come up with an on-Island solution. I think there are plenty of options currently within that possibility for the future, but possibly more will emerge as well during the lifetime of the project that we are embarking upon.

1525 Obviously, the very expensive infrastructure that we are putting in place, to have value for money, needs to run for a good 15 to 20 years, but during that time the amount of effort that could be put into looking for an on-Island solution, I think, is worthy of our investigation. We can speculate here over quarries like Les Vardes and elsewhere, but that, in my mind, is not important.

1530 I do think we will always need, in the future, to have a facility to ship off-Island in one form or another and to separate as well. I do not think it is a complete waste of resource. I am just not certain that I would want to report back by February 2020 because I think that is too soon.

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

1535 I fully agree with the principle behind this amendment. Of course we need to do a review at some point in the future, but as Deputy Le Tocq has just said it is too soon.

1540 Deputy Roffey spoke about the market for our waste, but in fact, as is in the report, the EU have been legally binding targets on member states which include increasing municipal waste recycling to 65% – that is in the report. Subsequent to that report, we have now been told they are increasing it to 70%, so actually the situation will be, in terms of market for RDA, that there is a reducing amount of waste in RDF being produced. As has been said already in this debate, we are not just recycling more, we are producing less as well, which is why our black bag waste has gone down on the Island; we have got a higher recycling rate of what little we produce.

1545 I am not as concerned as he is that there will not be incinerators that will want our waste in the future. I think there will, by the reducing amounts being produced by Europe, be plenty of markets for our waste.

1550 He also mentioned that he wanted the States to debate it during this term. Well, actually, I think that is the worst thing to do, because what we have learned from education debates and this waste debate is actually the best time to debate something is at the new term, because you can then develop those proposals with those States' Members. There does not seem to be much sense of ownership of a decision made at the end of one term with the new States. Actually, I do not think that argument about bringing it at the end of this States holds.

1555 I urge Members to reject this amendment. February 2020 is far too early, as I said. The transfer station would have been operating for – by the time we have to take the figures in for that report – perhaps just over a year. That is far too early to get good data which you would need in order to make decisions on long-term contracts. Sorry, make decisions – we have already assigned long-term contracts, and the life expectancy is at least 20 years for the infrastructure that we are putting in.

1560 If this report was significantly later, I would have some support for it, but not in February 2010. Sorry, 2020! It makes no sense to look at alternative solutions at that time. We need to monitor the impact of the changes we are making over a far longer period.

Going back to the consultation that happened in 2011, only 14% strongly supported an on-Island solution. I see no evidence that that view has changed.

1565 He also mentions about using one of our quarries, but as we know Le Vardes is in a water catchment area and there is a States' resolution which says that is to be used for water storage in the future. So that would have to be changed if we were to look at –

Deputy Leadbeater: Point of correction, sir.

1570 **The Bailiff:** Deputy Leadbeater.

Deputy Leadbeater: My understanding is that Le Vardes quarry is not plumbed for our water system and, again, the water would be saline. Is that not correct?

1575 **The Bailiff:** Deputy Dorey.

Deputy Dorey: It is not plumbed, but it is in a water catchment area. There is a boundary in the Island which has been used for water catchment. The only area which could be quarried and used for land reclamation in terms of our waste would be the Chouet Headland, which is where we would expect that quarry to be done after Le Vardes is finished. That is the only area that you could use, as I understand, which is outside the water catchment area.

It is also important to realise that our environmental law gives us a process of deciding the best practical environmental option, and there is a particular procedure that we have to go through if we are going to change our waste policy, so it is not a simple task.

1585 The final thing is that, as part of any project, there is always a post-implementation review. With our procedures, as I understand, after a year's operation, you do a post-implementation review of how the process has operationally worked. That should be done first and we should have that information before we even think about looking at a future solution.

1590 The most important thing is that this has got a life of 20 years; it is far too early, even with our slow processes, of making decisions to start looking for a different solution.

Thank you.

The Bailiff: Deputy Brehaut.

1595 **Deputy Brehaut:** Thank you very much, sir.

Just to pick up on a question that was asked, having received a note: Longue Hougue is the Island's largest water reservoir and is currently still in use. I know the water quality, it is said, has not been good in the past, but it is certainly in use now.

1600 Members, I want you to picture a particularly grey, dark, murky day in a boardroom. The Chief Executive is drumming their fingers on the table. Everyone is absolutely flat, depressed. They are all uncomfortable because the table and chairs they are sat at are made out of recycled Tetra Paks, and it says on the door, 'Suez', and they just do not know what to do with themselves.

1605 Then, in the corner of the room, the telephone rings: 'It's Guernsey – they are looking for an incinerator!' Can you imagine how that would lift the mood? Guernsey would be a laughing stock. How many companies would consider coming back to Guernsey to tender for an incinerator when two companies, I would say, had a costly exercise; but think about that – Guernsey had a costly exercise inviting people to tender. Who would really put their staff and energy and time into coming to Guernsey to price for an incinerator, when the waste, we know, with the success of the Waste Strategy so far ...? From the heady days of 70,000 tonnes we are dealing with commercial waste of 22,000 and 11,000 – included in that is domestic waste. Just who would tender for such a facility?

I know Deputy Roffey did say – I think he said, from memory – that ...

I beg your pardon, I give way to Deputy Inder.

1615 **Deputy Inder:** Thank you for giving way, Deputy Brehaut.

Deputy Brehaut, with the greatest of respect, I do not want to say you were misleading us, but you do not actually know that, do you? Don't forget all the tenders got paid. You do not know that no one wants to work with Guernsey any more. Is it another one of these Guernsey facts that gets repeated time and time again and becomes a truth? (*Laughter*) You just do not know that no

1620 one wants to work with Guernsey. I think really we should be selling ourselves a little bit more. They all got paid.

The Bailiff: Deputy Brehaut.

1625 **Deputy Brehaut:** Well, I juxtapose Deputy Inder's knowledge of weighbridges and Tetra Paks. I think that is the context it needs to be seen in. (**Several Members:** Ooh!)

Whether it is a fact, whether it is known, this is a point of view which surely I am entitled to in this wonderful free democracy we all live in. I do not think that anyone in their right mind would tender for an incinerator again, having been twice bitten. The incinerator community, if that is what they are, are a very small, relatively incestuous bunch of people, who all know what is happening out there, business-wise. They all know what is happening and they are well aware of what happened when two tenders were given short shrift on this Island.

1630 Deputy Roffey spoke of harvesting from landfill. I know in the UK that may be possible. With Guernsey, what I am unclear about is what we have used our landfill in the past for, because pretty much everything has gone in. There has been obviously a large element of putrescible waste, but on top of that then road chippings go in, then green waste goes on, then soil goes on, and before we recycled anything from buildings then the concrete went on, so harvesting landfill in Guernsey just may pose, perhaps, something of a bit more of a problem.

1635 If we are saying that we are exporting into a market and we are at the mercy of outside sources and influences, yes we are to a degree, but there are incinerators being manufactured of the cleaner type, that I think Deputy Roffey referred to, that have a lifespan of 15 or 20 years. That market is not going anywhere for Guernsey in hurry.

1640 I believe what will happen is – this is just a point of view – we will commit to waste export; we will export for a given period of time. The Waste Strategy will be reviewed over time, and I could envisage a situation, whether 10 or 15 years in the future, when, who knows, possibly with the redesignation of Les Vardes – because we have dragged it into a water catchment area, haven't we? – that with engineering, with practices 15 years from now, 10 years from now, you could have a sell for landfill that is fundamentally different to anything Guernsey has seen before. Whether the Waste Transfer Station is adapted to become something that stabilises waste, for example, to make it inert, is a possibility. But that is not the decision that we are being asked to make today.

1645 We are being asked to go with the course of action on waste export. I think that this, what Deputy Roffey is asking for, is going to happen anyway. The idea that we come back with a brief outline of a report before the end of this House is, as Deputy Dorey says, probably the wrong time to do it. It is to look at this Strategy in the light of a successful export strategy. It would pay to review the Strategy at some point in the future, but not now.

1650 Thank you.

The Bailiff: Deputy Prow.

1660 **Deputy Prow:** Thank you, Mr Bailiff.

I rise to support amendment 3.

Sir, I do not profess to be an expert on waste. I have, of course, researched the subject diligently, which is no mean task as the so-called Waste Strategy goes back decades, and in my view currently remains largely undelivered.

1665 I have also attended the site visits and all the presentations helpfully provided by the Environment Committee and their officers, and I thank them for that.

At one such presentation, in answer to questions which enquired about the value of a historic waste policy, the senior civil servant replied to the effect, 'It has been of enormous value. It graphically demonstrates to the States how not to write and implement a strategy.' That at least seemed to get the full agreement of all those assembled.

Sir, my reasons for supporting this amendment arise out of the policy letter itself. I refer to section 9.5 on page 25, and I quote:

Previous experience has demonstrated understandable concerns within the community regarding past and present waste strategies – often vocally expressed. However there is no consensus on what represents the optimum solution, and no approach has ever achieved universal popularity.

This is possibly a rather understated and a more politely expressed view of what many had to say on the doorstep when I canvassed back in April.

1675 Section 2.6 on page 7 says this:

[Certainly] the issue of waste management in Guernsey is highly emotive – not least because waste disposal in future will inevitably be more costly than the current outdated practice.

Sir, it is against this backdrop that the policy letters says, in section 6.1 on page 13, when considering affordability:

It has been known for some considerable time that the cost of dealing with the island's waste will inevitably be higher in the future. This is because we will no longer be relying on what has been the cheapest form of waste disposal.

I will repeat the last sentence:

This is because we will no longer be relying on what has been the cheapest form of waste disposal.

1680 And it appears that we do know what the costs are going to be by referring to section 6.3 on the same page:

Currently, the average household refuse bill is equivalent to around £2.15 per week. That is estimated to rise to around £7 per week when the new infrastructure is fully operational. Therefore most households are likely to see a significant increase in their waste bills.

Sir, I think I would use the word 'momentous' rather than 'significant'.

Finally, on page 27 at 9.8, the policy letter states:

Ideally there would not be the current urgency associated with making the necessary decisions.

1685 Sir, I will not repeat the points that were very well made by Deputy Roffey in supporting this amendment. I endorse entirely the need to progress, and as section 9.8 says, we are backed into a corner. Instead I believe the policy letter itself cries out for a new Proposition 8.

1690 Sir, in summary, the paper before us tells us the costs to the public are huge and highly emotive. We are no longer relying on the cheapest form of waste disposal; in other words getting value for money. Due to the considerable timescale and impact of delays – again I will quote from the report – taken by the States over a considerable time, we are advised that, as an Island, we have no option but to export our residual waste to an off-Island energy-from-waste facility in far off Sweden. It would, in my view, be irresponsible to leave our Waste Strategy there.

1695 Whilst I agree with Deputy Kuttelwascher's points about recycling product and RDF, it is after all our waste we are considering and we get another jurisdiction to turn it into energy. Whatever the outcome of this debate, surely it must be right that the work goes on, following the loud and clear points the policy letter itself makes and which I have highlighted.

Sir, in my view, we must instruct further consultation with key stakeholders to investigate – not tender but to investigate – further the long-term viability of sustainable new considerations of exporting or otherwise dealing with our locally produced solid waste, and take stock by February 2020 of the benefits and disbenefits of exporting our waste solution.

1700 The argument that it would divert resources away from delivery do not wash. Businesses constantly have to think innovatively and to adapt and change and consider their business models. A post-implementation review is in any case mandatory and this has already been confirmed by Deputy Brehaut.

1705 It is also slightly disrespectful to the officers, implying that they are only capable of handling day-to-day operations and are unable to build this investigation into their capacity from now until 2020.

I urge all Members to support this enabling amendment.
Thank you, sir.

1710 **The Bailiff:** Deputy Leadbeater has been waiting a long time.
Deputy Leadbeater.

1715 **Deputy Leadbeater:** Sir, I have not been a supporter of spending thirty million quid on building an RDF plant and the required infrastructure when we could have sent our waste to Jersey in the short term without the need to turn it into RDF, but here we are with a three-year contract and we are out of time.

I am now of the opinion that whatever we decide to do with our waste in the long term – whether we continue to export it or we find practical, cost-effective and an environmentally sensitive on-Island solution – turning it into RDF will almost certainly be part of that process.

1720 I learned yesterday that RDF can also undergo a further process which can make it acceptable for landfill. Les Vardes quarry has only about 10 years left as a quarry in operation. This is a massive quarry and I am told that it alone could provide a landfill solution for many generations. So there is a possibility that in the long term we can maybe look at a mix of recycling and landfill, even if solely for commercial waste, incineration, partial exportation, or whatever, and not have to permanently export all of our environmental responsibilities in the area.

1725 I will therefore urge Members to demonstrate common sense and vote in favour of this amendment.
Thank you.

1730 **The Bailiff:** Deputy Smithies.

Deputy Smithies: Thank you, sir.

1735 I shall be opposing this amendment because it is too prescriptive and untimely. The current facilities and services have been tendered for a 20-year strategy – a 20-year strategy! Deputy Roffey, in his introductory speech, acknowledged a 10-year lead-in to the next viable strategy, so this amendment is actually 10 years premature.

Deputy Roffey speaks of clean incinerators. These are actually quite new technology. What is the point of anticipating what technology will be available in 10 years' time? Remember, the iPhone did not exist 10 years ago.

1740 This exercise has been estimated by officers to cost between £400,000 and £500,000. The Waste Disposal Authority will be reviewing constantly, and certainly in five years. The work will be carried out in due course as part of our mandate and our legal responsibilities to identify recovery and disposal options.

Please oppose this.

1745 **The Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1750 I think my opinion is similar to Deputy Le Tocq's on this and I may be able to support this amendment having opposed the others.

There is a problem with timing, highlighted by Deputy Smithies and Deputy Dorey, but I am not sure one should get too preoccupied with the timing. This reporting back date is three years from now. If the Board and the Committee involved believe, let's say in two years' time, that there is a good case to extend the period then they can ask the States to extend the time period. But to

1755 reject what I think is substantially a sensible amendment purely on the basis that we think a time that is three years from now may not quite be the right time to report back would be unfortunate.

There are political and financial and ethical arguments against the export of waste. I have never been terribly enthusiastic about the export of waste, rather like Deputy Laurie Queripel – and I mentioned that yesterday. Certainly in the end I came to see that given where we were some
1760 years back, export was probably, in the short term at least, a sensible option. Certainly where we are today, I think we have no realistic option other than to approve the proposals to export waste, but there is a credible argument against export.

Yesterday we heard about enhanced bring banks. Today we have heard about clean incinerators and modern landfill and, a bit like compassionate Conservatism, you cannot stick a
1765 good fluffy word next to a dodgy concept and think that what emerges is going to be of any value. The point is we do not need to debate what an on-Island solution might look like. It is not going to happen in this term; it probably will not happen in the next term of the States. It is a long way off. Whether it includes some sort of landfill; whether it is incineration; whether it is, as Deputy Brehaut spoke about yesterday that you put rubbish in at one end and get garden
1770 furniture out at the other; whatever it is we should not be debating that today. We are at risk of debating the kind of report which Deputy Roffey is trying to provoke in three years' time.

I think the issue is that the Waste Strategy is not without controversy. The implementation of it certainly will not be without controversy. There is going to be a significant increase in costs, and there is going to be a great deal of public concern – quite rightly and understandable – because
1775 of that. I think it is not wrong for the States to say, at the same time as approving the export of waste – because it is consistent with the Strategy previously adopted – to create an expectation that we expect the off-Island solution to be compared against a potential future on-Island solution in the years ahead. I think that is substantially what the amendment is seeking to provoke.

Deputy Smithies says, 'It will happen anyway', and it may happen anyway. I do not in any way question the integrity of the Members of this Board and the Committee. This is perhaps something that will happen, but we today as a States' Assembly are being asked to approve the
1780 export of waste. We are going to be causing the increase in costs and therefore I think at the same time, given that we know there are political, financial and ethical arguments against export, that it is not unreasonable for us to require a comparison of export verses an on-Island solution in the years ahead.

I do not think I want – unless Deputy Parkinson can convince me otherwise, which is not impossible – to be preoccupied by this date of February 2020 and allow it to undermine what I
1790 think is substantially the right expectation to create, which is that we need, sooner rather than later in the life of this strategy, to seek to compare the benefits and disbenefits of on-Island and off-Island solutions because the implementation of this Strategy is not without risk or controversy.

The Bailiff: Deputy Kuttelwascher.

1795 **Deputy Kuttelwascher:** Thank you, sir.

I was going to say I agree that this amendment is very premature. Well, I would like to add another 'very' now: it is very, very premature. And I do not like the way it is drafted because it is so, so prescriptive. It is an instruction to contrast and compare the benefits and the disbenefits of:

... any possible on-island disposal option ...

Well, there are loads. (*Interjection*) Not tens, there may be hundreds.

1800 There may be tens, even hundreds of solutions, so somebody has to be instructed – some member of staff – to identify all these and then contrast them. It is a tremendous amount of work.

What is significant is the contrasting will vary almost on a daily basis, because this is a moving target: the availability of different options on how to deal with waste. Earlier on this week there

1805 was a letter in the press with yet another possible solution. I have got a great big folder – and I have agreed to keep it confidential – of another solution.

What is the point? If they come back in 2020 with this contrast, they will say, 'It is only valid today, because we do not know what is coming tomorrow.' That is going to be absolutely true, so why bother?

1810 I am quite happy that the whole process will be monitored as we go along and if something magic comes out, including, shall we say, cost-effective use of landfill on suitable processed land, that is not a problem. But to do it now and to instruct this sort of process to be done now, I think is folly.

1815 I am a little disappointed that Deputy Fallaize only seems to take a lot of interest in timings when it suits him, and today it does not; yesterday it did. I think the same timing issue is highly relevant today. Unfortunately, I cannot support this amendment.

1820 The other issue is, what do you mean by 'on-Island'? You may think that Suez was an on-Island solution, but no, no; it was partial, because what do you do with the fly ash? That was going to be exported. At the time, if I remember correctly, there were only two licensed sites in the UK where we were going to send it. If they were to shut, we would have nowhere. Then you would say, 'Right, deal with it on-Island'. Could we get a licence from Environment to actually have such a facility? I suspect not.

On-Island is only ever going to be partial. Jersey has got an incinerator, creating ash, and then with the bottom ash, they are waiting to export it, because where they have dumped it before in the past has actually polluted the ground water.

1825 So when you talk about an on-Island solution, so far we have only seen partial solutions. Whether there will be an actual total one is another question – and there may be. But this is back to my point: technology advances; this is a moving target. Let's see how it goes.

The fact that this is all costed, this process, on a 20-year life, I expect that is how long it will be: 20 years, unless the whole thing just collapses on day one.

1830 Sir, I will not be supporting this amendment. Thank you.

The Bailiff: Deputy Oliver.
Your microphone.

1835 **Deputy Oliver:** Sir, I think that nearly every Deputy here has actually said they are not completely 100% happy with the Strategy.

Deputy Smithies said that we have a 20-year strategy plan, but the contract is only actually for five years, so what are we are going to do in the remaining 15? It could change.

1840 The other thing that I would quite like an answer to, if Deputy Parkinson could perhaps help me: if we go ahead with this, we are spending £22.9 million on the Transfer Station and the site development. Now, if the States do change their mind after three years or five years, would these millions of pounds be actually able to be used for anything else? We are turning our waste into the RDF. Will this give us more options for exporting? Can this then be used as an incinerator or are we actually just saying, 'It is kind of only a temporary solution that we are going to put up this Transfer Station for'?

1845 I would just like to know if he could answer that question for me?
Thank you.

The Bailiff: Deputy Merrett.

1850 **Deputy Merrett:** Thank you, sir.

To look at the possibility of an on-Island solution, as in Deputy Roffey's amendment 3: the issue I have is that if this Proposition in the paper is approved by the States today, we will be spending £33 million on capital costs alone. That needs to be written off and paid back over a number of years, and 20 years are quoted in the policy paper.

Sir, I have spoken to Deputy Roffey and although his amendment dictated an on-Island solution possibility that is to be brought back to the States by 2020 – and the States could easily take up that amount of time, which is quite scary, to make a decision again, and it may take up to 20 years to reach that depreciation time, which is obviously a concern by itself.

1860 My other concern is that there is an election in 2020. That simply looks to me like this could be a 2020 election issue right here. Will the new Assembly be elected on how they state they will vote on the future of waste debate? Will they honour paying back the capital costs on the waste solution that they did not vote for? If not, who will? The good people of Guernsey, once again, and that is you.

1865 In the meantime we have been producing less and less waste. Will an appropriate incinerator be designed in the future? Should we be keeping our eyes and ears open for other options? Arguably, yes. Arguably, there should be a continuous assessment if money and resource allows.

1870 Do I want to find another hole to fill and the legacy for our future generations to enjoy: the pipes sticking out of the ground allowing gases and heat to escape the rotting rubbish? Other than an interesting archaeological dig for future generations, I cannot see that this is the mature decision for an Assembly to make – who live on an Island, an Island with limited space and resources.

1875 If we had a crystal ball, would we see in hundreds of years' time our descendants despair at having to dig up and remove our rotting rubbish so they can have their Island back? Will the recycling in their Island home be a much better and productive thing than throwing rubbish into holes that we have made?

This timeframe is too tight. It is too early. I fear it would become an election issue and therefore I will not be supporting this amendment.

1880 **The Bailiff:** Deputy Brouard.

Deputy Brouard: Thank you, sir.

1885 This is a sure-fire way of bringing this Assembly into disrepute. You can just see the headlines now: 'The flip-flop Government.' We have just decided on a Waste Strategy and before the ink is even dry on the paper, what are we doing? We are putting a system in place to review it. We have not even exported anything yet and we are already now looking about the review system. 'Flip-flop Government at its worst.' It is just going to put more uncertainty, more hares running, and the idea of stirring the pot in three years' time fills me with dread.

1890 Yes, long term, of course, look at this. In 10 or 15 years' time, absolutely, let's review and see how we have got. If major problems turn up, of course, review it. To review it now, no. We have got a Strategy; let's get on and not be distracted by another expensive review telling us of all the things that people can do for us. We have got the system in place. The media will not be happy. The Islanders will not be happy to have another flip-flop on this.

Thank you, sir.

1895

The Bailiff: Deputy St Pier.

1900 **Deputy St Pier:** Sir, I, like Deputy Le Tocq, have some sympathy for this amendment. Clearly this whole topic has demonstrated the mental inability of the States to plan ahead on this issue. This is a 20-year facility; it has taken 20 years to get to this point. It is very logical for Deputy Roffey to suggest, 'Let's start now, because it is clearly going to take us 20 years to work out what to do next.'

1905 However, I will not repeat the points which Deputy Le Tocq and Deputy Graham made, but I just want to pick up on the point that Deputy Smithies made about the resource implications of this amendment. Of course, in the good old days, under Rule 15, it would have been necessary to identify where the resources were going to come from to support this amendment. Deputy Smithies has mentioned one figure – I think £400,000 he suggested as a best guesstimate of what

1910 will need to be done. This cannot just be a desktop exercise with a few officers working out what would come next. That would be laughed out of court. So it will cost to implement and I think, for all the other reasons, it is too early.

The other aspect, of course, to the issue of resources is our own officers. They need to be focused between now and the end of this first stage of the project on its delivery. They do not need to be distracted on anything else.

1915 For the resources implications alone, I am afraid, despite fully understanding the rationale why this amendment has been brought, I cannot support it.

The Bailiff: Members, it is now 12.30 p.m. We will rise and resume at 2.30 p.m.

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

Implementation of the Solid Waste Strategy – Propositions carried

1920 **The Bailiff:** We continue with debate on amendment 3.
Deputy Parkinson.

Deputy Parkinson: Thank you, sir.

1925 I am going to talk about waste streams because the amendment talks about waste disposal, but, of course, as Deputy Kuttelwascher pointed out in an earlier debate, all of the waste streams have a value to someone and all of them could equally well be regarded as resources.

I am going to preface my remarks by discussing, if you like, the moral issue, which I think in Deputy Roffey's eyes probably underpins this amendment, this concept that we somehow have a moral obligation to deal with our waste on Island.

1930 Now, I have no objection in principle to the concept of on-Island solutions to any of our waste streams, but I find this principle as it is asserted, very, very strange. Deputy Roffey does not suggest, for example, that we should deal with our milk cartons on Island, or our aluminium cans on Island, because these are waste streams which quite clearly can only be processed in plants that are of a certain scale, and those are all off Island. And our RDF, refuse derived fuel, to me is just another waste stream. If it is more efficient to process it off Island and more environmentally beneficial to process it off Island, I do not see any reason why we should not do that.

1935 The principle it seems to me, is that waste should be dealt with by the people who are best placed to deal with it. And just as we will not be acquiring a machine to reclaim Tetra Paks because it would be totally uneconomic for the volume of waste, if you call it that, in terms of Tetra Paks that we produce, it would be completely consistent with that logic to say we may never produce enough RDF to justify the investment in an on-Island energy from waste plant to recover the energy from that RDF.

1940 I think it is just a very strange concept and actually inconsistent with the way environmental thinking goes in other areas – for example in terms of CO₂ emissions they are attributed to the place where the CO₂ is generated not the place where the consumer is. If for instance we were importing electricity which had been generated by the operation of diesel engines on the continent, the CO₂ emissions attributable to that activity would not be attributed to the account of Guernsey, they would be attributed to the account of the place where the CO₂ was generated. Indeed the logical consequence of thinking that the waste somehow is the property or the responsibility of the consumer, would be that we should be offering to the French authorities at EDF to take some of their spent nuclear fuel rods, on the grounds that some of the electricity produced by those fuel rods was consumed in Guernsey. It does not make any sense at all. The

better principle is the waste should be dealt with where it can be most expeditiously and efficiently dealt with.

1955 So setting that aside, here we are being asked to produce a report by 2019 on on-Island solutions compared with – (**Deputy Roffey:** 2020.) I am sorry – 2020 to produce a report comparing, in effect, on-Island solutions with off-Island solutions. My problem with this essentially is just the timing, and the cost but we will come to that later.

1960 Deputy Roffey helpfully said that he did not expect any work to start on his amendment until after the implementation of the current strategy, so presumably after the end of 2018, which of course leaves us with a relatively short period of time to produce the report, which will undoubtedly involve, for example the engagement of consultants, because we do not know about all the technology that is out there and all the people who might otherwise be willing to handle our waste streams off Island, or with equipment on Island. So we would start work presumably some time in 2019 with an objective of producing a report by the closing date in 2020.

1965 My view is yes, of course, if Deputy Roffey's helpful concession means that we do not have to divert staff from the implementation of the current waste strategy to preparing his report, that means we can be getting on with doing the job that the States have charged us to do. It also means that after 2018 we may hopefully have a bit more capacity amongst our staff to do some of the work that will be required in producing this report. But I stress, we could not possibly do it all
1970 ourselves, we would need to engage outside consultants and there would be a very considerable cost attached to that which I suggest would inevitably be charged to the solid waste trading account, and ultimately therefore to the consumer.

The problem is not only one of cost though, the problem is one of timing. Even if we do not start work until the beginning of 2019, if the States pass this Resolution today we will be going
1975 into contract negotiations with various suppliers over the next 18 months to deliver the current solid waste strategy, when all those suppliers know that we are under a States' direction to review in effect the whole strategy, and to report back to the Assembly in 2020.

Now, if you are a supplier dealing with the States of Guernsey in the area of solid waste, you probably already start off with a pretty cynical view about the capacity of Guernsey to make a
1980 decision and stick to it. You are going to be going into those negotiations obviously keen to get some business if you can get some business, but you are going to be thinking, 'Well, seriously, do they have their heart in this? Are we just signing up a short term contract for the next three or five years, after which they have already signalled they are going to be looking for another solution?'

1985 If that is the impression that you get going into those discussions, you are not exactly going to go into the discussions with a very sharp pencil. You are simply going to be going through the process and frankly if Guernsey does not want your deal, who cares? They will walk away from it.

We have to demonstrate that we have the ability, the guts, the sheer fibre, to make a policy decision and implement it. I think passing this Resolution today would be extremely unhelpful over the course of the next 18 months as we try and put the agreed States' strategy into place.

1990 Now that, of course, is not to say that in the future Guernsey may not do something else. It may choose to process some of its waste streams on Island, and I do not have any moral principle objection to that. But the time for those deliberations is not now. We need to get through this process, implement the new system, do the post-implementation review, learn the lessons that need to be learned from the process we have been through, and in five years' time, or five years
1995 after the commencement of the contracts, we are already obliged to review those contracts and to consider whether to renew them, and if so on what terms. All of that is baked into the process already.

2000 I think it is entirely possible that in 10 years' time, 15 years' time, 20 years' time, Guernsey may be dealing with more of its waste streams on Island. I think it is a racing certainty that we will not be dealing with all of the waste streams on Island and I do not think there is any moral distinction between waste streams which we choose to have dealt with off Island and those which we choose to deal with on Island. I do not think we are to blame or guilty in any way if we find that the most

effective solutions for all the waste streams are actually to have them dealt with elsewhere. That is not a moral crime.

2005 But those decisions need to be made further down the track. It is not simply kicking the can down the road, the States will in due course have to look at what it is doing from time to time in terms of solid waste management, and there is little doubt that the issue of on-Island facilities will come back for debate not least of all, because it has already been mentioned in this debate, when Les Vardes Quarry has been worked out.

2010 Now, Les Vardes Quarry may be eventually used for water storage as it is currently zoned for use – if that is the right word – but it could equally, with a change in the law, be used for – modern waste or modern landfill, or whatever the current in-vogue term is. I am virtually certain I will not be in the States in 10 years' time, and I do not know what the States of that time will choose to do. But as I said in my opening speech in the general debate, exporting the RDF for the time being, at least leaves the options open. The States may choose to do something different in the future.

2015 And although some people are very cynical about technological development, the fact is the technology is changing all the time and the composition of our waste stream is changing all the time. I predict that in 10 years' time a very major part of our exported waste will be used batteries from electric vehicles, because I do not believe we will ever have the capacity to deal with them on Island. I strongly suspect that by 10 years' time most of the Island's vehicle fleet will have been electrified, and there is literally no possible argument that we should be re-processing those large batteries on Island. There is no possibility at all that that will ever happen. So, the nature of our waste streams is changing all the time. It will change as a result of the implementation of this strategy. What comes out of the RDF and goes into other waste streams will vary over time.

2020 A States in five or 10 years' time will be looking at these issues and it may be that by then, who knows? There may be a new machine on the market which can re-process Tetra Paks very, very efficiently and it is quite cheap. I do not know, I doubt it but it could happen. The export of waste for the time being buys us the flexibility that as the waste develops and changes in nature, and as technology changes we can adapt the system to meet the demands of the time. That will be a healthy review and those are reviews that will happen whatever we decide today.

2025 My strong view is that deciding today to put the strategy that we have only just agreed under review, and a strategy that we have not even begun to implement, would be a terrible signal to the market. It is completely unnecessary. The process of review is already baked into the system. Let's for goodness sake focus on the task in hand, get this system working. The landfill is rapidly filling up. It is going to be a Herculean task, frankly, to get the new system of exporting RDF operating by the end of 2018. I would be very surprised if it proceeds entirely without glitches and if there are glitches that will mean probably weeks or months of delay, we do not know. But these are very complex processes that we have to go through and it would be astonishing, frankly, if everything went without a hitch. So, we need to focus our full attention on getting these contracts in place, getting the system built and working, and seeing how the new system works and reviewing that of course at an appropriate time in the future.

2040 But I cannot support this amendment as it stands today. I think it would be extremely harmful to the current process of procuring and delivering an export process for the RDF and the recycling processes that we have to implement, and I would urge States' Members to please not support this amendment.

The Bailiff: Deputy Inder.

2050 **Deputy Inder:** Sir, I just want to pick Deputy Parkinson up on something he said in his response there and it sort of touches on my intervention with Deputy Brehaut.

We have already been told at the workshops that Guernsey was negotiating a fixed price contract with Geminor. So I am struggling to understand Deputy Parkinson's belief that suppliers

2055 would be in any way cynical should this amendment be passed. Built into their own tariff structures is the short-term view that is their business model.

Thank you.

The Bailiff: Deputy de Sausmarez.

2060 **Deputy de Sausmarez:** Thank you, sir.

I think what I have to say echoes quite a lot of what Deputy Parkinson has just said.

2065 We are not here to discuss the relative merits, or otherwise, of on Island. Of course there are options and of course those are things that need to be looked at, but that is not what this debate is about. This debate is about commissioning a report to look into them by February 2020. If we were here to discuss the relative merits or otherwise of various on-Island solutions, then we would be here for an awful lot longer with me standing up, so you will be pleased to hear I am not going to talk about any of that.

2070 These are all valid things and we do need to look at this. But the point is, not on this timeline. This timeline is founded on a political framework, I think it is fair to say, and actually what we need to be doing is basing our investigations around the optimum timeline for actually looking into them, with a view to implementing them at some stage. This is, as Deputy Kuttelwascher said, just too premature it is not in any way constructive to do this now. I agree and I too have no ideological opposition to looking into all of these. I think we should but just not on this timeline.

2075 One further point is that one of the biggest challenges to the Waste Strategy is continual debate about the Waste Strategy. None of the facilities and services proposed are unique to Guernsey, they operate elsewhere. They are just business as usual. Other communities do not agonise to this extent. We need to get to the point where waste is just business as usual. I worry that putting a review on this timeline is a really destabilising element. As I say, I have got no ideological opposition whatsoever, in fact I welcome what this report calls for, but just not on this timeline.

2080 I think if we were to look at it, it would be very hard not to go through the same process that we went through to get to this one, because the alternative is the old method of policy making which is decide and defend – and we know that does not work. So we would have to go through the same process, the same extensive public consultation process etc. It is a big thing. I do believe that as I say, these things do need to be looked at but just not now. We need to do them at a time that is actually constructive and helpful, with a view to getting them implemented at the right time if another option is deemed to be more suitable. But as Deputy Kuttelwascher said, quite rightly, to do it now is premature. We are actually limiting our options by doing that.

2090 Deputy Prow remarked that our so-called Waste Strategy has not seen much in the way of results and that is because we have not implemented it yet. That is why we are here and that is what I would like to do. So I would urge my colleagues to please reject this amendment and focus on actually getting the Waste Strategy implemented.

Thank you.

2095 **The Bailiff:** Deputy Tooley.

Deputy Tooley: Thank you.

2100 There is something very attractive about this amendment, it is a lovely idea to think we would go away today and shortly afterwards we would have the next waste strategy ready on the shelf to take down as and when we needed it.

But the problem, it seems to me, is not that the States takes 20 years to make a decision, it is that the States seems incapable of making a decision until the eleventh hour. Starting planning now means that we will plan longer and more often with more changes, not that we will be ready sooner.

2105 Thank you.

A Member: Hear, hear.

The Bailiff: Deputy De Lisle.

2110 **Deputy De Lisle:** Sir, the amendment I think is a reminder really for us that we have to constantly be looking at alternatives, if you wish, and keeping our eye on the best for the Island.

2115 We have gone around the on-Island route several times before. We have actually spent a huge amount of money on studies and investigations, hundreds of thousands of pounds, and in fact it has also cost us not only that but over £11 million in dealing with Lurgi and Suez. And the upfront cost of doing something in the region of looking again at incineration, where we had an upfront cost of £93.5 million with Suez ... whereas here we are going for really a front-end cost of about £30 odd million. Quite a difference.

2120 The other problem with the incinerator route is that you do not get rid of the material. It is either thrown up in the air in terms of pollution or it is residual ash, for example, which has then to be dealt with and exported out, as they are finding in Jersey where probably they are looking at bottom ash in the region of £5 million to export and £4 million with the fly ash, every year. So those are big quantities of materials that have to be exported out.

2125 We still of course have an incinerator burning at the Hospital, and to be quite honest that is something that should be looked at because that is resulting in fly ash and bottom ash too, which have to be dealt with. Also it is only regulated by PM10s, and PM2.5s are not being looked at with regard to that, and it is having quite an impact on air quality around. So these are issues that result from that particular course.

2130 Then of course in terms of looking at disposal of waste through quarries, this is becoming increasingly expensive because it is not just the quarry purchase and the lining of the quarry, but it is dealing now with leachate and methane gas problems that require stabilisation – an MBT plant – and it is a huge investment again to bring in a plant of that nature in order just to prepare the material for tipping in the quarry.

2135 But we have had a lot of success here in the waste reduction and minimisation in recent years, and that is the way we need to be going, reduction from 70,000 tonnes just a few years ago to 22,000 today. And my early simulations in 2006 and 2007 showed that we were able to reduce household and commercial residual waste down to 17,000 tonnes. So we have got some way to go yet, and we have to tackle food waste and further reduction in dry recyclables as well, into the future.

2140 Now, I think if we look also at the private sector and what they are doing here, particularly with respect to the commercial waste, it is quite instructive, actually. There have been very big gains recently that have avoided actually diverting a lot of residual waste into the Mont Cuet Quarry. In fact 3,000 tonnes were diverted from entering Mont Cuet in 2015, just one year as Island Waste has exported significant volumes of RDF – refuse derived fuel – off Island.

2145 In fact a new deal has been struck between Island Waste and AVR and Totus in Holland. Residual commercial waste processed at Island Waste material recovery facility into refuse derived fuel will be transported to AVR's energy from waste facility in the Netherlands, where it will produce heat and power. The pre-heat-treated RDF refuse derived fuel is suitable for AVR's facility in Rotterdam. So the deal is there and this will result in further export of significant volumes of RDF refuse derived fuel off Island in future, once recyclable materials have been recovered and recycled at Island Waste's MRF.

2150 So we have a progressive strategy of waste minimisation and recycling and export off-Island, and I think this is what we have to concentrate on at the current time and move along with that. The beauty of it all is that really what the amendment is trying to do is already built-in, essentially, and that is why we went for the flexibility of three years. The drive is to manage less waste in future years and this particular strategy gives us that opportunity to further reduce in the future in order to reduce the cost to the Island of processing its waste.

Thank you, sir.

The Bailiff: Deputy Gollop.

2160 **Deputy Gollop:** Thank you, sir.

I certainly agree with the sentiments of Deputy De Lisle about the primary task to focus on the waste arisings and of course he, as one time member and indeed President/Minister of Environment has been vindicated in his belief that we could over time reduce our waste; and there was a lot of scepticism at the time from other politicians and figures.

2165 Nevertheless Deputy Parkinson has made a very wise speech, but I still struggle to agree with it, in that quite a few of the new Deputies who came in in March – and the nature of our electoral cycle is that candidates stand on a platform of viewpoints and promises. The nature of our system calls for hustings where candidates are grilled as to their views, whether informed or otherwise, and the difficulty we have with these long-term contracts is it locks our political system in to a structure which in a way is anti-democratic, because it does not take account of popular whim; and therefore a structure whereby, as some other Members have pointed out, waste appears to be more of a political potato here than in other places. It is out there, it is always on the Radio *Phone-In*, in social media, in *The Press* for peoples' views.

2170 I do not know why it is such an obsession here. It is partly because of the quarrying industry, but I suspect it also comes back the vicissitudes of the past decade and the personalities involved. But particularly the realisation now that the new system, regardless of its merits, is superficially at least – and Deputy Parkinson and Deputy Brehaut would not deny this – portrayed as being more expensive than the current option, by some way. Not surprisingly that point is push-back from all the wiseacres out there who say, 'Oh we should have filled in another quarry, we should have done this, we should have done that ...' – and so on and so forth.

2175 Now, the wider context of environmental legislation and protection, and moreover the difficulties of working in Jersey on occasion, and also the fact that the States were lobbied extensively by lots of enthusiastic people – many of whom have expertise of one kind or another – that we were going down the wrong route with the incinerators, has of course led to a situation where we reduced our capital dependency but increased the revenue costs of such operation, at an environmental price. We know Deputy Paint was always a cynic and a sceptic from the start, but he has remained consistent where perhaps not everyone else has.

2180 So we are where we are. But as I think – was it Deputy Tooley? – pointed out that these ideas have taken so long to get anywhere that we might as well start now to look to the future. There is no shortage of ideas out there. In the last year I have met –

Deputy Tooley: Sorry, point of correction.

The Bailiff: Deputy Tooley.

2195 **Deputy Tooley:** My point was in fact exactly the opposite of that, that no matter when we start we will continue to debate until the very last possible minute. Starting sooner is not going to bring us to a sooner decision.

2200 **Deputy Gollop:** That may be true because the decisions of course will change. I have certainly been inundated with people who visited me with all kinds of ideas that they consider would be a solution.

2205 We have no idea for certain where we will stand post Brexit, where we will stand with our economy or whether we will return to light industry. There are all kinds of unknowns out there, and we have to have the flexibility and the impetus to look at constructive alternatives. I think the contradiction in the Billet for Environment & Infrastructure and the States' Trading Supervisory Board is that we are, as Deputy Inder reminded us, only signing a three-year contract with an option of two years. If for whatever reason it did not work out, or that particular supplier no longer wanted or was able to take it, we would have to start all over again with finding a suitable

2210 destination. So it is not really a 20-year deal, it is far less than that, and that is another reason to have an open mind.

Some speakers have suggested that this is an attempt to unravel the Waste Strategy and stop it from going anywhere. I do not see that. I mean we will three and half years for the report to be constructed, and it would self-evidently be many more years after that before anything was
2215 decided and implemented. So I do not see it as us deliberately undermining any existing contractual arrangements, especially as one of the crucial contracts is only for five years.

I think the point is that we would be looking at the picture from every angle, because an on-Island solution – although I accept Deputy Parkinson is right, we certainly could not store nuclear rods here, for example – would potentially be useful to our economy, our environment, our
2220 industrial infrastructure and provide employment and so on, and there would be a lot of social gains to look at as well as the more obvious technical arguments.

So I think we should have the courage to support the amendment and be open-minded about the next stage of this, whilst pretty much endorsing the current Waste Strategy, which as the Boards have said we really have no sensible alternative for the foreseeable future.

2225 **The Bailiff:** I see no-one else.
Deputy Roffey.

Deputy Roffey: Thank you, Mr Bailiff.

2230 I will talk about timetables first I think. I have been accused really by Deputy de Sausmarez of setting out a political timetable. I think in a sense she is absolutely right. I will explain why. Deputy Parkinson says he will not be here in 10 years' time, I do not know if he will be here after the general election. I do not know if *he* knows whether he will be here after the next general election. But I have watched lots of new Assemblies bed in and I know the way their minds work usually,
2235 and I really predict that if we park this until the next Assembly those fresh-faced, the Sarnian spring of 2020, are going to say, 'Thank goodness we have got a way of dealing with our waste which we can attack because it belonged to the last Assembly, but it has been embedded ... we don't want to touch this, let's just leave it, leave it. It was very unpopular with the last few Assemblies, we will just let it ride'.

2240 So that is why I wanted ideally for it to come back before the end of this Assembly. But I listened to Deputy St Pier and to Deputy Le Tocq and others, saying maybe this was a bit tight. I have to say I did say to both Deputy Brehaut and to Deputy Parkinson over the lunch time, would it help if I said five years instead of three? There were not any great takers, so I do not really believe it is a question of timetable. I think it is a question of not wanting their policy letter amended, and we all have ownership issues with our policy letters and of course do not want
2245 them amended.

The other thing about timetables is the idea that if you have got a date passed in a resolution that is absolutely unavoidably has to be done by then. Well, who was it? I think it was Deputy Parkinson who got up just a few weeks ago and said, 'I have got this amendment that tells me I have to report on the rebranding of Aurigny by almost today' – I think it was – 'we are not going to do it for a while, it is obviously not the right time to do it, we are going to do it down the road'.

I have seen that happen a hundred times, 'Sorry, sir, we have not been able to make the deadline'. But if you do not put any date, if you just put 'Do it as soon as you practically can' – and I have done that a few times, I remember doing that on things like civil partnerships – the years roll by, and the years roll by and absolutely nothing happens. So it is useful to have the discipline
2255 of a date, even if it cannot quite be made and even if it takes a year longer than that, just to say, 'Come back and explain how much longer you need and why you need that extra time'. And that is fine, that can be done.

I think Deputy Parkinson credits me with being too moral. He thinks every concern I have
2260 about sending our waste off Island has to do with the ethical rectitude of actually dealing with everything on Island. There is an element of that, I agree, and I think we just disagree

philosophically with that. But actually my greater concern is not being in control of our own costs and our own destiny. I mean he is right, it is not just about black bag waste. And actually I worry as we put more and more of our waste as recycling off Island that we will be in exactly the same position. We will be at the mercy of what people will charge us for taking that recycling.

I do not have a way around that. They have found some ways around that, they have stopped recycling glass, glass used to go off and be generally recycled but it was too expensive, so it stays on Island and it is crushed as aggregate, never made into new glass items. But in most cases I do not have an answer. Although I do actually with Tetra Paks: take a pair of scissors, cut them through the middle, put four holes in the bottom you will never need to buy another plant pot again, use them for your seedlings. And it is higher up the waste hierarchy I think, re-use rather than recycle. What you do with the other half of course is another matter. *(Laughter and interjections)*

But with residual waste we do have options for doing things on Island, and we do not have to be at the mercy of the international market about how much we are going to have to pay to get rid of that particular waste stream, as opposed to the other waste streams where it might be impossible to deal with here. So I am not taking it just as a moral point of view, I am also taking it from the point of view of just wanting to be in control of our own destiny. As others have said, actually try to create a bit of economic activity in our Island rather than pay other people to generate electricity for them, heat for them, employment for them – we may not be capable of delivering heat because we would have a local heat distribution – Go on I can see you want me to give way.

The Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you for your premonition.

It is a very easy narrative this one that we create much more waste, but actually if you just take the example of an incinerator, if you look at incinerators elsewhere they are incredibly impoverished in terms of local jobs, it just does not work like that. This is a false narrative and not based in any truth.

Deputy Roffey: I think Deputy de Sausmarez is getting ahead of herself. The amendment says nothing about incinerators, that is just one of a range of possibilities. She could talk for hours about all the different possibilities she says for on Island. Perhaps she can choose one that does generate a bit more employment. *(Laughter)* The squeezed middle will be very grateful, I am sure. *(Laughter)*

I have to say I do take the point of our reputation going down the Swanee. We are constantly changing our minds and are we going to bolt, can't we make a decision and stick to it? But everything that seem to be saying that are people who have been basically serial changers of mind up to now and have done a great deal to actually sully that reputation. Now maybe the changes of mind were right but that is the point, changes of mind are not always wrong. But I do find it hard to take those lectures.

Although I do agree with Deputy Parkinson wholeheartedly on one thing – bit tangential – probably in 10 years' time most of the cars over here will be electric. It got me thinking actually, is charging for petrol just the ... No, I will not go down that route! *(Laughter)*

And few other points were made by various people. We keep being told that is going to be expensive, we are going to need consultants, that will go through the waste count, it will be on the back of the consumers. And we have also been told that this is going to happen anyway, it might not be exactly on your timetable, but it is going to happen anyway, so presumably all those costs are going to be incurred anyway. So I did not quite understand that argument.

Deputy Leadbeater is right, there could be a mixed solution it does not have to be only one.

Deputy Fallaize was right, the timetables do get amended all of the time.

2315 Deputy Kuttelwascher thought this was just too difficult to even try to do, it was a moving target, things changed all the time. Things will always be changing all of the time. There will always be moving targets. So if you never freeze it and you never try to say, 'Actually, which way do we want to go in future? You would just continue to export forever without considering the alternatives. Maybe that is the right way to go? I do not think it is. Or is he just saying it is too early to do it?

2320 Well, again, the point has been made we are entering in to a five-year contract. I disagree with Deputy Smithies that this necessarily has to be a 20-year solution. Yet if a new waste strategy did not make use of the facilities that were made, did not make use of the RDF, the transfer station and everything, then I think probably the timescale of about 15 years would be required, but as has been said, even by Deputy Parkinson, there *are* options for changing direction without squandering all of that capital investment.

2325 Deputy Merrett, sometimes my hearing is not brilliant, but I think she said if we carry on digging holes and filling them with waste what sort of legacy are we leaving for future generations? I can tell her, I went for a nice little ramble the other day over the Hougue at the [Petils ??? 15:12:31](#) That was the legacy that I have been left by Deputy Berry. I did not agree with Deputy Berry over very much, but I did not think it was such a dreadful legacy. A few days later I went for a walk round the new nature ramble around Les Vardes Quarry. The views across the west coast were spectacular, but unfortunately there was a big industrial site right in the middle! But I can imagine in 50 or 60 years' time if that was full, actually that whole area would be absolutely gorgeous. So what sort of legacy would we be leaving? I think a pretty good one, actually. (**A Member:** Hear, hear.)

2335 Deputy Merrett also did not want it to be an election issue. Well it was; it was. I actually think many of the people who brought it up at election time would like us, before we leave office, to get *some* kind of initial steer. I am not asking for us to make a detailed decision about what we should do with our waste when we stop exporting it in three years' time. I am asking for just an initial steer of the areas that are looking to be developed. It was an election issue and if it is next time, that is down to the electorate, it is not down to us to decide what should be election issues.

2340 Deputy Tooley says what is the point in starting now, we never make a decision until the eleventh hour – or in this case I think about the 59th minute of the eleventh hour. (*Laughter*) If she is so cynical that she thinks that is the only way we can ever operate, then she is probably right. But I have to say I think we make pretty bad decisions with guns to our heads. (**A Member:** Hear, hear.) Most people do make pretty bad decisions with guns to their heads. I may be naïve, but I am hoping that next time around, the next iteration, we will not behave in the way that the last few Assemblies have behaved, that we will take a view from a long way out, knowing it is going to take eight or nine years to develop the fine detail and actually start planning early on.

2350 If you do not want to, vote against the amendment.

The Bailiff: We vote then on amendment number 3, proposed by Deputy Roffey, seconded by Deputy Prow. Those in favour; those against.

Some Members voted Pour, others voted Contre.

2355 **The Bailiff:** I believe that is lost, but if anybody wishes to have confirmation –

Deputy Roffey: I think, sorry, if you will indulge me, sir, I would like a –

2360 **The Bailiff:** Sorry, are you asking for a recorded vote? Yes.

Deputy Roffey: I am please, sir. Yes.

The Bailiff: Recorded vote then on amendment 3.

There was a recorded vote.

Not carried – Pour 17, Contre 21, Ne vote pas 0, Absent 2

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Paint	Deputy Graham	None	Deputy Trott
Deputy Le Tocq	Deputy Green		Deputy Stephens
Deputy Yerby	Deputy Dorey		
Deputy Roffey	Deputy Brouard		
Deputy Prow	Deputy Dudley-Owen		
Deputy Oliver	Deputy De Lisle		
Alderney Rep. Jean	Deputy Langlois		
Alderney Rep. McKinley	Deputy Soulsby		
Deputy Gollop	Deputy de Sausmarez		
Deputy Lester Queripel	Deputy Ferbrache		
Deputy Leadbeater	Deputy Kuttelwascher		
Deputy Mooney	Deputy Tindall		
Deputy Le Pelley	Deputy Brehaut		
Deputy Meerveld	Deputy Tooley		
Deputy Inder	Deputy Parkinson		
Deputy Lowe	Deputy Le Clerc		
Deputy Laurie Queripel	Deputy Merrett		
	Deputy St Pier		
	Deputy Fallaize		
	Deputy Smithies		
	Deputy Hansmann Rouxel		

2365 **The Bailiff:** Well, Members, the voting on amendment 3 was 17 in favour and 21 against. I declare Amendment 3 lost. We will proceed to general debate, if anyone wishes.
Deputy Kuttelwascher.

Deputy Kuttelwascher: Yes, just a couple of things.

2370 This morning on the radio Deputy Soulsby said words to the effect that we are doing precious little as regards the waste hierarchy regarding 'reduce'. That is a significant point I think and I tend to agree. I am bringing back that old chestnut of food waste. The problem is this: if you listen to another statement that was made a little earlier on by Deputy Tooley who said she is quite happy to bust targets by increasing the 'reduce' part of the exercise – which is actually top of the waste hierarchy, that is where we should be focussed.

2375 So my question relating to that is, how do you square this circle? Why on earth should Environment & Infrastructure look to reduce waste as far as food goes, as much as possible, when it will do nothing more than guarantee they will not meet targets? There is a tension there, because in paragraph 7.17 it does say when referring to the 70% target:

Separate collection and processing of food waste is fundamental to that target, and is a key driver to increases being achieved elsewhere.

2380 We have now had one statement in the Assembly which says, 'So what? Let's forget the targets just reduce it'. No, I am quite happy with that. So why have the target? But we have been there before haven't we?

2385 That brings me on to another question. Basically I am representing something that was sent to me by a rather well known Guernseyman, someone I would call a Guernsey grandee, but I will not disclose the name. I will just ask the question because it leads me into another half of the question which I want to expand on, and it says: 'I believe the marketplace for the sale disposal of RDF to be ever changing, and fail to understand the immediate need to sign a three-year contract that will only commence from the start of RDF production, towards the end of next year'.

2390 Now, regarding that contract – and a lot was said about this yesterday, about calorific values of RDF. What exactly is in that contract regarding the RDF calorific value? Are there any restrictions on it? Because yesterday we were told, 'Oh you cannot put this in it, you cannot put that in it,

because the calorific value will go up'. Now, the calorific value is never constant, it depends what you put in there, so there must be a spread. Is it possible to determine what is in that service contract regarding the sort of acceptable RDF values? And I would expect a stretch; I do not know.

2395 But going back to food waste, and I am going back to information I gleaned five years ago regarding the calorific value of food waste, and I remember that was interesting. It said that the calorific value of food waste was basically zero. And the reason for that is kind of obvious, it is a wet waste stream and when you put it in an incinerator, basically what was said was the heat required to dry it to the point where it could actually burn was about the same as what you
2400 achieve when it burns. So adding food waste to RDF – if you still believe that is the case or whatever the latest figures are – would have no effect on the calorific value. So I would suggest there is no problem adding that waste stream to the RDF fuel.

And so it is those two questions. If it is possible to get an answer, fine.

2405 Finally, I find myself in an odd position regarding this whole policy letter. I do not like Proposition 6. As for the rest of it, I would have difficulty actually supporting some of it. Why should I support targets when I have actually declared a position where I do not?

Now, I also do not want to somehow vote against what is being proposed. I think the majority of the Assembly will support this as is, it does not matter what the cost is. So at the moment I am minded to abstain, because I do not support the cost of this project when I believe it could have
2410 been done far more effectively – but there we go.

Thank you, sir.

The Bailiff: Deputy Inder.

2415 **Deputy Inder:** Sir.

When I received the implementation document as we all did, the first thing I went to were the costs. The cost to Capital Expenditure, the cost of the Waste Transfer Station – sorry, I beg your pardon, the cost to householder as well. I am somewhat encouraged by the Policy & Resources letter of comment and the short exchange of emails I have had with Deputy St Pier since then. He
2420 has assured me that if this is voted through today, and I quote from his letter of comment:

There ... needs to be further scrutiny from Policy & Resources before any contracts can be signed.

His Committee will thoroughly scrutinise the costs laid out in the report. But, it is the sentence above in that letter of comment which informs us that the approval today and I quote again:

... enables the STSB to progress the procurement process.

And it is that that concerns me the most. Although I do not doubt the P&R team's ability to scrutinise the capex and the contract costs, I do have to wonder what is not quite right about this
2425 whole process. We are asked today to allow the procurement process to continue and to have an absolute faith that sometime later Policy & Resources will report back to us and tell us either that (a) everything is fine, or (b) there have been some adjustments. Given the way the costs have spiralled on this project I do not think the adjustments are going to be the way I want to see them. I doubt they are going to be south, they are properly going to be north.

2430 Surely, sir, it would have been better for us to have the information before us now; I mean now, today. Better to have a letter of comment from PRC than to tell us that they worked with STSB and they have identified x and y issue and the contract costs will be a , capital expenditure costs will be b . That is what I wanted to see in front of me today.

2435 Although there is a check and balance still within the process, this seems to me a little back to front. I need the information now. It is not right to be asked to vote on something where there are significant questions within the figures and to hope that sometime in the future we will be reassured or not, as the case may be.

2440 The question I have to ask myself today is: can I give my vote to allow STSB to continue the procurement process while Policy & Resources conduct some work in the background? It is an act of faith on my part. It really is. As someone who feels his primary job is to get the best value for the tax-paying dollar I am genuinely not sure that I can vote for this today.

For a moment, sir, I just want to touch on some of the staggering figures presented to us for the build of a waste transfer station, The £25.6 million figure that we have all seen on the briefing note and we have had a couple of briefing notes.

2445 Line 1, Design, £2.6 million: this stuck out for me like a sore thumb so I did a quick calculation. I will assume the profession nowadays are on about £100 an hour, so I divided £2.6 million by £100 and I have 26,000 hours' worth of work. That is a hell of a lot for a project we are supposed to be delivering in three years. I was not sure how many weeks that was, so I divided it by 40 hours and I came to 650 weeks. Now dividing that again by 52 to get the years there is 12½ years
2450 of work apparently to design what is effectively a very large warehouse and a car park.

It gets worse. Line 2, Preliminaries, project management of £4.3 million so you add your £2.6 million design, your £4.3 million preliminaries and it almost £7 million before there is a spade in the ground.

2455 As I scanned down the document I got to a bit that actually does something and that is the mechanical plant and equipment. The total cost of that section is £5.7 million. I have got to assume it is machinery so I cannot argue that. But the bit that actually does anything in the whole of this project is £1.3 million cheaper than the design and the fees for the whole project.

2460 Now, I would like to hear a lot more from either Deputy Brehaut or Deputy Parkinson today, how they got to these figures. I would like to hear from them how they, as Deputies, scrutinise their own capital expenditure and contract costs. What work did they do? How did they ensure that this is a close as damn it the best deal that they could have done for the taxpayer that they, like all of us, represent? I am hoping that in their responses they are not going to blithely accept that 10% or 12% design is the industry standard, which we are always told. A phrase often rattled out by the QS as justification for the ridiculously high fees on Government contracts.

2465 Just think about it for a moment ... now, if that is an industry standard you are not designing value for money in it. The whole idea of a capital expenditure project is to make it as expensive as possible so you can get your 10% or 12% out of it at the other end. It is ridiculous. I am hoping they did challenge the 12½ years' worth of design fees.

2470 To put this into some perspective, sir, and this is in the public domain, Economic Development at some point in the future is going to be talking about a runway extension. The figures back when we last spoke about it were something around £25 to £30 million – £30 million for a runway and we cannot build a transfer station for £25½ million. Something is not right. Something really is not right about our procurement process.

2475 I just want to touch on the costs to the householder – the much-banded around £7 figure, and I accept it is going to be something like £5. My first day in the States was at the end of the Island Development Plan and the Resources Budget, it was in that week. In the four months since that meeting it has occurred to me how much extra costs we have burdening the working household. I am not trying to pick on the implementation document, it does not necessarily relate to all of this work, but if you are going to pick a fight you may as well start today.

2480 I have a bad feeling we are going to be revisiting motor tax again and I thank Deputy Roffey for recognising my milking the same cow from my maiden speech. I think that is a bit of an achievement getting a mention from an old-timer like his good self. And let's say motor tax is back – what is that going to be? £200 a car? £8 a week? Fine. And on top of that there is the 5p on fuel, another £5 a week; and there is the reduction in family allowance, another £2.50 a week, £5 if
2485 you have got two kids; and on top of that there is the rise in TRP so let's make that £20 a week without the introduction of the £7 or I will give it £5 charge. We are screaming towards £30 a week in four months. That is 1,500 quid a year for the working family and that is without the over the horizon very likely introduction of the 'Doggie do-do DNA Department' – much loved of the

2490 States' Veterinary Officer. We are likely to be taxed in dog ownership. It is coming round the corner, just watch.

Now, maybe that is what broadening the tax base means, taxing Fido. (*Laughter*) Those with the broadest shoulders, sir, get away with it. Those with the thinnest shoulders and a dog get hammered. So in short if you eat, drive, have children, live in a house, have a pet, then this Government is going to tax you hard.

2495 Now, for many of us in this Assembly the extra £1,500 a year will not touch the sides, most of you will probably spend it on a skiing holiday over the next week. But the tax strategy of death by a thousand cuts is hurting real people. It really is. Mrs Le Page is not a figment of peoples' imaginations. She actually exists. She is not a language device to be used in this Assembly, they actually exist.

2500 Now you have all had copies of the Poverty Report, you have all had hard copies of the Guernsey Householder Income Report and you are all aware the average income in this Island is £31,000. Another hit on the JAMs – those who are just about managing. Those that we wring our hands over, publicly state that we care so deeply about, yet by action do the exact opposite. I want to quote you from *The Press* article, it is touched on in the document, but it was in an article two or three months ago: 'From the perspective of the Waste Strategy, support is better addressed by providing assistance through information ...' – okay I get that – '... to help the low income household and via the benefit system.'

2510 It is incredible. For those of you so wedded to universal benefits, well done, success. Everyone is going to be universally on benefits at this rate. A new phrase can be added to the lexicon, 'recycling poverty'. I mean, really, is this as good as it gets? Unbelievable. We are honestly about to vote through an implementation document that by its own admission is likely to put Islanders further into the scope of the benefits system. Here we go again, strategy, no scrutiny; principles, no pragmatism; ideology before Islanders; and for the benefit of Deputy Tooley I did another one – sustainable for the polar bear, unsustainable for the poor.

2515 Now Deputy Parkinson in his opening speech has asked us to get behind the implementation of the strategy. Deputy Brehaut recognised that new Deputies may not be obliged to back the strategy.

2520 Sir, I will not be backing this implementation. I cannot sanction STSB to continue with the procurement process with, effectively, an open cheque book. However, I have to be fairly sensible in my voting intentions. I am clearly not going to vote for this but I cannot vote it out either, it would not be right. I am likely to abstain from the vote and I am very comfortable with that decision. I just hope that those who are intending to vote this through are as comfortable with their decision as I will be with mine.

Thank you, sir.

2525 **The Bailiff:** Deputy Graham then Deputy Soulsby.

Deputy Graham: Well the answer to that, Deputy Inder, is that I am not totally comfortable with it but I am going to vote for it.

2530 But I did want to speak, sir, and I am grateful to you, just very briefly and narrowly on one Proposition, and that is Proposition 6 which, I think if I heard him correctly, Deputy Kuttelwascher alluded to.

2535 Now I am not in any way being disparaging of Policy & Resources ability to really act on our behalf in terms of scrutiny of costs, both capital and operational, and to be honest in me is an inborn reluctance really to make any process unnecessarily bureaucratic; but I have to say, and I hope I am not being uncharitable, that the history of this project throughout has been one where costs certainly seem to have been badly mis-sold, even to the point where one almost assumes that the costs are uncontrollable. And bearing that in mind, I think the continual and constant engagement of the States as a whole with the operational costs and the capital costs is entirely justified.

2540

Indeed if I am correct, the whole point of this meeting and this debate that we are having would have been lost had the Proposition 6 pertained throughout. In other words I believe that we are here to debate whether Proposition 8, I think it was, from February 2014 with a projected cost of £29.5 million clearly have been exceeded, and could not be exceeded without the States gathering and giving their approval to it. I may be right or wrong on that, but I think the principle is pretty sound and I think we as a States should be constantly engaged with monitoring the costs of this project. And I realise it only partly answers Deputy Inder's concerns.

Now, I suppose in a way once could have brought an amendment to that effect. I personally feel that I have had my ration of one amendment a year already and since I won I am getting out whilst I am ahead. But I made a conscious decision that I would not bring an amendment because I thought, I hoped rightly, that if for example we were to vote separately on Proposition 6 and it were not carried, the result of that would simply be that we would revert to the States being the scrutiny in costs rather than abrogating it to Policy & Resources. If I am right, I am right; if I am wrong I hope that will be brought to my attention.

I am not quite sure how, but I am almost certain, sir, to ask for Proposition 6 to be voted on separately, but my request will really depend on the response I get to this either from Deputy Barry Brehaut or from Deputy Charles Parkinson.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: I might just be able to help Deputy Graham out in what I am going to be saying.

And just to correct Deputy Kuttelwascher, I know I was on this morning but to talk about ... not to talk about waste minimisation, but about the great results we had against our budget at Health & Social Care. It was very early in the morning and I was probably half awake, but that is what I recall speaking about this morning.

But I am going to talk about waste –

Deputy Kuttelwascher: Just a point of correction: I do recall it and it was not the only thing she was talking about, but she definitely referred to the top of the structure, the waste hierarchy, about reduce, and the words used were: 'We have done precious little about it'.

Now, I do not think she was mentioning food waste as such, but she was talking about waste in general.

Deputy Soulsby: No, I can –

Deputy Kuttelwascher: Well, we will listen again, shall we, later on tonight? (Laughter)

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Thank you, sir.

So, I am now going to talk about waste minimisation. According to a recent report by the United Nations Environment Programme and the World Resources Institute about one third of all food produced worldwide, worth around \$1 trillion, gets lost or wasted in food production and consumption systems. Converted to calories this means that one in four calories intended for consumption is wasted. Every year consumers in industrialised countries waste almost as much food as the entire net food production of sub-Saharan Africa. This is at a time when there are people in the world living in extreme poverty, who are literally starving. This is an appalling state of affairs.

Locally our own statistics show that households could save £600 per annum if they reduced their food waste, and in response to Deputy Inder's comments earlier it does kind of put the increased costs of dealing with our waste into the shade somewhat. Well, that is what I told my

2595 son when he did not eat all his porridge this morning. But my persuasive powers as a mother often do not match those as a States' Member. We need to educate ourselves regarding food, not throw stuff out just because it has reached its best before date or use by date. Have confidence in our own abilities to understand when food has gone off and when it has not. Saying all that, predictions are that the days of cheap food may be over. Costs of production, climate change implications and foreign exchange rates may mean that food costs rise and will as a result limit waste.

2600 Now, moving on to Proposition 6: I would like to draw Members' attention to Proposition 6 which effectively, as Deputy Graham has mentioned, allows P&R to authorise any expenditure over current estimates. I have to say when I read this that I was concerned that this basically gave P&R a blank cheque, and I also thought about laying an amendment to limit this authority to say a 5% overspend with the need to come back to the Assembly if costs ran over that amount.
2605 However, I decided against doing so, based on the fact that it may cause unacceptable delay. Instead, I requested that the President of the States' Trading Supervisory Board confirmed during this debate that he would be happy making a statement if, or if I were being cynical, when the final costs rise above the estimate. He has advised me he will be content to do that and I look forward to him confirming that is the case.

2610 Sir, we are in a place where we have no choice but to accept this strategy. That is not a great place to be. Time has run out and we are the ones left standing when the music stopped. The important thing now is that the implementation receives intense and ongoing scrutiny, and here I think the post implementation reviews, will be critical. Far from just looking back after the event, they have the potential to assist the States' Trading Supervisory Board and Environment &
2615 Infrastructure and ultimately this Assembly in determining future direction, and because they are so critical, again I say they should be made public.

I will support all the Resolutions.

The Bailiff: Deputy Laurie Queripel and then Deputy Green.

2620 **Deputy Laurie Queripel:** Thank you, sir.

In effect we are being told in this report, amongst other things, that we have to try and make the best of a situation that is not ideal. Now, some might argue that is not the case but we are apparently, as Deputy Roffey said at I think 11.55 – so at five to 12 as it were – to some extent painted into a corner with seemingly no other option. So those are hardly the conditions, and I agree with Deputy Soulsby, that make for good Government decisions or policy making. A
2625 Hobson's choice scenario is not a good basis or justification for a policy decision.

Even if I do – and I am not saying I am going to – but even if I do vote for the Propositions for the strategy it will not be wholeheartedly or enthusiastically. We have heard from some members of the public lobbying us saying, 'Please, please, if you vote for the strategy please vote for it wholeheartedly and enthusiastically'.
2630

I am sorry, that would just be dishonest on my part; that would be disingenuous if I do that. I will be voting and if I do vote for it, it will be with grave reservations. But if it does get through and I am pretty sure it will, then I wish it all the best, because I do not want to see it fail. I want to see it work because it is not in the best interest of Guernsey, it is not in the best interests of the people of Guernsey and it is not in the best interest of our finances for it to fail. So if it does get through, and I am quite sure it will, I do wish it all the best and I do want it to work. But whether I am going to vote for it or not, I do not know. But it will not be with enthusiasm if I do.
2635

Sir, I just want to turn to the funding for the capital works. So we come to the source of the funding for the capital works which is a loan from the Bond – the capital works and the funding are mentioned in 1.7, 1.8 and 7.3. Those are the paragraphs in the report where they are mentioned.
2640

Now, before I say any more about this I want to clearly state these are my own individual views; I am not representing in any way shape or form the views of the Scrutiny Management

2645 Committee. I do not sit on the panel that has been set up by the Scrutiny Committee to look at the Bond because my views have been made clear in the past, and I am not going to back away from making them now. So these are my own individual views.

Normally with projects like this the funding would come from the Capital Reserve, so we are talking about £30 million. But the problem is if we are going to use proceeds from the Bond that
2650 £30 million, because there will have to be interest paid on the Bond I think at the end, by the time it is paid for it will be more like £50 or £60 or perhaps £70 million. The trouble with that is somebody has got to pay for it and it is going to come from the service user. So by using proceeds from the Bond we are inflating the cost of the strategy for the householder and that is a real concern for me. I will give way to Deputy Meerveld, sir.

2655

The Bailiff: Deputy Meerveld.

Deputy Meerveld: Thank you, Deputy Queripel, for yielding. You are absolutely right and this is one of the things that concerns me. At the end of the day the Proposition 7 says:

... the States' Trading Supervisory Board to recover such costs fully through charges to householders, businesses and other users of waste management services.

2660 That has to be run as a commercial entity. It has to make a profit effectively, it has to charge above our actual cost of waste disposal to recover the capital that has to be repaid to that loan and interest on that capital. So we are actually putting on to the public greater costs than the actual processing cost of the waste itself. It goes back to my earlier concerns expressed about how this project needs to be run in a commercial manner with that focus on value for money and cost of delivery.
2665

You also have the issue with that scenario where waste minimisation might actually work against you. You have got a capital cost, you have got interest to repay; if waste minimisation is successful you will have less waste being collected, therefore you will have to charge more per bag of waste to actually process it and cover the loan costs.

2670

The Bailiff: Is this –

Deputy Meerveld: And people might say, 'Oh, well that is unlikely to happen – '. Sorry it is.

2675 But I was just going to say that our fuel costs are a perfect example we have just increased tax on fuel because of –

The Bailiff: Is this still a give way point, Deputy Meerveld?

Deputy Meerveld: Sorry, I will sit.

2680

The Bailiff: Deputy Laurie Queripel, if you can remember what you were saying.

Deputy Laurie Queripel: Thank you, sir.

2685 I do thank Deputy Meerveld for his contribution because I have raised concerns about this, but clearly he is a man from a commercial and business background of a certain type, and he can add ... (*Laughter*) used to dealing in the world of finance. Oh, I will give way to Deputy Fallaize, sir, yes.

Deputy Fallaize: I am grateful to Deputy Queripel.

2690 Before he continues his speech, because of Deputy Meerveld's intervention as well, I just wanted to make the point that I understand the concern about funding the capital element of these proposals through the States' of Guernsey Bond, but that is the point of Proposition 5: anybody who does not want to fund it through the loan should propose some alternative means

of funding it, whether it is out of the Capital Reserve or whatever the Contingency Reserve is called these days, or whatever.

2695 I do not think that we can just criticise the funding mechanism as if a gun were being held to our heads. There is a Proposition here, it could be amended. It is for the States to decide how the capital element is funded.

The Bailiff: Deputy Queripel.

2700

Deputy Laurie Queripel: Thank you, sir.

I thank Deputy Fallaize for his intervention. He makes a good point. But nonetheless I think the point I made, backed up by Deputy Meerveld, is absolutely, absolutely valid and of course it can be amended or voted against.

2705 The point for me is, when the Bond was first taken out we were told it was in principal or primarily to fund the borrowings of the trading bodies. I did not think it was going to be used ... and I know it has got an income stream but of course that income comes from the householder, the service user, so as I say that is going to be inflationary as far as their household costs are concerned, because the interest has to be built into the charges that are made to them, as I say.
2710 So the capital cost will go from £30 million to perhaps £60 or £70 million and I do not think that is ...

Now once again as I have said – sorry, I will give way to Deputy Kuttelwascher.

The Bailiff: Deputy Kuttelwascher.

2715

Deputy Kuttelwascher: Thank you for giving way, but it is also a point of correction.

The actual financing costs are actually identified in the report as £19.5 million and it also says it is based on an interest rate of 5%. It then goes on to say, 'Well, we do not really expect to pay 5%; if we pay 4% we would pay £5 million less'. So the financing costs would be £14½ million.

2720 So I do not think it is such a dramatic increase as is being portrayed. It is about £700,000 a year for 20 years. That is the financing costs, if you get it at 4%. But if you are really good you might get it at 3.8% like everybody else is paying, so you would save a bit more. But that is as far as you can go. But you are right you and I will be paying back the Bond.

2725 **Deputy Laurie Queripel:** Yes. Thank you, sir.

I am glad that Deputy Kuttelwascher acknowledges that it will be the service user, the householder. And as Deputy Inder has already said many who are already pushed financially will pay the inflated cost of the strategy because the capital funding is coming from the Bond proceeds. Thank you. And as I say I do not think that was the true intention of the Bond when it was taken out.

2730

Having said that, the Waste Strategy is probably going to be voted through and I wish it all the best. And I say exactly the same for the Bond, the Bond is in place now and I do not want it to be a disaster for Guernsey, I want it to work for Guernsey, but I am just flagging up my concerns and I think they are genuine concerns, and they are shared by other Members of this Assembly.

2735

Sir, this is something that Deputy Green I think may speak about in more detail when he is going to speak. But in regard to the information that is going to be provided to Policy & Resources, the business case, etc, I wonder if it would be – and I would definitely like to see this happen – at the same time that information or that business case is provided to Policy & Resources if the Scrutiny Management Committee could have a look at it as well. I think that that is the kind of thing ... If we want our scrutiny to be serious, to have an impact and to be real time not only in relation to this project, but in regard to every project, the Scrutiny Management Committee should get a look at the business case at the same time as Policy & Resources, so we can apply some real time and proactive scrutiny. And put another set of eyes on it that can assess it and provide an opinion.

2740

2745 I have just got another heading here that I have termed 'fixed costs, victims of our own
success', and I mentioned this actually when Deputy Brehaut appeared before the Scrutiny
Management Committee at a public hearing. Deputy Hansmann Rouxel said yesterday that in
regard to what householders will pay in regard to the charges for the strategy, the bags, the fixed
costs, the flat charge etc. It is up to the householder, they have it within their gift. In regard to the
2750 destiny of those charges it is up to them how little they want to pay or how much they want to
pay. Now that is true to some extent, but it is not entirely true.

There is a touch of propaganda about that, (*Laughter*) it is a good news message, it is not quite
as good as it actually sound, because as I say there is a fixed cost element to this strategy. If
people really take the strategy to heart and if they tried really hard to minimise the amount of
waste they put into the black bags and they recycle like there is no tomorrow, actually there is
2755 every chance that the income for the strategy will not match up to the fixed costs, and the money
to make up for that shortfall will have to come from somewhere. Guess who it is going to come
from? The householder, the service user.

So I think it is all well and good saying that this is a strategy that the householders can take
control of the costs, but only to a certain extent. There is a fixed cost element to this strategy and
2760 it has to be met. And if this strategy is a success we could well end up being victims of our own
success because we will have to make up for the shortfall.

Yes, I will give way to Deputy Hansmann Rouxel.

2765 **The Bailiff:** Deputy Hansmann Rouxel:

Deputy Hansmann Rouxel: Thank you, sir. Thank you, Deputy Laurie Queripel, for giving way
there.

It is just to clarify yes, I completely agree with you about that fixed cost but in essence that
2770 £2.50 charge for the bags, if they are putting fewer bags out there will be less to export a tonne. I
agree there is concern there, but it is not as simple as the less ... the more successful it is.

Deputy Laurie Queripel: Thank you, but I do wonder if that analysis has been done. How does
one compare to the other? Has that work been done by the Committee and the Board in regard
2775 to ... if the waste stream is dramatically reduced if that is going to make up for the lack of income?

I agree, I think it is within the gift of the householder and the service user, to some extent to
control the cost of the strategy to their pocket, but not entirely. The fixed costs have to be met
and if they cannot be met because the strategy is a success, then the service user will have to pay
more. So, in other words, victims, to a certain extent of our – I will give way to Deputy Meerveld,
2780 sir.

The Bailiff: Deputy Meerveld.

Deputy Meerveld: The point I did not make very succinctly last time, is the fact that we have
2785 an obligation to pass all the charges on to the households. If the waste stream reduces, that £2.50
a bag will not stay at £2.50 a bag, it will go to £5 a bag, or £7 a bag to recover the costs required;
because the volume is falling so the premium has to go up because all costs have to be passed on
to the household.

2790 **The Bailiff:** Deputy Queripel.

Deputy Laurie Queripel: Thank you, sir, and I thank Deputy Meerveld because he has added
another detail to my answer and I appreciate that. He has articulated it very well. (*Interjection*)

No, I do not think it is wrong, because if the income decreases and it does not cover the fixed
2795 costs, you have got to find the money from somewhere, and it will come from the service user. It
will not come from – yes.

The Bailiff: Deputy Smithies.

2800 **Deputy Smithies:** Just to point out the whole point is that there will be a collection charge and a standing charge, the WDA charge. Deputy Hansmann Rouxel is quite right: if you are putting out less waste there is less waste to process, so if there is less waste to process then the charges go down. Or the costs go down, sorry.

2805 **Deputy Laurie Queripel:** We will see, sir. The test of time will reveal all. I will give way one more time, sir, and that is it, because I am nearly there. *(Laughter)*

The Bailiff: Deputy Leadbeater.

2810 **Deputy Leadbeater:** Thank you, Deputy Laurie Queripel. I think this is an important issue, (**Deputy Laurie Queripel:** It is.) the cost of this strategy. I know full well, we have just had the bonfire debate and people are allowed to burn rubbish whenever they like these days, and you are going to find people on low incomes that cannot afford to pay for the amount of waste they produce, so they will integrate that with their green waste, or someone else's green waste, or just burn it anyway.

2815 **Deputy Laurie Queripel:** They will find ways.

Deputy Leadbeater: That is what is going to happen. Thank you.

2820 **The Bailiff:** Deputy Queripel.

Deputy Laurie Queripel: Thank you, sir. And it is a point worth dwelling on, because I think it is an important one. *(Interjection)* Yes, not to spend an hour on but – *(Laughter)*

2825 Finally, sir, I come to the two paragraphs in the report 6.19, 6.24 and all the stuff in between them. As Deputy Roffey said yesterday, I do find this quite concerning. I think it is 6.19, I could be wrong, anyway it is all about the point that if Islanders who are struggling are in the position where they are really paying for the cost of the strategy, and paying the household bills really is affecting their finances in a very serious way, they can access some help perhaps via supplementary benefit.

2830 This one for me ... the report refers to this in quite a blasé and quite casual way, but this is quite a serious issue actually, because there are no figures on it, there are no numbers, it is an unknown. Once the strategy is up and running, how many people will need assistance – 10, 50, 100, 500, 2,000? We just do not know. That could rack up quite a considerable bill. So I think that definitely bears some more attention, from all of us really, but I think particularly Employment & Social Security should be very well aware that they might get quite a demand for help.

2840 And, as Deputy Inder and others have said, this might be an affluent Island, but it does not mean that everybody is affluent. There are a number of people who are just about getting by and this – forgive the pun – could tip them over the edge, paying these charges. I think we need to be very mindful of that. It is just almost dismissed in the report in a few paragraphs, but it could be a very serious issue. It could amount to hundreds of thousands of pounds during the course of a year. I think that bears some analysis and I really do think that the Committee for Employment & Social Security and Policy & Resources, really need to be looking quite carefully at that.

2845 **Deputy Gollop:** If I could make –

Deputy Laure Queripel: No, I am not giving way anymore Deputy Gollop, because I am just about to sit down. *(Laughter)*

2850 So, sir, I think those are the points I wanted to make and although my flow has been interrupted somewhat, I do thank Members for their interventions because they have helped me to make a number of points that I might have struggled to make on my own.

Thank you, sir, and that is it.

The Bailiff: Deputy Green

2855

Deputy Green: Sir, thank you.

2860 First of all in relation to Proposition 6, I like others do consider Proposition 6 to be somewhat unsatisfactory really. I have not quite decided whether I am going to vote against it or abstain. But certainly giving that full delegated authority to Policy & Resources in the circumstances is not as it should be. But I will think on it further before we come to the vote on that.

2865 In relation to where we find ourselves today, sir, I think irrespective of how we actually got here we have heard a lot about the history, we have heard a lot about the background and the circumstances that led us to this point and led us to this policy letter. I think for Members it is important to remember that irrespective of how we actually got here as a States, it is still open to Members today to judge the policy letter on the merits as they see it today. There are serious concerns in our community about costs and the lack of value for money in these proposals. I do not think we should necessarily just give *carte blanche* to the Committee and to the Board today. Irrespective of how we got here you still have to judge this policy letter on the merits as it presents itself.

2870 I am not sure the strategy that is now in play is necessarily what was in play in 2014; I think there are substantial differences. And perhaps, more potently, I am not sure that the States either in 2012 or in 2014 would have anticipated the full cost implications that are now before us, and that in itself makes it in a sense a different sort of strategy. I think that is a perfectly valid reason why Members would have concerns about this policy letter and the Propositions which are before us today.

2875 So where does that really leave us? My own view is first and foremost I am not sure that value for money has ever been part of this particular strategy and it is certainly not part of it today. It is very difficult for us to be able to assess on the figures that we have got in front of us today where exactly the value for money is. You look at the operating costs over the whole 20-year life of this project and they are now up £40 million on what we have previously been told, together with the increase in the capital costs. The reason why this has been returned to the States is because of those capital costs. The previous delegated authority that had been given to the former Treasury & Resources Department was exceeded and that is why it had to come back here.

2885 The more general point, sir, in my view is what level of confidence can we really have as an Assembly and as a Government in the financial figures that we have actually got before us today, when you bear in mind the initial figures back in 2012 were woefully inadequate and really quite soft. This is one of the points, I think, that Deputy Dorey made in the public hearing that we held with Environment and with the Trading Supervisory Board in September. One of the greatest lessons of this whole sorry saga is the fact that the initial figures that were put on the 2012 plan were just simply not up to scratch and the way in which things have evolved have made that very, very evident.

2890 Sir, personally, I am not opposed to the idea of export, I do not believe that we have any kind of moral obligation to deal with that waste on Island. I do not believe that to be the case, I think others have made this point, we import a substantial amount of material that ends up in our waste stream and therefore I do not think there is anything wrong in principle that we then seek to export a certain amount of that waste as a result.

But that is not to say that the strategy is right from a cost point of view. It is no doubt the case that there is no longer a low-cost solution. We did very well I think for a very long time having the solution that we had to deal with our solid waste. So there is no low-cost solution, but there could

2900 well be a *lower* cost solution. We do not know. The question is whether we have done everything we can to mitigate the costs with this strategy that we have in front of us.

Now, I think, sir, at some point we are going to have to come up with a better balance to be struck between environmental objectives and the cost consideration on any sensible analysis of this. The costs on offer now are undoubtedly much higher than previously thought and that cannot be disregarded at a time of general fiscal retrenchment.

2905 Sir, there are perhaps three main points that I now want to make and I will deal with them in this order. Firstly, I want to make some comments about the cost to the individual householder and then I want to talk about the way in which the capital infrastructures is going to be funded, which Deputy Queripel touched on a moment ago. And then thirdly I want to talk about some of the insufficiencies in this policy letter and the lack of evidence on some particular points.

2910 First of all in relation to the cost to the individual householder, I do note Proposition 7 in this policy letter and the intention to fully recover costs through charges as permitted under the 2004 Law, but of course there is some tension in the Law itself by virtue of section 8(3), which provides and I quote:

Rates of charges and fees prescribed in regulations made under subsection (1) shall not exceed such amounts as are fair and reasonable in relation to the particular service provided, work undertaken or time expended.

2915 It is that phrase fair and reasonable. Fair and reasonable might not necessarily be met by £4 out of every £7 on average per household being made up of a flat or fixed charge made by both the Parish and the WDA, plus the charge for black bag refuse. That can be seen as potentially regressive, in my view – regressive in nature particularly for certain income groups.

2920 Now, I know that paragraph 6.19 deals with the issue of affordability being best dealt with through the benefit system and as my colleague Deputy Queripel mentioned a moment ago, I do not think this is the right way of looking at this in any event, but even if that is the right approach it does ignore the fact that these charges will affect working people on average and below average incomes who are not, and who will never be, on benefits or in the welfare system at all. And it is that group on our Island – the just managing group who are not on benefits and have not been on benefits – that will really feel the pinch of the average cost per household going up from £2.15 per week to on average £7 per week.

2925 Secondly, in relation to the funding of the capital infrastructure, the plan now is for the funding for the capital infrastructure to use the Bond rather than draw upon reserves from the Capital Reserves, but I do wonder what implication that will have for the annual household bill for Islanders. In other words what will each household pay, because this draws money from the Bond rather than from Capital Reserves? And indeed why is it necessary to borrow funds from the Bond for the risk contingency and for the professional advisor fees of £1.5 million as well? I would be grateful if somebody could shed some light on that.

2930 Finally I think I just want to make some points about the quality or otherwise of the policy letter, because I think there generally was lack of evidence, sir, in the policy letter. I think there were three areas where I detected a lack of evidence. There is a lack in evidence in the policy letter in terms of the actual net cost of recycling materials *per se*; there is a lack of evidence there about whether the Committee and the Board had actually looked recently at realistic land fill options; and indeed I think there was lack of evidence in terms of the position of Jersey.

2940 Now, section 5 in the policy letter does deal with Jersey as the potential destination for export. I understand what section 5 of the policy letter is actually saying about the appropriateness or otherwise of Jersey for our exported waste, but where is the evidence in the policy letter in this Billet that shortly or in the future we categorically will not be able to send our waste directly to Jersey – not as RDF but otherwise – for their incinerator, thus totally avoiding the need for us to build a transfer station and develop that site in the first place?

2945 I think there were some fundamental things in this whole strategy that ought to have been made much clearer in the policy letter, and I think the case should have been made from first principles rather than assuming any particular in-depth knowledge for Members who do not

2950 happen to be on the Committee, or happen to be on the Trading Supervisory Board. So I think there was a lack of evidence.

Sir, in conclusion, all in all I do not oppose in principle the strategy that we have, but I think the value for money aspects of it do leave a lot to be desired. The States has basically not taken the opportunity to carry any amendments to seek to restore any deficit in public confidence in terms of value for money.

2955 But I do return to the point I made towards the beginning of my speech which was that I do not think this is still the same strategy that we had on offer previously, and even if it is the costs have gone up by so much that it does fundamentally change what we have in front of us. And irrespective of how we got here, irrespective of the background and the history and the troubled history that we have heard so much about, I still think that Members have to judge this policy letter on the merits – and given the serious concerns about costs that simply will not go away.

The Bailiff: Deputy Ferbrache.

2965 **Deputy Ferbrache:** Sir, Deputy Dudley-Owen described the policy letter when she spoke, as lacklustre and disappointing. I do not find it lacklustre and disappointing; I find it in some ways incredulous. And it is really the point of the costs.

I have heard many speeches and I have got to say I commend the speeches of the Presidents of the Committee and the Board, Deputy Parkinson and Deputy Brehaut, because they have spoken succinctly and to the point. Although I do not agree with certain things they say, they have addressed the issues before them, because the policy letter is headed as they rightly say, Implementation of the Solid Waste Strategy. We are not here and there have not been any amendments brought, to just say get away with that strategy and let's go back to step one, because that would be wholly irresponsible.

2970 I am surprised in the very, very, many speeches we have heard – and I am very pleased to have heard some of them but I am not so pleased to have heard others – that nobody has apologised to the people of Guernsey. We are the latest manifestation, or embodiment, of the States' Assembly, but why aren't we apologising for the decision to cost the taxpayer £12 million or thereabouts, by abandoning two incinerator contracts? Whether we should have entered into them or not in the first place the States made a decision to enter into them and then chose, at a cost of nearly £12 million. And I know the vote was 41/1 because Deputy Dorey has told us that two or three times over the last day or two, the 2012 Strategy, when the figures there were wholly and abjectly wrong. Why are we not apologising for the 2014 decision made in February of that year, which went through I think without a recorded vote, there was a sursis earlier that day by Deputy Laurie Queripel that got a magnificent four votes – which after all is two more votes than his brother and Deputy Prow got for their bonfire debate a couple of weeks ago – but still not a lot. Why on earth are we not apologising for that?

2985 Now in relation to that on 12th February 2014, I could almost say I am going to change my name from Ferbrache to Fallaize because I am now reading the Hansard from two and a half years ago, and Hansard two and a half years ago has Deputy Luxon, who was then the Minister, saying this:

Value for money runs at the heart of our thinking as we implement the Strategy. We recognise that the cheaper and unsustainable costs of the previous old fashioned landfill disposal method would inevitably have to increase as we move to this modern, sustainable, waste management system. But we are intent on minimising capex ...

– which means capital costs –

...and opex ...

– which means operational costs –

... costs to minimise the total cost increase for all householders. This is a key goal and it is a prime determination for my Department.

My goodness me – that is my comment, not his.

In conjunction with the Treasury and Resources Board, we have included within this report at Section 22 an extensive overview for the benefit of Members. This presents how we see the overall costings, using a [fair] range of outcomes and including sensible contingencies to provide a clear picture of how the finances will work over the next three years and beyond.

2995 Well, look at what they provided then, look at what is in here now. That is an abject failure of the States in February 2014 to carry out proper scrutiny. And I think his then, Deputy – I will be corrected if I am wrong, because I imagine it must be recorded somewhere, Deputy Scott Ogier said:

Everything has been gone over in detail.

3000 Well if it went over in detail that is not my dictionary definition of detail, because it was abjectly incompetent and useless; and we are faced with a situation today, as Deputy Roffey said very early on, where he does not like this strategy – and neither do I – but what other option have we got. Deputy Soulsby said that just a few moments ago.

Deputy Fallaize said yesterday that in relation to this strategy: 'If you do not like it come up with something else.' He is right. It would be irresponsible Government and we have got to have the real politic that Deputy Roffey referred to yesterday.

3005 I tell you what I would like, but it is not costed out so I cannot put it forward. I would have liked carry on with recycling, recycling as much as we properly can. I would have liked a reasonably sized on-Island incinerator. I would have liked proper landfill in Guernsey and I would have liked, where we had to send off our waste to somewhere else, for that to have been done in the most cost-effective way possible. That is what I would have liked and if there had been time –
3010 and we have not got any time – that is what I would have advocated. What we have got here ... and there is no criticism of the two boards, or the Board and the Committee, they are doing exactly what the States told them to do and they are doing it now, and they have made the point very clear that we are up against time. Now, whether Mont Cuet goes to next September or October, or whether it could last to 2021 or 2022, that is not enough – three or four years even at
3015 the best it is not enough time. We have not got enough time to do it.

Deputy de Sausmarez talked about all-inclusive policies. I agree with her, that is the jargon for meaning we want people to be happy, we want people to be healthy, we want people to sign up to a policy, but what has been the sub-text – and I picked that phrase up, nice phrase and I am going to use it again in the future, I have heard it several times over the last day or two – the sub-
3020 text of this really is that cost is not important. Well to Mrs Le Page, that Deputy Hansmann Rouxel first referred to and that Deputy Inder referred to today, it is very important.

Now, Deputy Hansmann Rouxel was doing some arithmetic yesterday that I did not fully follow, but I think she was saying if Mrs Le Page does this, she will have this amount of bags rather than that amount of bags; it was still, I think, if I took her arithmetic correctly, an increase at
3025 best, over what Mrs Le Page would be paying now about £2.60 a week, at the cheapest, extra. Mrs Le Page has probably got a pension income of about £180 to £200 a week. So you multiply £2.60 by 52 and you have got something like £130 per annum – that is two thirds of one week of one of her pensions. So, that may not seem a lot to you, because some of you might be going on your skiing holidays next week, or doing other things. But to her that is a heck of a lot of money –
3030 £130.

As I say, I heard some excellent speeches and the two that stuck in my memory the most, were Deputy Meerveld's speech and Deputy Prow's speech, because Deputy Prow descended upon the detail which very few of the other speakers have actually done. They glossed over the facts and the figures and had not really addressed them in the way they should have done, with respect to

3035 the people of Guernsey, because this is one of the most important decisions we are going to have
to take. I also liked the raw emotion – it reminded me of when I was young – of the speech of
Deputy Inder, in relation to saying have regard to for this, have regard for the cost. Because we
have not had regard to the cost and to say to the ordinary person of Guernsey it is only going to
cost an extra £5 a week is an insult. We are stuck with that, but it is an insult. And I do not mean
3040 any criticism of Deputy Brehaut or Deputy Parkinson or any of the team involved, because
everybody has acted in good faith – but how much confidence, bearing in mind the 2012 and the
2014 figures can we have in these figures?

When I see, if we do not sign up to this soon, it is going to cost us an extra £75,000 a month,
somebody did the arithmetic for six months, £450,000. Actually Deputy Meerveld lived in the
3045 commercial world and I, in my various manifestations, have lived in the commercial world and we
talked about the loss of reputation for Guernsey if we renege on another contract. I am not
suggesting that for a moment, by the way, because that is not practical. Look in the real
commercial world. People want to make money, they will not give a jot that Guernsey in the past
reneged upon some contracts, they will have their hand out there saying, 'Can we do a deal with
3050 you? This is a vast commercial world, can we do a deal with you? We don't mind that you did not
do a deal with Suez or somebody else, we will do a deal with you'.

I do not know, perhaps I am being overly naïve, but – because it still is a tricky financial world –
why have we got ourselves into a situation whereby we have allowed ... and part of the £75,000 is
'construction inflation costs' or whatever the terminology is, the exact terminology appears there.
3055 Why have we not said to these particular people you can have this contract Mr X or Mr Y but you
have got to stick to this price for the next 12 months or whatever it may be – because that is how
the real commercial world works when you get tenders in the real commercial world.

I see Deputy Leadbeater, he is in the real commercial world. If he quotes for something and
somebody says, 'Well I will accept your quote Deputy Leadbeater, but you have got to stick with it
3060 for the next 12 months'. The practicalities are he will have to do that. Whereas otherwise his real
costs when he actually does the job in a year's time might be another 5% or 6% because he has
had to pay extra wages and materials have gone up, but he has got to stick with that contract.

We do not seem to be capable in the States of Guernsey of dealing with the real world. It is
about time we started, because we are not paying that, we are individually, the 63,000 people that
3065 live in this Island, the 30-odd thousand people who pay tax, probably more, they are paying it,
and it is an outrage that we have got them into this situation.

I repeat that apology again. I am very surprised all of you who have spoken and some of you
have spoken several times, have not said that to the public of Guernsey.

I also look at the targets. I know we voted on the targets and they are going to go forward.
3070 They are absolutely, abjectly, meaningless. Now, we pushed back the project by three years, but
we pushed back the 70% recyclability by five years. Now I know there was an explanation given
for that, it does not hold water, it does not make any sense. If you push back something three
years ... the reason they pushed it back five years is because they know there is not a chance in a
snowball's million, of achieving 70% in that period of time. It is not going to happen, but you push
3075 it off a few more years. In 2030 I will not be in this Assembly, even if I stood for election I will not
be in this Assembly, but I will not be standing for election any time then. Deputy De Lisle and
Deputy Graham might still be here, I know not! (*Laughter*) Deputy Graham may well be in 2030
saying, 'I think it is absolutely unacceptable that the Bailiff should have to retire at the mandatory
age of 110'. (*Laughter*) He may well be saying that. But it is so far into the future it is absolutely
3080 meaningless.

When you look at some of the things, I mean, they are just ridiculous. I mean the increase, the
capital figures and the figures put forward – and look at the columns. I now turn to it and my
hand is shaking with almost rage as I look at these figures. On page 18, the column: we see things
have been taken out, now what we are looking at in 2017 is not the same as what the States
3085 approved by 41 votes to 1 – I am very glad I am going to remember that for a very long time – in
2012. We see the transfer station – and it is a point that Deputy Inder has already made in far

3090 more detail than I am going to refer to – is bigger; well why did we not realise it was going to be bigger, all those years ago? Why did we not pick that up? But it has gone up from £7.8 million to £13.1 million; site development from £5.8 million to £9.8 million. Risk contingency, which was not even included first time round when you go back to Deputy Ogier and Deputy Luxon’s figures, they said everything had been considered, everything had been done properly and the 20 or so of you who were in the States at that time voted it through on the nod. Why on earth was that figure not included? It is now at £3.1 million.

3095 We have got professional advisors’ fees – that is a foot note, footnote 15 – which were identified in the 2014 policy letter as anticipated expenditure but not included in the capital estimates. That has gone up from £1.2 million to £1.5 million. Now I did shake a little bit when Deputy Inder said professional rates of £100 an hour. I thought my goodness me, when did I last charge £100 an hour? But they may be a little higher than £100 an hour, but even then (*Laughter*) value for every single penny. But even *then* £1½ million of professional advisor fees.

3100 Now when I see terminology like, well how on earth can you really expect it ... Oh, let me carry on chronologically – 7.7 on page 19, third bullet point:

MRF facilities for sorting and processing household dry recyclables are expected to be provided by the private sector. Negotiations are at an advanced stage. Capital expenditure by the States is therefore not immediately required, but space is reserved at Longue Hougue should it become necessary to construct a facility in the future.

I do not know what means, but perhaps somebody would explain it to me in reply. And the operating costs, of course, which are dealt with paragraph 7.8 and onwards:

Updated estimates of operating costs over 20 years for the solid waste Strategy, including collection costs, are c. £266.2 million ... This is £42.6 million above the pre-tender estimate presented to the States in 2014.

3105 That is £2 million a year extra! How on earth could it be so abjectly wrong just three years ago? There is something about ... well you cannot really guess at certain costs, not at that point – when I find my notes in relation to that – saying when you look at costs you have got to have regard to the fact that we are looking at something different. Now, we are not looking at anything different. We are looking at something in relation to – oh yes, here we are – paragraph Export Destination paragraph 5.2:

Following the evaluation of tenders, Geminor UK was identified as the preferred bidder. Its tender scored highest in both technical and financial evaluation, and provided the most robust contingency arrangements.

3110 And over the page 5.4:

It also scored better in a separate environmental appraisal.

3115 Now, I am sure they have got it right, but really it seems to me that what we should have had, and what we should have been told – and I do not want a 26-page policy letter expanding into a 46 or 56 page tome, but really I think what we should have been told was how much weight was given to the cost element and how much weight was given to the environment element. Because the cost element to me, going back to what Deputy Luxon said to this Assembly when 20 or so of you were here three years ago, is the predominant issue. If it is the predominant issue it should have been made not implicit, but explicit – that is the word I am looking for – in this particular document.

3120 Now we are told well you cannot really expect to have like for like because before they were only sort of outline costs, and there is a particular phrase used in here in relation to how that is worked out. What galls me ... the greatest batsman of all time was an Australian called Sir Don Bradman, he averaged 99.94 runs per test innings. He batted, played in 52 tests, he scored 6,996 runs. He never scored in one particular innings 99.94 runs. He batted lots of times but he never got 99.94 runs. So when we talk about average household whatsits under this particular heading, 3125 it makes it a nonsense. It talks about average household expenditure being in 2013 £1,046 a week

now the equivalent of £1,096 a week. Most houses in Guernsey most households do not approach that kind of expenditure because they have not got that kind of income. They are not like certain accountants and advocates in Guernsey earning £600,000, £700,000 or £800,000 per annum, so multiply that and that is 12 times this type of income, or 14 times this type of income, or 16 times this type of income which pushes the figure up.

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The mean income as referred to by Deputy Inder earlier, is about £31,000 per annum. So, how on earth can you just say – and what they then apply, they apply the cost of living over the last three years, or two and a half years, since that. We live in the real world, we talked about real politic earlier. In the real world over the last three years the average person's – here I am using that phrase now – income has not gone up 6%. They are very lucky if it has gone up at all, unless they have worked in the public service. In the private sector, at best, their income has stayed as it was; it has not matched inflation, it has stayed as it was. There will be some people that have earned far more than that or their wages have gone up, because they have got promoted or in a very profitable company. But the mean, or the average, has not gone up by 6%. So therefore just to say, 'Oh it is a mere £5'. It is a mere £5 for everybody in here, but it is not a mere £5 for everybody, to a lot of people it is probably half the population out there. So therefore we are having to introduce this because the States of Guernsey over the last 12 or 14 years has made a complete mess of where we are.

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Also, I have very few moral principles at all, so I certainly do not have any about whether we export our waste or otherwise, and Deputy De Lisle made the point in Jersey with their incinerator they are going to have to export waste, I think he said £5 million for a particular type. Well, hang on, it is a bit like birth and death, those are certainties, and in relation to the period in between which we hopefully can enjoy, the money there, the £5 million worth of ash has got to go somewhere and be buried somewhere. Somewhere in this world.

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Now people say, 'Oh it is all right for him he is not really interested in the environment'. I am interested in the environment as much as anybody in this room. We have had some wonderful environmental things in history. Look at the Clean Air Act in England which means that instead of having smog in London they have actually got air that people can breathe. What we should have done environmentally in Guernsey years ago was have a much tougher planning regime so that we did not have all the ribbon development that we have got around our countryside.

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Behaviour can change, I agree there. Look at smoking, I hardly smoked six cigarettes in my life, not because I do not like them but I am a Guernseyman and I do not like wasting money. But I do not like people telling people what to do, but it has worked and far less people smoke now. It is far better, you can go into a restaurant and not get somebody blowing smoke in your face. So, culturally, you can change it.

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Deputy De Lisle made another point about the 70,000 tonnes of waste that was produced x number of years ago, he told us the exact year, it did not etch in my mind like the Deputy Dorey 41/1 score, which I will remember forever. But in relation to that we are down to 22,000 tonnes now. I hope that will continue to diminish, but you cannot get rid of all the waste. There will be some waste that is going to be produced whether it is 10,000 tonnes or 15,000 tonnes or whatever it may be.

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Also these figures, the column I took you to before which angered me about that £1,046 disposable that people spend on average a week. I am assure that is there, I am sure that is arithmetically correct, but the average person in Guernsey ... and people talk about busy lives, oh we have all got busy lives nowadays – hang on, they are nowhere near as busy as people 20 years ago, they are nowhere near as busy as people 40 years ago. It is a different way of life now and people have to manage it and people have to deal with their lives. Lives have developed but they are different to what they were. But, because we have got an ageing population, we still want people to have children, we still want families to develop. So if you are a mum and dad, probably with a global income of about £500 a week, in what I regard as the Fallaize/Ferbrache/Roffey-type of background, if you have got that £500 a week and you have got three kids, you could educate your kids as much as you like, you could tell them whatever you want to tell them, as a matter of

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3180 pure common sense you are going to produce more waste than an elderly couple like me and my dear wife. That is going to happen, therefore it is going to cost that family more than it is going to cost us. It is almost like Mrs Thatcher's poll tax in reverse. It really is. It brought her down.

I am undecided, I think I am probably going to incline because I accept the real politic point that Deputy Roffey made to just about vote for these proposals. I am going to do it through gritted teeth because of the absolute mess that States of Guernsey after States of Guernsey have made over the last 15 years.

3185 I end my remarks by apologising again to the people of Guernsey.

The Bailiff: Deputy Paint and then Deputy Oliver, who has been waiting quite a long time.

Deputy Paint: Sir, I will not be very long.

3190 You have heard, very well explained today, the many questions and undefined costs there are at the moment with this strategy. I am sure there will be many more to come.

I accept that this strategy had been agreed on in the past, but it should not have been at any cost or with so many changes. Listening to Deputy Ferbrache actually illustrated everything very, very well. I am pleased to say I owe no apology to anybody, because I never voted for this strategy. I did once, and that was because we had nowhere else to go.

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I am personally not prepared to put my name to any open taxpayer's cheque to pass this through, regardless of cost. So please alter what you are proposing in some way if you can, because unless you do I am voting against it.

Thank you, sir.

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The Bailiff: Deputy Oliver.

Deputy Oliver: Sir, I just want to say that when I actually got the policy report for the information of the Solid Waste Strategy, given that we are being told that we have no alternative but to accept this policy letter, where is the detail? I would like to know on page 20 under the Operating Costs, the RDF production and export: this is increased by £32.5 million. How can we get the figures so wrong, pre-tender, to December 2016? This is a 57.5% variance.

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When surveying, if I was surveying this, big questions would start to get asked when there was only a 10% increase. We are talking about a 57.5% increase. But as far as I can see within the report there is no business case or explanation for this increase; which brings me to Proposition 4:

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- a. to tender for the export and transportation of food waste ...
- b. to continue the tender process for the export and transportation of residual waste
- c. to continue the tender process for the construction or operation or the construction and operation of -
 - i. a Transfer Station;
 - ii. [and the materials to recover]

What I want to know is what if, after this tender process is finished and potentially costs have increased again, is there actually a limit to the costs where we say enough is enough, we cannot continue with this, it is just costing too much. Do we have any limit? Or we just going to continue to throw money at this left, right and centre?

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I know it is not, to a certain extent, the two Committees' fault, they are just implementing something, but as a collective group of people surely we have a responsibility to Guernsey to say when it is enough. I look forward to the answers.

Thank you.

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The Bailiff: Deputy Dorey.

Deputy Dorey: Sir, point of correction.

3225 Deputy Oliver asked about the increase in the cost of the RDF production and export. On the opposite page on page 21 the second bullet point gives a brief explanation of why the increase has happened.

The Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

3230 I first read this policy letter several weeks ago. I think actually it is quite well written, it is not sufficiently detailed, but it is written in English at least which is an improvement on some. (*Laughter*) It flows quite well. I wrote down here next to paragraph 6.14, 'A poll tax!' Deputy Ferbrache has just called it something similar to that. It is a form of poll tax and it is about costs really that I wanted to speak.

3235 There is no question that the cheapest way of disposing of waste is what Guernsey has been doing for decades, not modern landfill but conventional landfill. At paragraph 2.4 it says:

As far back as 1998, the States acknowledged that this could not continue indefinitely.

3240 Now, I was not a Member of the States in 1998, Deputy Ferbrache was a Member of the States I think in 1998; I do not know if Deputy Roffey was ... no Deputy Roffey was not; Deputy Lowe was, I do not know if anybody else was who is here. (**A Member:** Deputy Gollop.) Deputy Gollop was. So this story, this recognition, that the way in which Guernsey had disposed of its waste for decades could continue no longer, goes back very nearly 20 years. The policy letter sums it up by saying:

Landfill is inferior to other disposal methods. It destroys resources in waste, does not recover usable energy, and is a hazard to the environment ... It also renders a site unavailable for alternative uses, such as water storage or further quarrying.

3245 Now, from the moment the States made that decision and bearing in mind that the States, the previous States or this States, could have decided if they wanted to, to disregard those misgivings about landfill and continued with it and the present States could now. Occasionally we are told, 'Oh you know we might not get a licence to dispose of waste through the ...' But we are a legislature (*Interjections*) so if we decided as the legislature, that we wished to continue with conventional landfill there is no question that we could do it. There may have to be changes in legislation, but we could do it.

3250 I do not see anybody today and I have not for many years, laying amendments or coming to the States with proposals, suggesting the continuation of conventional landfill, which is the cheapest method of waste disposal. So I assume that we all accept that we are moving to an era where the disposal of waste will cost more than it has cost up to this point. So we are talking about the quantum of the increase in cost.

3255 I agree with the premise on which Deputy Ferbrache made his criticism, but he did – I won't say confuse, I do not think he did it inadvertently – I think he merged together the total cost of the strategy or project and the cost to the individual or the householder, and they are two separate things. I do not think that previous States which have embarked on this strategy can be criticised – certainly they can be criticised for bad financial forecasting, abjectly bad financial forecasting – but I am not sure they can be criticised for the total overall cost of the strategy.

3260 Deputy Paint says he has never voted for this strategy other than on the one occasion on which he was in an impossible position. He has never voted for the strategy and of course he is right and I accept he has been consistent. But he and others did vote for the Suez energy from waste plant, and the total cost of that waste strategy was estimated north of £250 million over its lifetime, and that did not include all of the costs. It did not include all of the costs for dealing with the ash, for example, it did not include the decommissioning costs of the plant. So I do not think it is quite right for critics of this strategy to criticise it on the basis that all of these costs are going to be loaded on to the community as if ... if only the States had done something else over here

3270 chosen a different option, it could have been half the cost or almost no cost at all, because that
option has never been on the table. It has been between £250 and £300 million Suez project
against the £290 million project that is before us today. So any criticism levied on the basis of cost
has to take that into account.

Now, what Deputy Ferbrache came down to talking to, was the cost to Mrs Le Page, or
3275 whoever it is – the cost to the individual, the cost to the householder. Now that is a perfectly fair
point. I do not like the charging mechanism that is set out in this policy letter, there are no
Propositions about it, because the States have already decided what the charging mechanism is
going to be. I have never liked it, I voted against it when it came to the States previously, I think it
is unfair, I think it is regressive. **(A Member: Hear, hear.)** There are only two fair ways in my view of
charging for this kind of service. One is that the user pays, I mean in a completely proportional
3280 way and for every additional unit you use you pay more, or it is funded from General Revenue.
Anything else, anything about standing charges, standing charges are better than TRP charges,
but they are all regressive. It is not fair. It is not fair on people with large households. It is not fair
on people who have below average income. Every time the States introduce standing charges, or
what are sometimes called stealth taxes, the impact is felt disproportionately by people who can
3285 bear the burden the least. **(A Member: Hear, hear.)**

But there is a difference between the total cost of the strategy and how the cost is recovered
from each member of the community. If the States do not want, let's say, a person in a large
household who for the reasons Deputy Ferbrache articulated well is bound to put out more
rubbish than a person living on their own. If the States want to avoid the large household being
3290 hit disproportionately, or if the States want to avoid the pensioner of limited means being hit
disproportionately, well then change the charging mechanism and I would support that.

You can fund it all from General Revenue, remove all of these standing charges and introduce
a 30p in the £1 rate of income tax on earnings over, I do not know, £80,000, £100,000 or whatever
it is. But that is way to – Deputy Green says you will not get that through ... No you will not get
3295 that through *(Laughter)* I do not think you would get that through the States. But that is the way
of limiting the disproportionate burden borne by people who are of limited means. **(A Member:
Hear, hear.)** It is no use criticising the total cost of the strategy because this is the second strategy
laid before the States in the post-landfill era, and the costs are broadly comparable over a period
of 20 or 25 years. And nobody is proposing conventional landfill.

3300 So I hope that we are not going to hear a succession of speeches criticising the total cost of
the project as if, if we did something else, we could deliver it very much more cheaply. The issue is
how do we levy these costs – at an individual level or at a household level? As I say I do not think
that the charging mechanism is at all fair.

Deputy Laurie Queripel said that the Committee for Employment & Social Security ought to be
3305 prepared because they may have to bear additional costs because of the people who are in
receipt of means tested benefits. The Committee is more than alive to that and discussed it only at
its most recent meeting. The policy letter says that the sponsoring committees will engage with
the Committee for Employment & Social Security to ensure that the poorest Islanders and
households receive the necessary financial assistance. It will not be done inexpensively, but that is
3310 the nature of benefit systems.

Those Members who fear or feel for what in the UK are now known as JAMs – just about
managing – make perfectly fair points. They are the people who are likely to be disproportionately
burdened by the charges associated with the introduction of this new strategy. But that does not
mean the component parts of the strategy are wrong, or that there is another strategy that can be
3315 delivered more cheaply to the States or to the Island, it simply means that the charging
mechanism is wrong. But we are in an administration which generally has a regressive approach to
taxation and charging. **(Several Members: Hear, hear.)** There are many people in Guernsey of
limited means, on fixed or low incomes, who are paying for services and charges and taxes, who
are paying more than they would pay in jurisdictions which are considered relatively high tax
3320 jurisdictions. The flip side of that is that there are also a lot of people, perhaps not as many

numerically, but a lot of people nevertheless in Guernsey, who are earning well above average incomes, or who are people of some significant means or wealth, who are paying an awful lot less in terms of charges or taxes than they would be paying in comparable jurisdictions. Changing that is the way of limiting the disproportionate burden of this strategy on people of fewer means.

3325 But there is not some other waste strategy waiting for 'if we just had one more go at it' or soon we will have the phrase 'there must be a way'. But unless we are going to continue with conventional landfill, there is not a way of disposing of waste that is substantially cheaper than what is before the States now, nor what was before the States in 2009 – the Suez incinerator project. Two completely different strategies developed, almost coincidentally, and the cost is more or less identical over the long term. That is because disposing of waste in a way that is considered environmentally reasonable *is* expensive. It is much more expensive than conventional landfill, which is the only cheap way of doing it. But if you want to stop Mrs Le Page and others like Mrs Le Page, from facing a disproportionate burden, then make substantial changes to our fiscal system not to the waste strategy.

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Several Members: Hear, hear.

The Bailiff: Deputy Le Clerc.

3340 **Deputy Le Clerc:** Thank you, sir.

Deputy Fallaize has really picked up on the point that I wanted to make, as President of Employment & Social Security. We did discuss this at our recent meeting and I do have some concerns. If you look at 6.19 and I know that has already been read out, but I would just like to repeat it:

Any issue of individual affordability is best dealt with through the existing benefits system, which can identify who is in genuine need of financial support and provide direct assistance.

3345 I only wish we could identify those in genuine need of financial support. If you look at the latest Income Poverty Report we know that some of those in the lowest quintile – and those are pensioner households and single parent households – many of those do not come forward for financial assistance. So it is of concern to me that there will be people who will need help and we will not be able to help them through the benefits system.

3350 If you look at 6.23 and the indication of some costs of assisting only through the WDA and not through the bag charge, that is £250,000 a year and it suggests in the report that perhaps we will recover that amount by increasing the charge of the WDA to other households. Well if that is not recoverable, that £250,000 will have to be met from General Revenue and that does not go any way towards any of the extra bag costs.

3355 I think it is really important that we do have the discussions with the States' Trading Supervisory Board and the Committee for Environment & Infrastructure sooner rather than later, because if we want to implement this by third quarter 2018 that will have an impact on our Employment & Social Security budget proposition, that will need to be in probably by August of this year.

3360 The other thing that concerns me when you look at the effect that is going to have on RPIX for *all* households, that we have a time lag in the figures that we use for RPIX. So if we are not careful we will find ourselves on our pension uprating, our supplementary benefit uprating, and also for employers because employees are going to face additional RPIX costs, that there will be a time lag. So I think it is really important that we do have the discussions with our colleagues and come up with a solution. But I do not think it is going to be an easy solution and I just want to warn that there is going to be a cost to that solution and maybe that will be an increase in General Revenue costs through supplementary benefit.

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3370 I just wanted to say on an individual note on page 21, on one of the bullet points it says that the wrapping of the RDF bales are going to cost £0.3 million. And just to add a little bit of light-heartedness, I hope that that will be recyclable when it reaches its destination.

3375 Then the other concern was the ground rent payments to property services of £0.3 million. It brings me back to something that I think perhaps Deputy Laurie Queripel has said in the past when we have had the Budget debates and we talk about sweating the assets of the trading bodies, that this is to me a perfect example of sweating the assets of the trading bodies – but where it will actually add a burden of cost to the people of Guernsey. So I just want to know what the reasoning is behind that cost that is going to add approximately £13 a year to every household in just paying that rent on what is regarded as a waste ground, and I do not know whether it could be used for any other commercial purpose.

3380 That is all. Thank you, sir.

The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

3385 I will just speak as is my style; briefly and fairly randomly, I think I can say.

3390 I agree with Deputy Kuttelwascher on this point of purchase, that you *opt* to take things to consume, take this product, unwrap it ... you opt to do that, you make that choice, and I agree with him absolutely that there should be more focus on that. Now, what people say is that families on low incomes have limited choices and they tend to buy things that are marketed at them and that these things are proportionately – perhaps the product is less environmentally friendly – and it is this top-end consumer market that has the environmentally sympathetic packaging and is sold as ... I do not see it quite in those terms but I think people could be much more discerning individually as to what they choose to buy in the first instance, so it does not become waste in the first place.

3395 On this point of how we tender and the fallout from tendering: we come into a public forum, on the record on *Hansard* for anyone out there in business to listen and tell them how much money we would like to spend and where we would like to spend it, and we talk about pre-tender sums. It is all out there, isn't it? The way that our system of Government is designed, the way that we debate these projects is to our own disadvantage and this is a spectacular pre-tender underestimate which we are picking up the pieces for. But unlike Deputy Ferbrache, if I may say, 3400 living in the now, living in the moment as our colleagues did presenting the last report, that was not quite immediately obvious to them, and I do not feel as inclined to condemn people who have sat in this seat before me because they were dealing with the realities as they were when they were presented to them.

3405 Now, Members, if I was to say to you we can do it now if you like, who would like to see bus fares at perhaps £2 a journey? Any takers? Well thank you, Deputy Paint. I have had about 14 representations from Members of the States that say, 'Make bus fares £2 a journey and let's get that bus contract washing its face'. That is what people say. Now, for the person working a six day week that is £12 and in the blink of an eye we have raised that to £24. You would make a £48 a month commitment to £96 because a lot of people do not take up the concessionary fares. But in 3410 the blink of an eye you would put up somebody's expenditure, or there is a potential without any debate we could probably introduce that and States' Members would embrace it I would have thought. Yet as a proportion of somebody's income, people on a low income, it is a very real increase; yet Members of this Assembly, a large number actually who have contacted me, would like to see us double bus fares when we know that the bus service is – I will give way, thank you.

3415 **The Bailiff:** Deputy Inder.

3420 **Deputy Inder:** Thank you, Deputy Brehaut. I do not necessarily mean that the bus fares themselves should go up £1 – it would be worth considering seeing as *you* raised it ... the cruise liner passengers not going round the Island for a quid.

Deputy Brehaut: Actually I am pleased that Deputy Inder has raised that, because we are doing something about that, and I will be coming back to this Assembly and updating Members as to the progress we have made on that and I think Members will find it is good news.

3425 Now, Deputy Fallaize touched on this in depth so I do not need to, and he does it so much better than me. But this is the tax paradox that we are in. When people embrace Zero-10 – and of course we know in a different world some time ago, when it was felt we were doing the right thing – how on earth could we predict the global banking collapse? Lehman's, you name it, the world changed beyond all recognition.

3430 So we as a Government, because we do not have that corporation tax, now look to the community for fees and charges and when are we going to square that taxation circle? When people like us who earn just a little bit more, can give a little bit more back and people who earn much more than me can give a great deal more back. When are we going to square that circle, rather than keep coming to this Assembly? And Members saying you might be going on your skiing holiday in a fortnight, but not me because I represent the underdog, I represent the little man, I represent the person on the margin, so you do not – when clearly we all do, we absolutely all have the community at heart (**A Member:** Hear, hear.) and want to do the best thing.

3435 Now, if you want to do the right thing, why not support Social Welfare Benefits Investigation Committee? When the proposals come back, get behind it, because within benefits systems there is factored in what they call a 'participation allowance', so if you understand exactly what the costs are to the individual – pause, mouth of water – then the benefits system reflects that. This idea, I do not like hearing expressions like, 'why should somebody go cap in hand to get it?' It is not cap in hand, it is an absolute benefit entitlement. So why not, when you review the benefit system, factor in components such as this which mean that people can participate in all aspects of society.

3445 Now, with regard to this cost that presumably waste is going down, and we do not want waste to go down because if waste goes down the fixed charges become proportionately higher. Let's not forget, it is not 11,000 tonnes it is 22,000 tonnes. The commercial element to this is still very large. So it would be if all the planets lined up *and* if the wind got behind us *and* waste went down, both commercially and with regard to households, it would be I would have thought a considerable period of time ahead of us before that ratio changed to any degree that would impinge on families.

3450 Jersey was mentioned again and the Jersey consideration that keeps coming up. You do have to ask yourself and I understand the proximity principle because of where Jersey is, but in what we are doing it has been pointed out numerous times before, we have empty boats with a carbon footprint burning diesel that was always going to be burnt, travelling round empty, and we are going to fill those boats. So environmentally it is perhaps more sound than people appreciate. But also why would we hold ourselves to Jersey? Why would we allow Jersey to have one over on us? And say, 'We are taking your waste; you are committing to us; forget what the options are, we have you in the bag now'. It would be thoroughly unhealthy to have a monopolistic-type relationship with our sister Island.

3460 Deputy Ferbrache did ask what was the environmental weighting in the tender. I fired a question to a member of staff who informs me that the evaluation was 25% – sorry I have lost it, I apologise, my screen went off – but I am sure Deputy Dorey will give it to me.

3465 **Deputy Dorey:** If I can help, as I recall the procedure for analysing the tenders was 75% price, 25% quality. But a separate environmental assessment was done outside that – that is why it says a separate environment assessment, just says the Jersey and the Geminor bids.

3470 **Deputy Brehaut:** Yes, thanks for that Deputy Dorey. Yes, it is 75% price – now I can read that – and 25% quality and there is an independent environmental assessment.

3475 The Proposition 6 is the issue also that has grabbed people's attention. It says 'any of the costs'. Now, would we find ourselves in the situation where you go out to tender, a plant has been constructed, all the components are going together and you find that one component or one element exceeded, sadly, the costings. What are the risks in bringing that back to the Assembly do you think? What are the risks of bringing one component part back? Is there is a possibility that this scheme could be in jeopardy? Personally, I think it would be frankly, and I see sense in our colleagues at P&R having the discretion to do that.

3480 Can I just say in closing, because Deputy Ferbrache interested me in saying we long-serving States' Members should make an apology to the members of the community for our crass mismanagement of public funds – attributed rather than direct quotation. But Members have voted out incinerators and even now this is the revised scheme – once you ditched the incinerators and you came back with this scheme and people are still voting against the Propositions. People are saying at this stage they will vote Proposition ... that has to stop now, that has to stop today.

3485 I feel a weight of responsibility having taken decisions that unwittingly, unknowingly, have cost this community more and I think we all absolutely regret that, there is no doubt about that. But the political lifecycle is interesting. It is quite possible that somebody could be in this Assembly in four years and saying, 'What did Economic Development ever do with Aurigny? Look at the mess that Condor is in, look at the mess the relocate was in. What an absolute sham'. We live in the now in politics and to look back in retrospect at the misfortune of other colleagues and present it in that way, I think perhaps is a little unkind.

3490 But for my part I appreciate that any further delay here today could cost this community a great deal more and I would suggest that Members get behind the Propositions and support this paper.

3495 Thank you.

The Bailiff: Deputy Dorey and then Deputy de Lisle.

3500 **Deputy Dorey:** Thank you, Mr Bailiff.

I would just like to respond to some of the points made.

3505 As Deputy Green explained, when we had the scrutiny hearing I said that in my view the key thing we could learn from this project was the fact that it was hopelessly underestimated in 2012. And I know, because Environment & Infrastructure have got responsibility for the hydrocarbons project and that lesson has definitely been learnt, and the necessity to invest suitable sums of money up front so that realistic estimates can be drawn up so that when we expect the Assembly to make a decision it has robust numbers. Because there is absolutely no doubt that the numbers that were sent in in 2012 were poor. They were hopelessly poor because they were unrealistic in terms of what the costs have turned out to be. I voted for them, I did not know at that time they were so hopelessly underestimated, as I said when I think it was Deputy Spruce started questioning Deputy Luxon and that led to a presentation to States' Members, in 2013 we saw the extent of the underestimation.

3510 Now, if there is a role to be investigated in this project, it is why those numbers were so hopelessly out. I think in terms of scrutiny, that is something which they should actually look at, because the Assembly should be making decisions on good data – and we did not. If I have a responsibility by voting for it at that time, although I did not know they were underestimated. I apologise if I voted for them then and in 2014, but I did not know they were underestimated.

3520 As I have said, I joined PSD in December 2014 and I can assure the Assembly that from all the meetings I attended, because the whole political board was the WDA did robustly challenge the numbers that came in, and I know that the staff did and we gave the staff very clear messages that they needed to be challenged.

3525 If Members saw when Deputy Ogier made statements about this to the Assembly and how uncomfortable he was informing the Assembly that the numbers had changed – and Deputy Luxon. I think you will realise that as politicians we were very uncomfortable in the situation. But one of the key factors was that we had single tenders for most of the items, and when you look back, why did we have ...? And that is partly reputational risk that the States was covering within the waste. That is why I think the message which is given out is how important it is that we commit to this project.

3530 If you look at the list, some projects are more advanced than others, and it is very clear there is list on page 17. Some of the work streams are for third bidder stage, but others – the export and treatment of food waste – is at soft market testing. So there are still tenders to come in and work to do and I think it is clear that we need to send out a message that we are committed to this task, so that we can get the best value for money.

3535 But knowing that we had single tenders there was a lot of activity done to check whether, if we did have another tender, those tenders were good. Qs were employed, P&R have employed Qs to check the numbers, so there were robust challenges and I can assure you that using the contract lawyers within the States there was a lot of time spent and then reporting back of how they have negotiated with the single bidders.

3540 People talk about the recycling targets and how when we recycle more will it affect the numbers. Well that is part of the modelling, that is why I have said all the way along during this last two days that they are the anchor, they are the foundation of the system, because our modelling is based on those recycling targets.

3545 Deputy Inder talked about the briefing note that was issued in relation to the cost breakdown of the transfer station. He spoke about the preliminaries – well it is actually preliminaries project management. And it is not a very good word really because as it explains they include site running costs, insurance and financial bonds, so a lot of that money runs throughout the project – it is not there before you put a spade in the ground, it is the running costs of a building project. So to say preliminaries are charged before you put the spade in the ground is not correct.

3550 **The Bailiff:** Deputy Inder.

Deputy Inder: Thank you for that clarification ... sorry, I have forgotten your name, (*Interjections*) Deputy Dorey.

I would at some point like to see the 12½ year justification for the £2.6 million in design.
Thank you.

3555 **The Bailiff:** Deputy Dorey.

3560 **Deputy Dorey:** It is a design and build contract, those are the design costs, as I said we had a single tenderer and they have been challenged, but that is the cost of the design. We are open – and it might look a large number but that is the reality of where we are with a single bidder.

Deputy Ferbrache mentioned, sir, about the MRF. On page 28, there is a definition of the various terms used, and it says

A plant used to separate co-mingled recyclables, using manual and/or automated sorting.

3565 And it goes on about 'commercial'. So that is basically your clear and blue bags and how they are separated out. Originally the plan was that it was going to be States' run on a separate contract, that is why capital sums had been put in. Again, trying to get the best solution for the householder, the conclusion reached was that it was best to contract with a company to provide that service. I can assure you there has been significant challenge to that company in order to reach a preferred bidder status, but there is always the possibility of having an MRF on that site and that is why land has been set aside.

3570 Deputy Oliver – and I have sent her a separate note – but as I said on page 21, this is an example again because people concentrate on how the capital has changed, but the running cost changes which she highlighted is interesting, and key. It says:

A service level agreement is being negotiated with States Works for the operation of the transfer station and [house recycling centre], at a combined annual cost of c £3.1 million. This compares with pre-tender estimates of only c £0.8 million ...

That is a significant growth over the 20 years.

3575 **The Bailiff:** Deputy Oliver.

Deputy Oliver: I was actually looking at it and my 52% was actually over 20 years. If you take it on a yearly basis, it is actually 287% increase.

3580 **The Bailiff:** Deputy Leadbeater, is this a give way or a ... Deputy Dorey is giving way.

Deputy Leadbeater: Sir, I would like to invoke the guillotine motion, please.

The Bailiff: Well, you cannot do that while somebody is speaking.

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Deputy Leadbeater: Sorry, I did not realise that he had not finished.

Deputy Dorey: As Deputy Le Clerc has explained that increase includes that cost of running, because also the export is included in there, and the £0.3 million of that is just for the wrapping of the bales, and £0.3 million is a ground rent to the States' Property Services.

3590 Deputy Fallaize mentioned about the Suez bid and one of the things in there was as I understood in that sum collection costs were not included, one of the things that have been done here is include the collection costs.

3595 **The Bailiff:** Deputy Oliver.

Deputy Oliver: Sorry, Deputy Dorey.

3600 It was not so much, and I know you have explained that it was just significantly understated, but my main point was that I was just bringing out one element to say when will the costs actually escalate so much that it is not a viable option? That was what I was really trying to pull out of this. Is it 50% increase, or looking at it on an annual basis, it is 287% increase. I was just saying when is enough enough basically, and I was just using that as an example.

3605 **Deputy Dorey:** As I say, on page 17 you can see the status of the various work streams, and obviously preferred bidder status would mean that those prices are basically fixed now. But there are some elements of that in terms of the repair and reuse centre as a pilot contract is only being explored. And the house recycling centre, again that has not had a tender in yet. So there are elements which are not finalised.

3610 I would just like to finish up on the costs and remind Members that out of the consultation – and this is what has driven the whole project – I said that at the beginning of this debate, only 20% said they wanted the least cost option. So the message that was given out from that consultation was that people wanted something better than the least cost option and the high recycling levels – and that is what has driven it.

3615 The other thing which I would like to just highlight, because people talk about the costs and the cost to families and the cost to householders ... these are household costs, it is not to the taxpayer, it is to households. People mention about the UK, and when you look at what Council Tax rates are in the UK, which include waste, I think most people pay considerable higher.

3620 But we make decisions all through the year which affect people. We made a decision when we were debating the uprating report from Employment & Social Security about family allowance and we reduced it by £2.40 per child. Okay, so you could say if you have got a young child and they benefit from pre-school but any child which is outside that a family with two children will have lost £4.80 a week. This is adding £5 on average per week per household. I am not saying it is right, but I am just putting it in context of other decisions that we have made in this Assembly.

Thank you.

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The Bailiff: Deputy Leadbeater, you are wanting to move a guillotine motion under Rule 26(1)?

Deputy Leadbeater: Yes, please, sir.

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The Bailiff: I will therefore invite those Members who are entitled to speak and who would like to speak if debate continues, to stand in their places.

Seeing that Deputy Leadbeater, do you still wish to place your guillotine motion?

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Deputy Leadbeater: Yes, sir. *(Interjections)*

The Bailiff: In that case, I put it to the vote.

I am putting to you the Proposition that debate be closed. Those in favour; those against.

Some Members voted Pour, others voted Contre.

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The Bailiff: I believe that is lost. Does anybody wish ...?

Deputy Lester Queripel: A recorded vote please, sir. *(Laughter)*

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The Bailiff: A recorded vote.

There was a recorded vote.

3650 **The Bailiff:** Members, just while votes are being counted, can I please remind Members that when speaking in this Assembly they should always direct their remarks through the Chair.

There have been a number of interjections in particular, where there has been a tendency to cross-examine a speaker and ask questions directly, and that is not the purpose of debate. Debate should always be conducted through the Chairman. Apart from anything else it helps to ensure that debates do not become too heated and personalised. So can I please remind Members that that is the appropriate way to speak.

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Not carried – Pour 17, Contre 21, Ne vote pas 0, Absent 2.

POUR

Deputy Paint
Deputy Le Tocq
Deputy Dudley-Owen
Deputy Langlois
Deputy Soulsby
Deputy Prow
Alderney Rep. Jean
Deputy Ferbrache
Deputy Kuttelwascher
Deputy Gollop
Deputy Lester Queripel
Deputy Le Clerc

CONTRE

Deputy Graham
Deputy Green
Deputy Dorey
Deputy Brouard
Deputy Yerby
Deputy De Lisle
Deputy de Sausmarez
Deputy Roffey
Deputy Oliver
Alderney Rep. McKinley
Deputy Tindall
Deputy Brehaut

NE VOTE PAS

None

ABSENT

Deputy Trott
Deputy Stephens

Deputy Leadbeater	Deputy Tooley
Deputy Mooney	Deputy Parkinson
Deputy St Pier	Deputy Le Pelley
Deputy Meerveld	Deputy Merrett
Deputy Inder	Deputy Fallaize
	Deputy Lowe
	Deputy Laurie Queripel
	Deputy Smithies
	Deputy Hansmann Rouxel

The Bailiff: Members, the result of the voting on the motion under Rule 26(1) was 17 in favour, 21 against. I declare the motion lost, and debate will continue.

Deputy de Sausmarez. Oh sorry, I had said I would call Deputy De Lisle next. Deputy De Lisle.

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Deputy De Lisle: Thank you, sir. I will be brief.

I would encourage Members to support this policy letter. It is a more progressive environmental strategy than what we have faced in the past. However, I am concerned like others about the cost factor and keeping the costs as low as possible. I am concerned about the delegated authority but then I understand that Deputy St Pier is going to make some consideration there and relate that to the States; but I think there is also an onus on both the Trading Board and Environment to do the same, and to make sure that these are the maximum costings, and that they will look to actually reduce the costs further if at all possible. So that is a concern that I have.

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I would like to just make the point that over the past several years Guernsey has successfully reduced the amount of waste going to landfill, and my hope is that an off-Island policy of waste minimisation, recycling and export *will* provide the ability to further reduce the amount of waste on Island. But I think it is also necessary to point out that at the same time we need to emphasise strengthening producer and supplier responsibility to ensure all packaging is recyclable and build on efforts to minimise waste and maximise recovery – thereby changing our ways so that we produce far less waste in the first place, which is a point that has been well made I think during the debate here.

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Finally, just to state that Guernsey needs to be visionary and progressive, to work in harmony with the environment, and encourage resource recovery, and stop rewarding unsustainable practices that harm environment and public health. Waste management cannot be sustainable, Deputy Ferbrache, if it leads to systematic pollution of air, soil and water and the sea, if it destroys potential resources and it demands continual waste generation and pre-empts other more sustainable techniques in the future.

Thank you, sir.

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The Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

Following off the back of Deputy De Lisle, I first of all just want – I will be brief do not worry – to quickly address this idea that we are paying some really hefty premium because this strategy is somehow green-plated. I think that is wrapped up in this idea that the tender evaluation was based on environmental considerations.

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To reiterate Deputy Dorey's clarification again, the tender evaluation was zero per cent on environmental considerations. It was 75% on cost and 25% on quality; the environmental evaluation was a separate process that did not inform the tenderer valuations. I think that is quite important.

As a side note, I also find it quite bemusing that we refer to this one as the sort of green-plated strategy, because it was not of course the most environmentally friendly strategy on the table back in 2012. That one was, incidentally, cheaper but that was rejected. I have to say that again it is no coincidence that the most environmentally friendly option is often the most cost-

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effective option, because the very premise of environmentally sound policy is sustainable use of resources. So there is an inherent frugality in environmental policies. The brutal fact of the matter is that in order to achieve the most environmentally friendly policy requires probably a degree that is more palatable to many politicians, a degree of behaviour change, and I think that is what sticks in the craw of many in the Assembly. Deputy Ferbrache alluded to it himself in fact. So I think that is what the problem is. I really do not buy this idea that we are paying a hefty premium for a green-plated environmental strategy at all.

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Deputy Fallaize covered the issue of costs very thoroughly and I would agree with those comments, although I would just qualify it by saying that we have heard numerous references to the fact that landfill is cheap. Well, yes, but only if you do not count the external cost. Landfill is very far from cheap when you do take those external costs into account, as illustrated by Deputy De Lisle.

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I absolutely agree with Deputy Soulsby that food waste is the area of prevention that should be the primary focus of this, because this is where we have the most to gain as individuals. Anyone who is interested in this, there is an absolutely great website called *lovefoodhateaste.com*, it is advertised on the back of all the buses I think and it has got absolutely loads of ideas of how to reduce our food waste and save, as Deputy Soulsby said, up to about £600 a year.

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Now let's put that into context of the costs of this waste strategy. People have a lot to gain financially by reducing their food waste. I completely agree, and as Deputy Soulsby outlined this touches on things like putting more faith in our noses rather than in best before dates, using leftovers and freezers more effectively, and judging cooking portions more accurately for example.

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But waste prevention is not just about food, there are many, many other initiatives that can be very effective – for example, you will have noticed in the policy letter, but no one has really mentioned it, the repair and reuse centre here working with local retailers as Deputy De Lisle said. I will spare everyone my Danish toothpaste story, because I know some of you have heard it too many times. Not just supermarkets but also cafes who use single use cups, for example, these are areas where there are big gains to be had and businesses will gain too if they are more waste aware. Waste-aware shopping, as touched on by Deputy Brehaut, we can reduce our own waste volumes just by shopping more cleverly and being more aware of what we are buying. There are nappy initiatives, again save families literally hundreds of pounds a year and we have got a scheme that supports that already, paper free initiatives, clothes libraries, the list goes on. There are absolutely loads and loads of initiatives and I really would urge STSB, in particular, to put huge emphasis on this area, because this is where we will get biggest bang for our collective buck. And this is where the biggest positive impact on individual Islanders and the waste strategy as a whole is to be had. So I would commend that element in particular and urge colleagues to support this policy letter.

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3735

Thank you.

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The Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir.

Mr Bailiff, fellow States' Members, I fall between a rock and a hard place, between the devil and the deep blue sea. The policy paper before us today has clearly been defined and progressed by a decision that was made by the last Assembly, the class of 2014. A previous States cannot bind a future States, but this work stream and previous U-turns have already cost the people of Guernsey millions of pounds, millions. So realistically are we bound by the decision of the last Assembly? Would I have made the same decision as the last Assembly? Probably not. Or if I had been in the minority I would have accepted the will of democracy, that is of course if had laid an amendment to the proposal which had failed. But that is not the case, sir. I am not being disingenuous, it is a simple fact. I was not in that Assembly.

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3755 My concerns are wide and varied but I do not want to be talking rubbish all day, so I will try to be brief. Exporting is expensive, more expensive than was originally anticipated. I do not think that we should be recycling at any cost; the cost should reflect the financial cost as well as the cost to our environment. Exporting sends our problem elsewhere and makes us vulnerable to other countries' economies. The weak pound concerns me. Whereas reducing and recycling will go a long way to addressing our problem ourselves, it is still just that – our problem. In fact the only thing I wholeheartedly agree with is the user pays principle.

3760 So what to do? Abstain, *je ne vote pas*, I do not vote? Well that is us abstaining from taking any responsibility, it simply means I do not vote because I do not know. I will let others decide and I can blame them either way. *Contre*, no: if I vote 'no' what alternative solution have I laid via amendments, other than trying to save just £¼ million a year? There is no current alternative. Okay, say *Pour* – yes, I do not like it; yes, I am not happy. But I have to be pragmatic, realistic and I have to make a decision based on the evidence that I have been given, based on the time scales
3765 involved, the money already wasted on trying to agree an incinerator, primarily because of the lack of any real alternative. But yes *and* no, sir. No, sir, because I am requesting a separate vote on Proposition 6, because I am very concerned, sir. I, for one, do not want to give Policy & Resources *carte blanche*. Proposition 6 states:

If any of the costs of the Solid Waste Strategy exceed those indicated in the Policy Letter ...

– we, the Assembly

3770 ... delegate authority to the Policy & Resources Committee to approve revisions to the relevant estimated capital and operational costs.

So a blank cheque book for all of the cheques signed by this Assembly, with us not knowing the amount of money that Policy & Resources might decide to fill in on those pre-signed cheques.

3775 There is already a risk contingency amount in the capital expenditure alone for £3.1 million – £3.1 million. *When* would the Assembly and the public know of any exceeding of the current costs as indicated on the policy paper? There are not any parameters within Proposition 6, just to delegate authority to P&R to approve revisions to the relevant estimated capital, remembering there is already a contingency of £3.1 million and any additional operational costs, not delegating authority for P&R to approve any additional 10% or 20% just *whatever*. No, sir, I cannot agree with
3780 Proposition 6 and therefore I will request a separate vote.

Thank you.

The Bailiff: I think there is only Deputy Parkinson left to speak. I propose although it is 5.30 p.m. that we continue, at least to finish this debate. I think I will then see what the time is and then
3785 I will then put to you a proposition as to whether we continue and finish all the business.

But what I am putting to you for the moment is just that we finish this debate and carry on sitting until we have done so. Those in favour; those against.

Oh, sorry, Deputy Brouard wishes to speak. Sorry, there is Deputy Brouard.

Deputy Brouard.

3790 **Deputy Brouard:** Thank you, sir.

I just wanted to pick up on one of the main points that we are debating. The debate we have had this afternoon has gone quite a bit off track from what the policy letter is actually about and I just want to remind you of a couple of things.

3795 The three main things we are doing are authorising P&R to release funds for the capital costs for the construction. Now, if you are saying you want to have it back to the States, in other words you do not vote for number 6. If there is a small increase in costs in the waste transfer station or the household waste recycling centre, or the site infrastructure in Longue Hougue, it will be coming back here for another debate. Now I would ask you please give P&R a little bit of

3800 discretion on this, that we can actually look at it. If we think it is politically unacceptable or the costs come back that are too high I will be sitting at the table saying, 'No, we have to go back to the States'. But please, give us that flexibility.

The other part of the return to the States was to get this change of strategy with regard to the in-vessel composter, and that has been mentioned, and also to change the recycling dates. You will get another bite of the cherry and it is here in 1.18:

For the avoidance of doubt, details of the new charging regime, including the timing of its introduction, will be set out in a further policy letter at a later date.

So all the issues – and definitely I have got lots of comments on what Deputy Hansmann Rouxel was saying and what Deputy Inder was saying about the charging. I would much prefer to see more of the costs being put on to the black bag rather than the fixed costs, so people can make a real difference.

3810 But that is really not what is up for debate this afternoon. So please, give consideration, give Policy & Resources a bit of discretion. You will have another chance to vote on the actual 'how the tyres hit the road' which will be back here in the States in due course anyway.

Thank you, sir, for the time.

3815 **The Bailiff:** Deputy St Pier.

Deputy St Pier: Sir, I wish to just speak briefly on a couple of issues which have arisen in debate on the financial aspects of this in Proposition 6. In particular, Proposition 6 is I think a little unusual. There has been much talk about the need for pragmatism and I think Proposition 6 is a pragmatic proposal under all the circumstances and history of this particular project.

3820 I think anybody who attempted ever to put anything through either Treasury & Resources or Policy & Resources would have to concede that it is never a pushover, and indeed one Member has emailed me to say that surely it is easier for a camel to pass through the eye of a needle than for an overpriced business case to pass through Policy & Resources Committee, which I think pretty much says it all. I think many people have acknowledged that this is not an ideal position that we find ourselves in. This is not a *carte blanche*, as our letter of comment makes, for all the elements of the project. It will have to come back to us with those business cases and if we are not happy, as Deputy Brouard has just said, we will be the first to refer it back to this place.

3830 In relation to the use of the Bond, Deputy Meerveld said that this project must be run in a commercial manner, and I am sure he would be the first to concede that most commercial projects of this size and scale would of course be funded by an element of commercially funded debt, and the contrast is in this case it will be very attractively priced. It is of course a key part of the whole project that the user pays. In this case 50% of the cost will be borne by commercial producers of waste not household producers of waste. The alternatives are that it comes out of the Capital Reserve with impact on other projects and the taxpayer pays. There is an opportunity cost for the taxpayer paying and last year that opportunity cost, as I reported yesterday, was somewhere between 7% and 14%, depending on which element of our reserves we are looking at. So it is a considerably more expensive source of funding I would suggest for this kind of capital project.

3840 Sir, I think like many others, it is with reluctance that I acknowledge the position we are in and that we need to support the project.

The Bailiff: Anyone else?

Deputy Parkinson, then, will reply.

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Deputy Parkinson: Yes, sir. It seems to fall to my lot to respond to the debate.

Deputy Ferbrache has asked for an apology to the people of Guernsey for the mess the States has made of its Solid Waste Strategy over the last 14 years. I certainly regret that the States did

3850 not take up my suggestion (*Laughter*) that we could export our waste when I made it in 2004, but I
make no apology for voting against the then proposed Lurgi incinerator which had a capacity of
70,000 tonnes. If that had been approved we would today be importing waste to feed our
incinerator. I actually voted in favour of the Suez incinerator which would still have been too big,
although only with a capacity of 40,000 tonnes or so. But I accepted the proposal was more
appropriate than the Lurgi incinerator and certainly the landscaping made it less hideous and less
3855 obvious.

I was not in the States when former Deputy Luxon made the statements that Deputy Ferbrache
has quoted, and while I very much regret the misinformation that was provided to the States at
that time, I do not feel any personal responsibility for those statements.

3860 As Deputy Dorey has pointed out the worst case of misleading the States and indeed the wider
Island, was the estimate of costs for the export strategy provided to the Assembly in 2012. These
estimates were woefully inaccurate and, although it was not my Department that made those
estimates, I do feel that the States stands guilty of having completely misled the public at that
time.

3865 But I do not want to dwell on the past. When I was elected to my current position in late
September last year I accepted responsibility for delivering the States' agreed strategy, and that is
what we are trying to take forward in this debate today. It is clear that some Members are
unhappy with the strategy itself, but I think most Members accept that we cannot revisit that now.
Deputy Green and Deputy Oliver, in particular, indicated their dissatisfaction with the current
policy and that we have not sought to justify our proposals from first principles. I think I am
3870 quoting Deputy Green, but we really cannot go back and revisit the strategy. I do not accept
Deputy Green's view that what we are proposing now is an entirely new strategy.

Many of the comments that have been made in the debate concern the costs of the strategy. I
think Deputy Fallaize has made the point very well, that any strategy would be expensive unless it
was ancient landfill, if that is the opposite of modern landfill. (*Laughter*)

3875 Deputy Inder: turning to some of the other specific comments, Deputy Inder thought that the
professional fees were too high. Deputy Dorey has explained that those were a tendered contract
and we only had one bidder and this is partly, I am afraid, the consequence of having messed
around with the market for so many years. I think if Deputy Inder imagines that their fees are
calculated at £100 an hour he would be shocked to learn the real figures. I have no idea what the
3880 architects or designers charge on an hourly rate, but I can assure him that advocates in Guernsey
would not get out of bed for that. (*Laughter*)

Deputy Laurie Queripel was unhappy with the cost of funding the capital through Bond finance
and said this would be borne by the consumer – and yes, indeed it will. Although as Deputy St
Pier has just said, if it was funded through a normal commercial loan the consumer might be
3885 paying more. But I do not accept that there is a principle that the proceeds of the Bond – which
incidentally was issued when I was not in the States, so I do not know what those who voted for it
had in their minds at that time. But I do not accept that it was agreed – or a principle – that the
Bond proceeds would not be used for funding projects in Guernsey that are funded by the
consumer. Indeed in the last Budget the Assembly voted to inject £19 million of debt into
3890 Guernsey Water, which will ultimately have to be paid off and funded by the users of water.

Deputy St Pier.

The Bailiff: Deputy St Pier.

3895 **Deputy St Pier:** Sir, I thank ... (*Interjection and laughter*) I thank Deputy Parkinson for giving
way.

I should have perhaps addressed that in my comments. Of course, the waste facility was very
much within the ambit of the Bond at the time it was presented to the States.

3900 **Deputy Parkinson:** Thank you indeed for that clarification, and the predecessor Suez facility was in the minds of T&R when it previously proposed the Bond issue back in 2009, but that is all now history.

So I think Deputy Queripel will just have to accept that actually the Bond is there to be used for facilities that will ultimately be funded by consumers.

3905 Deputy Soulsby and Deputy Graham were concerned about Proposition 6, as is Deputy Merrett. In answer to Deputy Soulsby's question, I can confirm that if it looks likely the cost of the capital projects are going to exceed the revised sums which you foresee in this paper. I will come back to the Assembly and make a statement to that effect and you will of course have the opportunity at that time to ask questions. But I very much hope that I will not have to do that.

3910 Deputy Brehaut has answered Deputy Ferbrache's question on the scoring; and Deputy Dorey has helpfully answered many of the detailed questions on the cost.

Deputy Oliver asked when is enough enough. All I can say there is that it cannot be assumed I think that costs will continue to escalate in the way that they *appear* to have escalated since 2012. Appearances in that case are deceptive, because clearly the 2012 figures were just woefully wrong. I think what we have now are much more likely to be right. It is my intention to deliver the strategy within the figures that are in front of you. I do understand that the credibility of any statement of that nature coming from a Guernsey politician will be met with a large measure of cynicism. But it is my ambition and it was when I took on this role as President of the States' Trading Supervisory Board, that by the end of this term of office we will have earned the trust of both the Assembly and the general public, and have a reputation for getting things done and delivering them on time and on budget.

3920 Sir, I have to ask you to make that leap of faith to trust us with the task, and to support all of the Propositions in this report.

3925 **The Bailiff:** Deputy Kuttelwascher.

Deputy Kuttelwascher: Sir, I asked two questions, one was half answered by Deputy Brehaut. But I did ask specifically, and I think it is still important, whether or not there have been any restrictions or limits placed on the calorific value of refuse derived fuel, which we hope to produce.

The Bailiff: Deputy Parkinson.

3935 **Deputy Parkinson:** My information is that there is no stipulation in the contract as to the calorific value, but in the tendering process we advised the industry what we expected to be producing, so their tenders are based on the numbers we gave them. As far as I know those are not now contractual terms.

3940 **The Bailiff:** Well, Members, there has been a request for a separate vote on Proposition 6, and I propose – Sorry, Deputy Graham.

Deputy Graham: I was thinking of asking that, sir.

3945 **The Bailiff:** Deputy Merrett asked for it. Yes. So there has been a request for a separate vote on Proposition 6. No other Propositions have been singled out in that way. So I propose that we take Proposition 6 and then take all the other Propositions together. So I am putting to you Proposition 6. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

3950 Now Propositions 1 through to 5 and Proposition 7, that is to say all the other Propositions.
Those in favour; those against.

Members voted Pour.

The Bailiff: I declare those carried.

Procedural

3955 **The Bailiff:** We now have just two further items of business for this meeting. One is the joint policy letter on the establishment of a register of beneficial ownership, and then the Schedule for Future States' Business. Can I just have an indication of how many Members are likely to speak on the joint policy letter on the register of beneficial ownership?

In that knowledge, I will put to you the Proposition that we continue to sit this evening. If people prefer to come back tomorrow then obviously vote against that Proposition. But I put to you the Proposition that we continue to sit this evening in order to finish the business. Those in favour; those against.

Members voted Pour.

3960 **The Bailiff:** Well, we will continue to sit.
Greffier.

IV. Policy & Resources Committee and Committee for Economic Development – Register of Beneficial Ownership – Propositions carried

Article IV

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 20 December, 2016, of the Policy & Resources Committee and the Committee for Economic Development, they are of the opinion:

- 1. To agree to the establishment of a register of beneficial ownership information ("the register") applicable to all forms of legal person that can be established in Guernsey;*
- 2. To agree that the register should not be publicly accessible, and that the information on it should be treated as confidential and protected by all necessary security measures;*
- 3. To agree to the provision of direct access to the register for the Bailiwick's law enforcement authorities and the GFSC, for the purposes of their respective criminal justice and supervisory functions;*
- 4. To agree to the establishment of legal gateways to permit the sharing of beneficial ownership information with domestic and foreign authorities for specified purposes, such purposes to be based on those set out at Part II of the Disclosure (Bailiwick of Guernsey) Law, 2007;*
- 5. To agree to the establishment of the office of Registrar of Beneficial Ownership, with the office holder to be appointed by the Committees;*
- 6. To agree to the provision of proportionate oversight and enforcement powers for the Registrar, including the power to impose administrative financial penalties;*
- 7. To agree to the extension of the powers and duties of resident agents in relation to obtaining, providing and retaining beneficial ownership information;*

8. To agree to the introduction of criminal and administrative financial penalties for breaching obligations in relation to beneficial ownership information;

9. To agree to the introduction of a statutory process governing the resignation of resident agents;

10. To agree to the provision of powers to address additional matters relating to beneficial ownership information by regulations, guidance and standard forms;

11. To agree to the introduction of an express statutory prohibition on the use of bearer instruments; and

12. To direct the preparation of such legislation as may be necessary to give effect the foregoing, including any necessary consequential and incidental provision.

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

The Senior Deputy Greffier: Yes, sir.

Article IV – Policy & Resources Committee and Committee for Economic Development – Register of Beneficial Ownership.

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The Bailiff: The debate will be opened by the President of Policy & Resources Committee, Deputy St Pier.

Deputy St Pier: Sir, I open this debate in the absence of Deputy Trott who I believe is attending a funeral today, but of course he has already indicated his intention not to participate in further P&R business for the moment anyway.

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I shall be brief. The policy letter before Members is self-explanatory and relatively short. And of course I am very happy to address questions that arise in debate when I sum up on the debate.

This policy letter and the requirement for a consolidated register of beneficial owners is driven by the development of international regulatory standards over the last few years.

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The proposal is for us to adopt a private, secure, consolidated and locally accessed register, and of course there are already obligations on many Members of our community, those particularly practising in the financial services industry, to obtain the details of beneficial owners. That is imposed on them by regulatory standards, not least anti-money laundering standards and countering the financing of terrorism, and that is set out in Section 2 of the report.

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This report is jointly presented by the Committee for Economic Development and the Policy & Resources Committee, and we jointly decided to appoint the Companies Registrar to perform the role for reasons which are set out in paragraph 3.2 of the policy letter. Of course information will only be accessible by those that need to know and that will include law enforcement and others, which is set out in paragraph 3.3. And the resources implications are set out in Section 6 of the report.

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I look forward to responding to the debate, sir.

The Bailiff: Deputy Tindall.

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Deputy Tindall: Thank you, sir.

I am disappointed that we are not being given time to discuss and debate what I consider an extremely important Proposition. This affects not only many people as a result of the effect on the industries, finance and business services industry, but also our standing in the world. Therefore I make no apologies, sir, for the length of my speech.

3995

Sir, I will be supporting the Proposition to establish a register containing beneficial ownership information for all forms of legal person. We need this because it is essential that our law enforcement is provided with the tools to access this information as quickly as possible so that we comply with international standards, fight crime and support our finance and business services

4000 industry. I stand to give my support but also to give the subject the weight it deserves. This is such an important move to be taken in the times we live in.

The proposal is for the register to be open to those who need it and not publicly accessible. This is in my view a sensible proposal. Whilst there are calls for such registers to be open to the public this is not based on the need to follow international standards but because of calls from pressure groups and the media.

4005 From my involvement with industry it is clear that they want us to follow international standards, but not excessively, which would put Guernsey at a competitive disadvantage. I do not think these proposals do so. In fact I think they are a positive move supporting our commitment to law enforcement. The widely accepted international standard on a recording of beneficial ownership is the one developed by the Financial Actions Task Force, or FATF, which was published in 2003 and further strengthened in 2012. It does not require a publicly accessible register, only that countries should ensure that there is adequate, accurate and timely information on the beneficial ownership and control of legal persons that can be obtained or accessed in a timely fashion by competent authorities.

4010 This international standard has also been incorporated into the Global forum on Transparency and Exchange of Information for Tax Purposes, and it is also followed in principle under the fourth Money Laundering Directive coming into force on 26th June 2017. I say 'in principle' because whilst the EU are seeking essential register it requires a more extensive list of those who can access it than the FATF recommendation. Although interestingly it does not require the register to be public, it merely suggests this as an option.

4015 Whilst we are obviously not in the EU, not complying with the directive may affect our ability to work with EU countries in the future. This is not addressed in this policy letter and I would like reassurance that this aspect will be considered.

4020 It is also important to remember that there are already extensive regulations in place which require all local trust and company service providers and other prescribed businesses and individuals to know the identity of the beneficial owners of Guernsey entities. Those same regulations also require the same information to be obtained from owners of entities incorporated in any jurisdiction in the world. The recent 2015 Moneyval Report was most complimentary about the regulatory regime here, but indicated that they felt there were insufficient measures in place where no such provider was involved. The proposals in this policy letter are intended to improve these measures. We also have under Company Law the role of resident agent, whose responsibility among other things is to collect information about beneficial owners, albeit they do not need to establish the underlying natural person, unlike under the AML/CFT requirements, although both have a percentage ownership value below which identification is not required.

4025 Propositions 7 and 9 will strengthen their role and accordingly I support these Propositions. With all these ways of collating information on beneficial ownership, why should we consider a public register? I also mention this because at a recent event that I attended with Deputy Sam Mezec from Jersey, the question was posed by an Islander. He was supportive, I stood up to explain the actual position and I believe the gentleman will be listening today. Not only that I was asked specifically to give details because Alderney are also thinking of the same.

4030 So why should we consider a public register?

4035 **Deputy Kuttelwascher:** Sir, point of correction.

4040 **The Bailiff:** Deputy Kuttelwascher.

4045 **Deputy Kuttelwascher:** I am very curious why Deputy Tindall thinks this is going to be a public register. It is not. It may be as it were looked after by the Registry which has public access to other information, but there will not be public access to the information that is referred to here. So why call it a public register?

The Bailiff: Deputy Tindall.

4055 **Deputy Tindall:** As I was explaining my support is for the Proposition for a private register, not a public register, and I was giving the reasons for such support.

So why would *anyone* consider a public register? Some say this is the way forward and point at the UK who have established a register last year – but they would be wrong. The UK MPs calling for us to have such a public register of beneficial ownership probably do not realise that the new
4060 UK legislation has not created such a register. According to FATF the beneficial ownership register should identify the natural persons who ultimately have a controlling ownership interest in a legal person. But the UK register does not do that. It does not even create a register of those who have ultimate control. It merely creates an unverified register of those who have immediate control of a particular entity. In my view this does not even comply with the international standards. So as I
4065 have said before, we should not follow the UK down yet another path going in the wrong direction. (**A Member:** Hear, hear.) I therefore support the Propositions as proposed.

As well as not being required internationally there are good reasons for keeping the details of beneficial ownership private. These include a fear of kidnap or commercial sensitivity. Some investment strategies made public could be impaired if this information was made public; and
4070 who will prevent abuse of the information? Most importantly we are all entitled to a basic human right in respect of a private and family life. This is not secrecy but privacy, confidentiality.

As we said in the debate on the P&R Plan, regulation should be appropriate and proportional and this is in an occasion when regulation should be no more and no less than what the international standard requires, and forgive me for explaining what that standard was. The papers
4075 by the FATF and the OECD to the G20 Finance Ministers late last year made it clear that the focus is not on revising the standard but implementation of this existing standard.

So, I say let the ones who need to have the information, the Bailiwicks Law Enforcement, have that information as speedily as possible. However, that information must be kept securely – an important consideration for all of us in this age of cyber security, as highlighted by Deputy Lowe
4080 yesterday. I am pleased with the choice of the Guernsey Registry, as it will not only have the appropriate mechanisms in place to ensure the information is kept securely, but unlike the Guernsey Financial Services Commission it will not be subject to a potential conflict of interest. This point is very much of industry concern.

We do also need to ensure there are suitable legal gateways for the sharing of that
4085 information with domestic and foreign authorities for specified purposes. Part 2 of the Disclosure Law which was brought into force on 17th December 2007 and updated in 2014, sets out these various purposes and include criminal investigations and proceedings in the Bailiwick and elsewhere. Again I support this approach.

We then have Proposition 5 to agree that P&R and Economic Development can appoint the
4090 Registrar. However, there is no mention in the Propositions that the appointment will be the Registrar of Companies, as indicated in the policy letter. So please can I have the reassurance that the Committees will not change their mind and say appoint the Commission instead.

The remaining Propositions are sensible recommendations, especially in respect of the resident agents and bearer instruments. The introduction of a statutory definition of beneficial owner will
4095 also be useful, as is the alignment after suitable consultation with the Anti-Money Laundering regime. Similarly, so is the introduction of the right of directors to ask the resident agents to provide the beneficial ownership information on request. But this could be enhanced, if I may say, if the agent also has to provide the verification of such information.

I also note there is no provision to deal with record-keeping requirements when resident
4100 agents change. Should the previous agent keep the records to show they had fulfilled their role or should the documents belong to the company but accessible to the agent?

Then there is the continuation of the ability for a statement being made that no beneficial owner has been identified. This is necessary due to the complicated nature of ownership. But I

4105 would ask for consideration that an explanation of why the owner cannot be identified should also be provided.

4110 However, I am concerned – for most here my next issue will resonate – about the funding of the setting up of the Registry. This has been mentioned already in respect of the waste strategy and I am curious why the funds have to come from the Bond. The Registry is a success story with £9 million being transferred to General Revenue in 2015. So why cannot the costs be paid from profits rather than the Bond with any inherent cost associated with such a loan? In fact why cannot the £214,000 loan outstanding at the end of 2015 be repaid as well? So the answer in respect of the waste strategy was if it was instead commercially funded the taxpayer would pay and it would be more expensive, this is not a case where the taxpayer will pay in my view. But I would be grateful if I could have more information because it does not to me sound commercially sound that that is a good use of the Bond.

4120 I have also raised several times my concern as to why we are not being innovative in this field, and to be fair this was the main reason I wished to stand and speak on this subject, because I wish to be innovative. Why are we not being ahead of the curve for what is already a FATF standard? And I went into detail to explain that standard so what I say next is in context. This FATF standard will also be a requirement in the future, that is the Register of Trusts and Other Legal Arrangements. Pascal Saint-Amans, head of tax at the Organisation for Economic Co-operation and Development, or the OECD, has said existing efforts to improve the sharing of information between countries, championed by David Cameron, needs to go further. In particular he said countries should look again at the registers of company ownership, as these registers should also show similar information for trusts. The FATF recommendations state the information available for legal entities should also be available in a similar way for legal arrangements including trusts, with a view to achieving appropriate levels of transparency. The Fourth Money Laundering Directive states that in order to ensure a level playing field among the different types of legal forms, trustees should also be required to obtain, hold and provide beneficial ownership.

4130 Although David Cameron championed the public beneficial ownership register for legal entities, he acknowledged the important differences between companies and trusts indicating his reservations on such a register.

4135 I am sure there are some in industry who may be fearful of my suggestion. However, we need to be realistic and acknowledge that FATF, Moneyval and the OECD will get their way, so let's be pro-active, let's design a register that is fit for our purposes and not wait to be told what we should do – be told that those that understand our finance and business services industries the least.

4140 I also note two days ago New Zealand approved the recommendations of a report to introduce a private register of foreign trusts – trusts without a New Zealand resident settlor. However, they are implementing it by using a manual spreadsheet database, and of course I hope we shall be a little bit more advanced than that. I should add we do most of the work already under the AML/CFT regime, so it will not be a stretch to start giving the question of whether to provide beneficial ownership information on trusts on a *private* central register. There are opportunities for our businesses if we lead the way. So let's grasp them.

4145 So I make no apologies for the length of this speech, sir, despite recording my concern that the Registrar is not stated in the policy letter to be the Registrar of Guernsey Companies, and my disappointment that we are not being more progressive. I ask Members to support these Propositions. By doing so we can fulfil the promises we have made to follow international standards and show our finance and business services industries that we support them by introducing regulation that is proportionate and appropriate.

Thank you, sir.

The Bailiff: Deputy Green.

4155

Deputy Green: Sir, yes, very briefly.

I will be supporting these Propositions because I do believe that like the previous speaker they are an intelligent and proportionate response. But I do think that there are some questions that I think should be raised and I ask Deputy St Pier to respond. And they are these.

4160 The first question is bearing in mind that the proposals do not represent a major departure from the current position, are we entirely content that the use of a maximum of £300,000 from the proceeds of the States of Guernsey's Bond issue is a proportionate use of that money in the circumstances?

4165 Secondly, and this is very much in relation to the international dimension, are we entirely comfortable that the UK will be anything other than supportive of this particular approach?

Thirdly, what are the risks that the register that we are proposing, in other words, as per Proposition 2

... the register should not be publicly accessible ...

What are the risks of that sort of register provoking the European Union, or any of its machinations or emanations of the European Union, in an adverse way?

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The Bailiff: Deputy Yerby.

Deputy Yerby: Sir, I am conscious that neither Deputy Green nor I signalled our intention to speak – at least I do not think – (*Interjection by Deputy Green*) did you? I apologise. I certainly did not, but then I did not vote to carry on tonight either.

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I am rising in response to some of the murmurings during Deputy Tindall's speech. She is absolutely right, the matter that we have before us now is important for our internal and international personality and it is worth being given the time to have a proper debate.

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As Deputy Fallaize just pointed out to me of course nobody's voice is being suppressed tonight, but the lateness of the hour means that perhaps people may feel less comfortable saying what they wanted to than they otherwise would have done.

I also wanted to defend the point that it is worth us talking about the public or private nature of the register as Deputy Tindall was doing, because we are explicitly asked in Proposition 2 to agree to its privacy, and that is something that hopefully we will have reflected on and considered whether it is the right thing to do or not.

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My understanding of the policy letter is that a lot will depend and a lot will hinge on the definition of beneficial ownership, and that is not for us to agree tonight. That is something that will be coming back to the States after further consultation. So in a sense we do not know how useful this register is going to be until after that definition has been finalised. But meanwhile I understand that it will be reputationally useful for us to have agreed to have a register of beneficial ownership and I am happy to support the principle.

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Deputy Tindall has talked about the possibility of other kinds of registers, including registers of trusts as I understand it, and it may be that without those the picture of information that we have is complete and the effectiveness of the register is diminished. Again, that is perhaps something that the Assembly will need to address when the two Committees come back with a definition.

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But in closing, sir, I just wanted to reflect that the report itself is dense with jargon. I was glad to open it and see that it was only 15 pages long, but next time I would far rather have a longer but clearer report. (**A Member:** Hear, hear.) After all, finance sector regulation is a very big part of our current identity and our future economic survival. Not all of us are well versed in this part of Island life and importantly it is not intuitive.

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So in closing I ask the Policy & Resources Committee and the Economic Development Committee, please, to give us the tools and the information necessary to engage with this thoughtfully and sensibly as lay people, but as politicians, not matter what our professional background.

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Several Members: Hear, hear.

The Bailiff: Deputy Gollop.

4210 **Deputy Gollop:** Yes, well I am semi-versed in it, in that I have attended so many conferences and legislation meetings over the years where all this jargon of AML/CFT and things come up.

I agree with a lot of the fascinating points Deputy Tindall has made and indeed the funding mechanism for this is a curious one, and I think other people in the industry have identified that.

4215 The policy letter is brief, fortunately, but is almost too brief because for the *cognoscenti*, you could say, it asks more questions than it delivers on, such as the 27 responses – it was not that good. What did they contain? Were they different? Was there a nuance of difference between different parts of the finance sector? What were the views of non-executive directors? Was there internal debate as to whether it should be the Company Registrar or the GFSC or some other mechanism? We do not know and perhaps we will never know. But it asks many questions.

4220 Deputy Yerby asked, what is the reason for making it private? Well I think for the foreseeable future it is a job done; Guernsey has delivered on the promises that Advocate Harwood, and others, put across. It retains our competitive advantage, and improves our transparency and, hopefully, will set standards ahead of the game.

4225 Should it be more public? I would say we are on a journey, and in the long term Deputy Parkinson, who was clearly prescient when he thought that exporting waste would be the outcome back in 2004, I think it will be more public, either directly or indirectly, and I suspect that we have to accept that. But in a situation where many of our competitors and the EU countries and even Federal States in the United States have frequently very curious practices, I think we have a right to be transparent and work very much within the law, but not necessarily put ourselves at a disadvantage.

4230 But I want to put it on the record that I do not think is the final answer and that there will have to be expansion of what we are likely to put across if we were sitting here in five- or 10-years' time.

4235 **The Bailiff:** Deputy Prow.
Sorry, Mr Comptroller.

The Comptroller: Yes, sir, just a matter I would raise, I think Deputy Yerby was suggesting that the definition of beneficial ownership would come back to the States?

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Deputy Yerby: Yes, that was what I am saying.

The Comptroller: Just a matter I think I ought to raise at 3.4.1 in the letter, what it says is:

In order to ensure compliance with the FATF standards and some specific recommendations made by Moneyval, there will be a statutory definition of beneficial ownership (introduced by regulations following further consultation) ...

4245 Those regulations, I am not entirely sure, but it is quite possible they may be made by the Policy & Resources Committee. So they would come back perhaps in the form of the statutory instrument for annulment but they will not actually come forward to the Assembly for consideration in detail as a Proposition. So it is just a matter of detail in case Members were at all possibly misled by that issue.

4250 **The Bailiff:** Thank you Comptroller.
Deputy Prow.

Deputy Prow: Thank you, sir. I shall be very brief.

4255 As a member of the Committee for Home Affairs we acknowledge that the policy lead is coming from Policy & Resources, but the Committee for Home Affairs were fully briefed on this issue.

I would congratulate Deputy Tindall and Deputy Yerby, in the sense that I think these are very important matters and it is right that they are debated in the Assembly, and we have an opportunity to listen to the views of States' Deputies on such an important matter.

4260 As I think all this Assembly is aware, I have a background in law enforcement and particularly in anti-money laundering and combatting the terrorism financing. I think what I would say is that from a law enforcement perspective a private register of beneficial ownership is of great value to law enforcement and particularly fast-running enquiries. And certainly in my experience the combatting of the assets of criminals actually does reduce crime and certainly does a great deal in the effort to combat terrorism.

So I think I would add that perspective to what Deputy Dawn Tindall has said. I think it is quite right to follow the FATF leads on this and to set up the register. I definitely think it is right and prudent that it is a private register because the purpose is to allow law enforcement to conduct enquiries and sometimes they are fast moving. So, I would urge this Assembly to support.

4270 Thank you, sir.

The Bailiff: Deputy Ferbrache.

4275 **Deputy Ferbrache:** Sir, I endorse what has been said by Deputy Prow, of course this should be, and is, a matter of debate in this Assembly, and Deputy Tindall and Deputy Yerby are quite right to raise the points they did.

Dealing with Deputy Yerby's point really what she is saying is that policy letters should be written in plain English so people can understand. Whether we are talking about this, or anything else, I fully understand. It is a difficult topic though, there are lots of technical terms and it is a balancing exercise. If she feels we have got it wrong on this occasion then I apologise, there is no intent to not explain things clearly. We thought we had, but obviously not to Deputy Yerby's satisfaction and I mean that in a respectful way. It is a very difficult topic in the sense that it is a technical topic and although it is only 14 or 15 pages long it is actually quite dense with detail in the sense of that, and it could have easily been 40 pages.

4285 Now let me assure Deputy Tindall that the last thing, sir, that we want to do – and it was the utmost consideration of both P&R and Economic Development – was to scare the pigeons. We wanted to ensure the financial community out in the world at large, and our own financial community, that we were doing what we had to do, we were doing what we believe – and we can never tell for sure, so no guarantee can be given to any States' Member in this regard. We believe that what we are doing is sustainable to scrutiny from afar. Now I am not standing up here and saying that is absolutely certain, we have taken advice from the law officers, we have consulted at length with the industry as to what would be satisfactory with them. We have had meetings in the Economic Development Committee where different views have been expressed about registries and things. We have had meetings with P&R where again we have had different views about where the register should be. It is a private register, it is held by a public official because that is what the Registrar is; and let us just say one of the major topics of the discussion between both internally in the Economic Development Committee and I am sure internally in Policy & Resources, but also between the two Committees, was who should hold the register, the details. The two competing, if you like, interests were the GFSC and the Registrar and it was decided by the Committees that it should be the Registrar and that is where it would be. It will not be moved. It cannot be moved.

4295 As to the beneficial owner definition the Comptroller has already picked that up. I am not sure whether I will be able to sign the regulations, whether it comes under my remit or whether it will be Deputy St Pier. I sign on a regular basis, after discussion with my colleagues and after taking

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advice from our Director of Legal Services, Mr Stephens, a number of regulations to do with finance sector, but they are always ultimately capable of scrutiny by the States. But they do not come here for debate because otherwise we would have another learned debate about what was meant by beneficial ownership.

4310 So the point in relation to this is we have taken advice, we have had regard to what is afar. We have had regard to what the circumstances may be and the challenges that may come from the European Union and various others. We believe that what we are doing is what is politically acceptable, what meets the needs of the finance sector here and will not put off anybody wanting to do business with Guernsey.

4315 As to the £300,000, I leave Deputy St Pier to deal with that.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, yes, I will just be brief.

4320 I agree with Deputy Ferbrache in terms of the layout and the content of the policy letter, I thought it was okay, but I have a fiduciary background and all the words were understandable to me. Perhaps something like this should have kind of a glossary or something at the end which might actually explain what these terms are, because it is very technical. It is getting more and more like that all the time. So it is difficult.

4325 Deputy Gollop talked about only being 27 responses, but that will include a whole range of different representatives of organisations and various industries, various businesses will have fed in their viewpoints to their representatives to talk it through and let them give the feedback.

4330 Will this add anything? Well, not much, as we already have this information available. So really it is about more cost and more compliance, but I do totally understand why we need to have this register, it is the way we are expected to have it, we need to be seen to be having it. So I believe it is something we have to do and I also agree that it should not be publicly accessible.

The Bailiff: Does anybody else wish to speak? It is very important that nobody feels they have been suppressed. We have already had far more speeches than people indicated, so I hope nobody does feel they have been suppressed. No? Nobody is rising.

Deputy St Pier will reply.

Deputy St Pier: Thank you, sir.

4340 Thank you to those that have contributed in the debate and I thank Deputy Tindall for not only her support, but also her careful and valuable analysis and highlighting the need for this.

4345 Indeed there was a conference yesterday here in Guernsey which Deputy Lowe attended as President of Home Affairs which was about international terrorist financing, highlighting again the importance of why we need to know who we are dealing with through the knowledge of who the beneficial owners are. And why, as Deputy Prow has said, it needs to be accessible to those that need to know and that sometimes that needs to be really quite quickly.

In terms of the reassurance which Deputy Tindall is looking for under Proposition 5, the Committees are jointly committed to it being the Companies Registry taking on this responsibility and not the Financial Services.

4350 Deputy Tindall also questioned the use the Bond in this case and why it was different. Actually I would argue that it is exactly the same case as the waste because notwithstanding that there is a surplus in the work of the Companies Registry of course, if we were to use some of that surplus effectively that would reduce the dividend payable to General Revenue, so the taxpayer would be carrying the burden and would be £300,000 worse off if it came that way. We did have the debate in the Committees as to what was the appropriate way to fund it, and we took the view again it was entirely appropriate that the user should pay – in this case the companies that will be subject to the regime.

4360 In relation to Deputy Green's questions, is it a proportionate use? Certainly an appropriate use,
I think, of the fund in this case, for the reasons I have just articulated. Is the UK entirely
comfortable? Yes, I can confirm the UK is entirely comfortable. This has clearly been the subject of
ongoing discussion between the UK and ourselves, and indeed the Overseas Territories as to what
all the dependencies and Overseas Territories are going to do. The fact that the UK itself has
chosen to adopt a publicly available register is a matter for them. But of course many people have
observed that the quality of that register is very different. It is entirely dependent on self-
4365 compliance and self-certification and does not have the quality control that we are able to offer.
So I think that we can quite justifiably defend the position that we have adopted as providing a
much higher quality level of information available to those that need to know when they need to
know it.

4370 In relation to the risks from the EU or others, I think it is important to make the point that our
commitment as a jurisdiction, as is set out in the Policy & Resource Plan, to remain compliant with
international standards is exactly that, remaining compliant with international standards. The
emerging international standard is for private registers of beneficial ownership. It is not for public
registers. There are very few jurisdictions – and the UK is one of only a very few – that have
adopted that and certainly most of the EU have not and are themselves opposed to it.

4375 But just as Deputy Ferbrache said giving that undertaking *ad infinitum* is not possible,
standards will continue to emerge and we will continue to have to develop as indeed they do so. I
think Deputy Ferbrache has addressed the comments on the language that Deputy Yerby raised.

4380 In relation to the consultation, the consultation that Deputy Gollop raised ranged from a whole
range of issues from where the register should sit, whether it would be the Financial Services
Commission or the Registry itself, whether there should be a register at all and whether it should
be public or whether it should be private. So it was a whole range of views, which of course the
Committees had to consider in the normal way. But I do thank Members for their contributions,
and urge them to support all the Propositions.

4385 **The Bailiff:** There are 12 Propositions. I will put all of them to you together. Those in favour;
those against.

Members voted Pour.

4390 **The Bailiff:** I declare them carried, with no-one against.
That brings us then Greffier to the last item.

V. Schedule for Future States' Business approved as amended

Article V

The States are asked to decide:

*Whether, after consideration of the attached Schedule for future States' business, which sets out
items for consideration at the Meeting of the 8th March 2017 and subsequent States' Meetings,
they are of opinion to approve the Schedule.*

The Senior Deputy Greffier: Article V – Schedule for Future States' Business.

The Bailiff: Deputy St Pier, who will also lay an amendment which I believe has been
circulated, at the same time.

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Amendment:

1. Delete the Proposition and substitute therefor:

'The States are asked to decide:

Whether, after consideration of the attached Schedule for future States' business, which sets out items for consideration at the Meeting of the 8th March, 2017 and subsequent States' Meetings, they are of opinion to approve the Schedule, subject to the inclusion in the Schedule at the end of the matters set out in paragraph (g) of the list of Items for the Meeting of the 8th March, 2017 the following entry – "P. 2017/11 Policy & Resources Committee – Acknowledging the Triggering of Article 50 of The Treaty on European Union in respect of Protocol 3".'

Deputy St Pier: Sir, as is often the case the Schedule of Business for the next meeting is, I think, self-explanatory. Members will note that there is really only one substantive item at the moment for debate from the Committee for Environment & Infrastructure, on the Open Market Housing Register.

4400 However, Deputy Le Tocq and myself are proposing, as I think I have indicated prior to this meeting, to move an amendment to allow us to discuss on 8th March the policy letter published this week by the Policy & Resources Committee for acknowledging the triggering of Article 50 of the Treaty on European Union in respect of Protocol 3.

4405 It is the view of the Policy & Resources Committee that it is important in respect of our international identity that we should debate this matter before Article 50 is triggered, ideally, and therefore we would request that it be debated at the first opportunity which of course is now 8th March.

The Bailiff: Do you formally second that amendment Deputy Le Tocq?

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Deputy Le Tocq: I do.

The Bailiff: We go then to the vote on that amendment. Those in favour; those against.

Members voted Pour.

4415 **The Bailiff:** I declare it carried, and we vote on the Schedule for Future States' Business as amended. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

That concludes the business of this meeting. Thank you, Members.

The Assembly adjourned at 6.26 p.m.