

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

5th November, 2019

Proposition No. P.2019/104

POLICY & RESOURCES COMMITTEE

THE STATES OF GUERNSEY ANNUAL BUDGET FOR 2020

AMENDMENT

Proposed by: Deputy M H Dorey
Seconded by: Deputy E A McSwiggan

To replace Propositions 36 and 37 with the following Propositions:

- "36. To agree that the direct and indirect financial implications for the States of Guernsey arising from the Public Service Obligation (PSO) tender process decision(s) in respect of the Alderney-Guernsey and Alderney-Southampton air routes, including any financial consequences for Aurigny, shall be included in the policy letter which sets out the funding options available and recommends the most appropriate way forward (as referred to in paragraph 8.33 of this Report); and to direct the Committee *for* Economic Development, the States' Trading Supervisory Board and the Policy & Resources Committee to include proposals within that policy letter for appropriately addressing any new costs to the States and Aurigny that arise as a result of the award of the PSO contract(s) on the Alderney routes.
- "37. To direct the Committees involved in creating a governance framework for all aspects of States-funded air route operation and support, as set out in Proposition 38, to include consideration of the full costs and benefits of the PSO model and its sustainability for Guernsey and Alderney."

EXPLANATORY NOTE

The Propositions which this amendment would replace jump to conclusions about the outcome of the PSO process which seem inappropriate at this time. Any financial consequences arising from that process need to be addressed by the States when it makes a decision about awarding the PSO(s), and should inform the governance framework looking at Guernsey's overall approach to air connectivity.