From	Deputy E. A. Yerby
То	President, Policy & Resources Committee
Subject	Proposed Review of the Relationship between Guernsey & Alderney
Date of Questions	18 th February, 2019
States Meeting	27 th February, 2019

QUESTIONS PURSUANT TO RULE 11 OF THE RULES OF PROCEDURE

Question 1

The 2016 Review of the Financial Relationship between Guernsey & Alderney said that the then "Policy Council and the States of Alderney Policy & Finance Committee are committed to working to make sure that Alderney remains an active and vibrant community, which has an economically sustainable future, with a stronger economy and with some increased population of younger, economically-active people who will help to reduce the growing dependency ratios." **Does the current Policy & Resources Committee continue to share this vision for Alderney's future?**

Question 2

Does the President agree that a review of the relationship between Guernsey and Alderney, underpinned by the 1948 agreement, is a matter of constitutional significance for both islands?

Question 3

Given that the UK was a party to the original 1948 Agreement, together with Guernsey and Alderney, can the President outline what engagement his Committee believes will be necessary with the United Kingdom, as part of the proposed review?

Question 4

Given that the January 2019 debate on the Alderney Runway revealed substantial differences of opinion about the desired future relationship between the Islands, will the President undertake to ensure that his Committee **facilitates a process of engagement with all States Members** on the objectives of the proposed review, before any further work is undertaken?

Question 5

Can the President say whether objectives of social and environmental reform or harmonisation between the islands, as well as economic reform, are intended to be in scope of the review?

Question 6

Can the President outline what engagement has taken place with the Committees responsible for providing transferred services as part of the design of this review, and what further engagement is planned?

Question 7

Will the Policy & Resources Committee undertake to ensure that the Guernsey politicians tasked with negotiating with the States of Alderney will represent the majority views of the States in respect of the desired future direction of the relationship between the Islands, and that the Committees providing transferred services will be represented among this group?

Question 8

Can the President indicate how this work can be considered a priority of the States, given that it has not featured in any iteration of the Policy & Resource Plan to date?

Question 9

The combined impact of Brexit and a renegotiation of the 1948 Agreement will be difficult and resource-intensive even for Guernsey. What consideration has the Policy & Resources Committee given, or does it intend to give, to the effect of this combined impact on Alderney?

Question 10

Given the much smaller size of Alderney's parliament and of its civil service, by comparison with Guernsey, what steps will the Policy & Resources Committee take in order to ensure that Alderney can enter any negotiations on an equal footing with Guernsey?

Question 11

Can the Policy & Resources Committee outline its engagement with the States of Alderney to date, and its planned next steps, in respect of this review?

Context

In February 2016 (Billet d'État III), the States considered a report presented by the Policy Council on "<u>The Review of the Financial Relationship between Guernsey and Alderney</u>." The report "concludes that **the basis of the 1948 Agreement between the islands** ... **remains valid and that the Agreement should continue**." The report recommends a number of changes to the financial relationship between the islands, and the governance of transferred services, which were to be further investigated and implemented from 2016 onwards.

In the <u>2017 Budget</u> and the <u>2018 Budget</u>, the Policy & Resources Committee provided updates on its progress in respect of those changes.

In its <u>Letter of Comment</u> to the Committee *for* Economic Development's policy letter on the Review of Air Transport Licensing (Billet d'État XIX), in July 2018, the Policy & Resources Committee announced that it intended to carry out "a comprehensive review" of the 1948 Agreement between the islands, and that it would "initiate discussions with the States of Alderney with a view to establishing a joint group to undertake this review and report back to the States."

In the <u>2019 Budget</u>, the Policy & Resources Committee reported as follows:

- "9.56 [...] the Policy & Resources Committee has initiated a comprehensive review of the 1948 agreement. This evidence-based review will ensure that the terms of the agreement are appropriate and sustainable; provide clarity on a number of aspects concerning the relationship between Guernsey and Alderney; and result in clear recommendations. These recommendations will reflect the interests of our communities; ensure the relationship is based on a clear understanding of the level of services to be provided; and balance rights and obligations with the interests of our taxpayers.
- "9.57 The work has commenced with research and analysis of the 1948 Agreement and the services provided under it. The findings of this work will then need to be discussed between a joint group of representatives from the States of Alderney and the States of Guernsey before confirming the approach to the next phase of the review."

In the 2018 P&R Plan Update (Apx A / VII), the Policy & Resources Committee said only that: "the Committee is also working closely with its counterparts in the States of Alderney and facilitates the quarterly meetings of the Alderney Liaison Group. Areas of interest include the evolution of the financial relationship and close collaboration on a wide range of other issues including Brexit."