



BILLET D'ÉTAT

III
2000

WEDNESDAY, 26th January, 2000

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BILLET D'ÉTAT

**TO THE MEMBERS OF THE STATES OF
THE ISLAND OF GUERNSEY**

I have the honour to inform you that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE, on WEDNESDAY, the 26th January, 2000**, immediately after the Meetings already convened for that day.

**THE ALDERNEY (APPLICATION OF LEGISLATION) (CHILD PROTECTION)
ORDINANCE, 2000**

The States are asked to decide:—

- I.— Whether they are of opinion to approve the draft Ordinance entitled “The Alderney (Application of Legislation) (Child Protection) Ordinance, 2000”, and to direct that the same shall have effect as an Ordinance of the States.

STATES COMMITTEE FOR HORTICULTURE

NEW MEMBER

The States are asked:—

- II.— To elect a sitting member of the States as a member of the States Committee for Horticulture to complete the unexpired portion of the term of office of Mr. M. T. Lainé, who has ceased to have a seat in the States, namely, to the 31st May, 2001.

STATES OVERSEAS AID COMMITTEE

NEW MEMBER

The States are asked:—

- III.— To elect a sitting member of the States as a member of the States Overseas Aid Committee to complete the unexpired portion of the term of office of Mr. M. T. Lainé, who has ceased to have a seat in the States, namely, to the 31st May, 2001.

PRIaulx LIBRARY COUNCIL

NEW MEMBER

The States are asked:—

- IV.— To elect a member of the Priaulx Library Council to fill the vacancy which has arisen by reason of the expiration of the term of office of Douzaine Representative Mrs. C. H. Waite, who is eligible for re-election.

STATES TELECOMMUNICATIONS BOARD

NEW MEMBER

The States are asked:—

- V.— To elect a sitting member of the States as a member of the States Telecommunications Board to complete the unexpired portion of the term of office of Deputy D. A. Barrett, who has resigned as a member of that Board, namely, to the 31st May, 2002.

STATES PUBLIC ASSISTANCE AUTHORITY

ST. SAMPSON'S PAROCHIAL OUTDOOR ASSISTANCE BOARD

NEW MEMBER

The States are asked:—

- VI.— To elect a member of the St. Sampson's Parochial Outdoor Assistance Board to complete the unexpired portion of the term of office of Mr. M. T. Lainé, who has ceased to be a Douzenier, namely, to the 31st May, 2002.

(NB Only a sitting member of the States or a Jurat, Rector or Douzenier resident in St. Sampson's is eligible for election)

STATES PUBLIC ASSISTANCE AUTHORITY

VALE PAROCHIAL OUTDOOR ASSISTANCE BOARD

NEW MEMBER

The States are asked:—

- VII.— To elect a sitting member of the Vale Parochial Outdoor Assistance Board to complete the unexpired portion of the term of office of Mrs. B. A. Amy, who has ceased to be a Douzenier, namely, to the 31st May, 2003.

(NB Only a sitting member of the States or a Jurat, Rector or Douzenier resident in the Vale is eligible for election)

STATES PUBLIC ASSISTANCE AUTHORITY

ST. PIERRE-DU-BOIS PAROCHIAL OUTDOOR ASSISTANCE BOARD

NEW MEMBER

The States are asked:—

VIII.—To elect a member of the St. Pierre-du-Bois Parochial Outdoor Assistance Board to complete the unexpired portion of the term of office of Mr. J. Robinson, who has ceased to be a Douzenier, namely, to the 31st May, 2000.

(NB Only a sitting member of the States or a Jurat, Rector or Douzenier resident in St. Pierre-du-Bois is eligible for election)

STATES ADVISORY AND FINANCE COMMITTEE

STATES AUDIT COMMISSION – NEW MEMBER

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

9th December, 1999.

Sir,

RE-ELECTION OF MEMBER TO THE STATES AUDIT COMMISSION

In accordance with the provisions of sub-paragraph 4 (1) of Schedule 1 of the States Audit Commission (Guernsey) Law, 1997, Mr John Preston Lee retires as an ordinary member of the Commission on the 1 March 2000.

The States Advisory and Finance Committee is pleased to re-nominate Mr Lee to be an ordinary member of the Commission.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked:—

- IX.— To re-elect Mr. John Preston Lee, who has been nominated in that behalf by the States Advisory and Finance Committee, as an ordinary member of the States Audit Commission with effect from the 1st March, 2000.

STATES ADVISORY AND FINANCE COMMITTEE**GUERNSEY FINANCIAL SERVICES COMMISSION****NEW MEMBERS**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

16th December, 1999.

Sir,

Guernsey Financial Services Commission

In accordance with the provisions of sub-paragraph 3(3) of Schedule 1 of the Financial Services Commission (Bailiwick of Guernsey) Law, 1987, Mr. Leslie William Priestley, T.D., F.C.I.B., C.I.Mgt., F.C.I.M., F.R.S.A. retires as an ordinary member of the Commission on the 1st February, 2000. The States Advisory and Finance Committee is pleased to re-nominate Mr. Priestley as an ordinary member of the Commission.

Advocate Nigel Thomas Carey also retires as an ordinary member of the Commission on the 1st February, 2000. The Committee is also pleased to re-nominate Mr. Carey as an ordinary member of the Commission.

I have the honour to request that you be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked:—

- X.— To re-elect Mr. Leslie William Priestley, TD, FCIB, CI Mgt, FCIM, FRSA, and Advocate Nigel Thomas Carey, who have been nominated in that behalf by the States Advisory and Finance Committee, as ordinary members of the Guernsey Financial Services Commission with effect from the 1st February, 2000.

STATES BOARD OF ADMINISTRATION**NEW PREMISES FOR THE ROYAL CHANNEL ISLANDS YACHT CLUB**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

26th November, 1999.

Sir,

NEW PREMISES FOR THE ROYAL CHANNEL ISLANDS YACHT CLUB

The Royal Channel Islands Yacht Club was founded in 1862, the Royal Charter being granted by Her Majesty Queen Victoria. It is the sixth oldest club to be granted a Royal Charter. The Guernsey Centre of the club moved into its present premises in 1954.

In 1992 the Guernsey Brewery Co. (1920) Ltd gave the Royal Channel Islands Yacht Club (Guernsey Centre) (the Club) notice to quit its current premises on the Quay Steps. Since that time the Club has been seeking alternative accommodation. Following a review of sites in the area of St Peter Port Harbour the Club approached the Board of Administration in June 1996 with a request that consideration be given to the building of a new Clubhouse on land administered by the Board at the end of the Albert Pier commonly known as the Red Light Berth.

In November 1996, December 1996 and February 1997 the Board gave its approval to various draft schemes put forward by the Club. In April 1997 after consultation with the Harbour Authority and the States Traffic Committee the Board agreed that the plans prepared by the architects Lovell Ozanne should be submitted to the States Island Development Committee (IDC) for formal consideration. As part of this agreement the Board stipulated that office accommodation for Customs and Harbour staff should be incorporated into the building at the Club's expense.

After extensive discussions with the IDC and a number of plan revisions the Committee granted approval in principle to the Club's proposals in October 1998. Building Control approval has not yet been obtained but the Board did not wish to delay publication of the policy letter whilst this was awaited. However, the Club is aware that building cannot commence prior to Building Control approval being

granted. The approved detailed drawings that give the best sense of the overall scheme are on display in the Royal Court Lobby and are as follows:

Drawing Number

R26 – 7945 - 41	Ground Floor Plan
R26 – 7945 - 43	Roof Plan
R25 – 7945 - 44	East & North Elevation
R25 – 7945 - 46	West & South Elevation

The building will be built in the form shown in the detailed drawings or in a substantially similar form subject only to any minor changes to be made by the Club and agreed by the IDC and the Board.

The areas that will be occupied by this building are as follows:

	Metre ²	Feet ²
Customs Office	20.28	218
Marina Office	78.65	846.5
Marina/Customs joint	7.97	85.7
Total	106.9	1150.67
Entrance lobby	19.10	205.6
RCIYC	348.65	3752.8

Martel Maides has provided the Board with an estimate of £1,150 for the ground rent of the site. Martel Maides has also estimated the current rental value of the Marina and the Customs Offices to be £9000 per annum.

Financing Arrangements

The Club will be responsible for financing this project and will form a limited liability company (the Company) for this purpose. This Company will also be used for the purpose of entering into building contracts and leases. The Company will be called RCIYC (Guernsey Centre) Properties Limited. The activities of the Club will be carried on at the Clubhouse. The Club will loan funds to the Company in order to allow the Company to repay borrowing. The shareholders of the Company will be the Club Trustees.

In order to finance the building of the Clubhouse, members of the Club will make loans to the Company for the purpose of building the Clubhouse. The loans will be made to Subscriber Trustees who will form a separate body to the Club Trustees. Neither the lease nor the building contract will be entered into until all the funds are either in the possession of the Subscriber Trustees or the Subscriber Trustees are secured in that amount.

Status of Building

On completion of this building it is proposed that the Company will hand over the Marina and Customs Offices in their entirety to the Board of Administration in its capacity as the agent of the States. These offices will be as shown in the plans and will

consist of a wind and watertight shell with unplastered internal walls, a screed floor and a distribution box for electric power. These offices will be provided at no cost to the Board and no fee of any sort will be charged to it.

The States will also own the Clubhouse and continue to own the land on which it is constructed. It is further proposed therefore that the Clubhouse premises will be leased to the Company by the States for 99 years. On the expiration of the lease possession of the Club premises will be delivered up to the States by the Company.

It is also envisaged that in return for the lease of the premises the Company will pay the Board a “peppercorn” rent of £100 per annum. Whilst the Board is waiving its right to claim a commercial rent, it will, however, be gaining free St Peter Port office accommodation. Furthermore, at the expiration of the lease, the Board will take vacant possession of the premises leased to the Club. The building will have been kept in a good structural and decorative state and the States will not be required to pay any sum to the Club. As is clear from the figures supplied by Martel Maides such a gain would be of considerable advantage to the States of Guernsey.

Early Start and Timely Completion

The Company will be required to begin building within 12 months of States approval being given to the project. Allowing the Company a period of this length in which to start work will avoid the possibility of building work taking place over the summer season. The Company will be required to complete building work within 12 months of the start date. The Board intends to impose a liquidated damages payment agreement on the Company if completion is not achieved on time.

Status of Land

The parking on the Albert Pier is controlled and administered by the States Traffic Committee under the terms of the Road Traffic (Parking Places) Ordinance, 1963. This enables the Committee to control parking by Order on land that forms part of the public highway. The parking on this Pier and also on the Victoria Pier and the Castle Emplacement (as far as the south-western corner of the Model Yacht Pond) have been scheduled by Order of the Committee as disc parking under the terms of this Ordinance. For operational purposes of the Harbour, the Board of Administration has retained control of an area at the end of the Red Light Berth.

The Law Officers have advised that, with the enactment of the Harbours Ordinance in 1988, the above areas should no longer be considered as being part of the public highway. This Ordinance defines harbour land as being “...the quays, hards, and roads under the administration of the Board, and adjacent to the harbours and marina areas of the harbour of St Peter Port...”. The Albert Pier and, indeed, the Victoria Pier and Castle Emplacement, fall within the above definition. As they do not form part of the public highway, parking in these areas should not now be controlled under the 1963 Ordinance.

The Traffic Committee also controls and administers parking under the terms of the Vehicular Traffic (Control of Parking on Certain States Land) Ordinance, 1988. This authorises the Committee to control parking on the States owned land that appears in

the Schedule to that Ordinance. This includes the North Beach and Salerie car parks, which are specifically excluded from the definition of harbour land for the purpose of controlling traffic and parking only. It also includes the Odeon and Mignot car parks and a number of coastal car parks, such as Belgrave and Vazon.

In order to regularise the position, the Board, with the agreement of the Committee, is recommending that the parking on the Albert Pier should in future be controlled under the terms of the Vehicular Traffic (Control of Parking on Certain States Land) Ordinance, 1988, in the same manner as the North Beach and Salerie car parks. It is also recommended that, as they fall within the definition of harbour land, the parking on the Victoria Pier and Castle Emplacement should also be controlled in this manner. This will require an amendment to the above Ordinance so that the areas concerned can be included within the Schedule to it.

Builder

The building contractor and other professional firms will have to be approved by the Board before they can be engaged by the Company. The Board will also require the building contractor and other professionals to enter into collateral warranties with it as to the professional performance of their duties. This will enable the Board to enforce contractual provisions on the building contractor and other professionals if they have been negligent in the construction of the building.

The Board will be relying on the Island development Committee's Building Control section to review work and will be seeking a certificate of practical completion from professional engineers. The Board will also require the Company to give a performance bond in order to ensure that its obligation to complete the development is adhered to.

Lease

The Company will enter into a lease with the States in respect of its occupation of the clubhouse. Details of the core terms of this lease can be found at Appendix 1, subject to any minor revisions or additions recommended by the Law Officers and accepted by the Board. As the aims of the Club's Company are not wholly charitable the Club will be regarded, for the purposes of the lease, as being run at least partly for commercial gain.

Under the terms of the lease the States will be able to withhold consent to any change of use of the clubhouse premises, although such consent would not be unreasonably withheld. Should a change of use take place the States will have the power to reserve the right to review the rent if any such change affects the rental value of the premises. The Club will not be able to restrict the use to which the Board's offices will be put and the Board will be able to use this area for whatever purposes it sees fit.

In addition the States will retain a pre-emption to take over the building at the market price should the Company or the Lessee for the time being wish to assign the lease. The States will also have the pre-emption to purchase the issued share capital of the Company or any successor if the shares of the Company or the successor are to be sold. In both cases the pre-emption would be at the market value of the lease at the

time. The Board thinks it unlikely, certainly in the early years of the term of the lease, that it or its successors would wish to exercise the option to purchase on behalf of the States but feels that as a matter of prudence such a provision should be included in the lease

The lease will be a full repairing lease and will impose restrictions on the Company with regard to noise levels and the external illumination of the building. At the end of the lease term the Company will be required to deliver up vacant possession of the demised premises in a good structural condition and a good internal and external decorative state and condition.

There will also be an agreement to enter into a lease. This Agreement will require the Company to construct the building and will require a commitment on the part of the States to execute a lease to the Company in the form appended to the Agreement once the building has been constructed.

Improved Facilities

The Board feels that whilst this scheme will benefit the Harbour and the Island in many ways this development's overriding contribution will be in the new facilities that it provides. The Board believes that the proposed scheme is particularly beneficial for the Harbour Authority and Customs Department which will both be provided by the Club, at no cost, with a high quality building and the immediate use of much needed purpose built offices. The temporary buildings currently occupied by those Customs and Harbour staff who serve the marinas are inadequate. The Board feels it is important that the Victoria Marina is provided with adjacent facilities that allow Harbour and Customs staff to carry out their responsibilities in relation to visiting yachtsmen with the minimum of delay and inconvenience. The provision of permanent purpose built facilities for the staff concerned will improve their ability to undertake their duties in this respect.

Most modern marinas have yacht club facilities adjacent to their visitor moorings where visiting yachtsmen can obtain local information and be greeted by their local counterparts. The Board believes that the provision of a new Clubhouse for the Royal Channel Island Yacht Club on the "Red Light Berth" pier will be of assistance in providing an additional facility at the Victoria Marina. The opening of a number of new marinas in the Bay of St Malo in the last few years has considerably increased the competition that Guernsey faces in attracting visiting yachtsmen to the Island. The Harbour Authority feels that the quality of facilities is an important factor in a Yachtsman's decision to visit a particular marina. In view of this it is eager to take advantage of any opportunity that helps bring yachtsmen to St Peter Port. The Harbour Authority also feels that the provision of an attractive and welcoming Clubhouse at the centre of yachting activity in the Harbour and a short distance from the visitors shower and lavatory facilities, would be a considerable asset.

Visual Enhancement

The Harbour is visually one of the most important sites in St Peter Port and the plans drawn up for the Clubhouse and offices reflect this fact. The proposed building has been designed in its overall concept and in its detailing, to be discreet from both the

landward and seaward perspectives. It has also been designed to enhance its surroundings by continuing the existing architectural themes of the Harbour. The rounding off of the northern end of the pier is reminiscent of the bull nose shape of the pier in the mid 19th century. As stated previously the construction of these premises will also result in the removal of the visually displeasing portacabins and Harbour Office that are currently on this site.

Although the present walkway in this area will be removed it will be replaced by full access to the Clubhouse roof thereby increasing the area available to the public in this part of the Harbour.

The scheme adheres closely to the policies of the Urban Area Plan in its use of appropriate materials, its efficient use of available land, its respect for the character of its surroundings and in its positive contribution to the character and amenity of its surroundings.

Recommendations

The Board therefore recommends the States:-

1. To agree that the area of land at the end of the Albert Pier known as the Red Light Berth should be developed in the form proposed by the Royal Channel Islands Yacht Club (Guernsey Centre) as set out in the report and as detailed in the drawings referred to in Recommendation 2, or in substantially similar form.
2. To direct that in the event that the said Club shall obtain all necessary permissions for the development the Board of Administration shall execute an Agreement with the Club (which term may include a company nominated by the Club owned for the benefit of its members) requiring the Club to construct on the said area of land a new Clubhouse and Marina and Customs Office in accordance with the drawings R26-7945-41, R26-7945-43, R25-7945-44, R25-7945-46, as prepared by Lovell Ozanne and approved by the Island Development Committee and presently displayed in the Royal Court Lobby, and also in accordance with drawings R26-7945-42, R25-7945-45 and R26-7945-47 as prepared by Lovell Ozanne and approved by the Island Development Committee.
3. To direct that on practical completion of the said building the Board of Administration shall
 - (i) take possession of the Marine and Customs Office area free of charge
 - (ii) execute a lease in favour of Royal Channel Islands Yacht Club (Guernsey Centre) Properties Limited incorporating inter alia the Core Terms detailed in Appendix 1 subject always to any minor amendments which may be recommended by the Law Officers and agreed by the Board.

4. To direct that the Board of Administration shall enter into such other ancillary contracts as shall, in the opinion of the Board after consultation with the Law Officers, be deemed necessary to implement the approved development scheme.
5. To amend the Schedule to the Vehicular Traffic (Control of Parking on Certain States Land) Ordinance, 1988, to include the areas at the Albert Pier, Victoria Pier and Castle Emplacement that are currently scheduled as disc parking under the terms of the Road Traffic (Parking Places) Ordinance, 1963.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
R. C. BERRY,
President,
States Board of Administration.

APPENDIX I

ANTICIPATED CORE TERMS SUBJECT TO NEGOTIATION

The undermentioned terms would be the principal terms to be incorporated in the Lease. The Lease will be executed on practical completion of works to be detailed in an Agreement to Lease.

Lessors	The States of Guernsey (“The States” – which expression shall include its successors).
Lessee	RCIYC (Guernsey Centre) Properties Limited (a company to be incorporated on behalf of the Royal Channel Islands Yacht Club) (“the Lessee” – which expression shall include its assigns).
Demised Premises	The major part of a building to be constructed by the Lessee at its cost on part of the area of the Albert Pier commonly known as the Red Light Berth.
Term of Lease	99 years with effect from the practical completion of the building to be constructed by the Lessee.
Rent	£100 per annum reviewable every 5 years in line with increases in the Guernsey Index of Retail Prices.
Rates and Taxes	Lessee will be responsible for all rates and taxes payable in respect of the demised premises including reimbursement of the Tax on Rateable Value, payment of Occupiers’ Rate and Refuse Rate and any new taxes payable during the term of the Lease by an owner or occupier of the land.
Services	Lessee will be responsible for all services supplied to the demised premises (i.e. water rates, electricity, gas and telephone rental/charges and any central heating oil).
	The demised premises will be separately metered from the remainder of the building to be occupied by the States of Guernsey.
Repair Obligations	The demised premises will be leased to the Lessee on a full repairing basis.
	The Lessee will be required on the expiration or earlier termination of the Lease to deliver up the demised premises to the States in a good state of structural repair and condition and also in good external and interior decoration and condition.

The Lessee will:

- (i) carry out exterior decoration not less than once every 4 years.
- (ii) Carry out works to the structure and finishes as and when reasonably necessary to maintain the same in good order and condition;
- (iii) Maintain and decorate the interior of the demised premises not less than once every 5 years.

Alterations and Additions

The Lessee shall not carry out structural alternations or additions to the demised premises without the prior written consent of the States which shall not be unreasonably withheld.

Note:

The Lessee will not be exempt from the legal requirement to obtain all necessary permissions under inter alia the Island Development laws, 1966, as amended, or any replacement legislation.

Insurance

- (i) (a) The Lessee will be required to insure the demised premises against fire, explosion, flood and all other risks normally insured against, demolition costs and architects' fees and to use monies paid under such insurance policy for rebuilding, reinstatement or repair.

The interest of the States shall be noted on the policy.

Confirmation that such insurance is being maintained shall be sent to the States periodically or upon request.

- (b) The Lessee will insure its own fixtures and fittings and equipment;
- (ii) The Lessee will maintain public liability insurance cover initially in a sum of not less than £5 million in respect of any one occurrence or such other sums from time to time as the States may reasonably stipulate during the term of the Lease.

Liquor Licence	The Lessee shall be permitted to apply to the Royal Court for a Liquor Licence to be granted in respect of the demised premises.
Music and Lighting	The Lessee shall not be permitted to cause loud music to be played or relayed outside the building so as to create a nuisance, nor to cause the exterior of the building to be illuminated except in accordance with lighting agreed by the States which lighting in terms of level and colour shall only be in accordance with the ambiance and character of the water front.
Use of the Building	The demised premises are to be used as a Yacht Club or for such other use categories as may be agreed by the Lessee with the States from time to time.
Observance of Laws	The Lessee will observe all applicable laws including inter alia those governing public safety and health.
Limitations on Assignment	The Lessee shall not assign the demised premises without the written permission of the States, such permission not to be unreasonable withheld.
Sub-Letting	The Lessee shall not sub-let the demised premises without the written permission of the States, such permission not to be unreasonably withheld.
Pre-emptions	<p>The States shall have a pre-emption to acquire the issued share capital of the Lessee should the Club offer its issued share capital for sale. Any such sale shall be at the market value of the Lease. This option will not be exercisable in the event that the transfer of shares shall be to another company held for the benefit of members of the Royal Channel Islands Yacht Club (“the Club”) as part of a restructuring exercise.</p> <p>Should the Lessee wish to assign the demised premises to a third party (other than to another legal entity for the purpose of restructuring the affairs of the Club and its members) then it shall offer to the States the opportunity to take a surrender of the Lease of the demised premises at market value of the demised premises at the time.</p>
Rights and Servitudes	The Lease shall incorporate such rights and servitudes as may be necessary and appropriate having regard to the fact that part of the building is to be occupied by the States.
Audited Accounts	The Lessee shall be required annually to submit audited

accounts to the States including a statement by the Auditors regarding the ability of the Lessee to comply with the full repairing covenants and conditions of the Lease in the ensuing year.

Resolution of Disputes	Disputes between the Lessee and the States, if unresolved by mutual discussion, shall be referred to Arbitration.
Proper Law	The Lease shall be governed by the Law of Guernsey.

[N.B. The States Advisory and Finance Committee supports the proposals.]

The States are asked to decide:—

XI.— Whether, after consideration of the Report dated the 26th November, 1999, of the States Board of Administration, they are of opinion:—

1. That the area of land at the end of the Albert Pier known as the Red Light Berth shall be developed in the form proposed by the Royal Channel Islands Yacht Club (Guernsey Centre) as set out in that Report and as detailed in the drawings referred to in Proposition 2, or in substantially similar form.
2. To direct that, in the event that the said Club shall obtain all necessary permission for the development, the States Board of Administration shall execute an Agreement with the Club (which term may include a company nominated by the Club owned for the benefit of its members) requiring the Club to construct on the said area of land a new Clubhouse and Marina and Customs Office in accordance with the drawings R26-7945-41, R26-7945-43, R25-7945-44, R25-7945-46, as prepared by Lovell Ozanne and approved by the Island Development Committee and lodged at the Greffe, and also in accordance with drawings R26-7945-42, R25-7945-45 and R26-7945-47 as prepared by Lovell Ozanne and approved by the Island Development Committee.
3. To direct that on practical completion of the said building the States Board of Administration shall
 - (i) take possession of the Marine and Customs Office area free of charge;
 - (ii) execute a lease in favour of Royal Channel Islands Yacht Club (Guernsey Centre) Properties Limited incorporating inter alia the Core Terms detailed in Appendix 1 to that Report subject always to any minor amendments which may be recommended by the Law Officers and agreed by that Board.
4. To direct that the States Board of Administration shall enter into such other ancillary contracts as shall, in the opinion of that Board, after consultation with the Law Officers, be deemed necessary to implement the approved development scheme.
5. (1) That the Schedule to the Vehicular Traffic (Control of Parking on Certain States Land) Ordinance, 1988 shall be amended to include the areas at the Albert Pier, Victoria Pier and Castle Emplacement that are currently scheduled as disc parking under the terms of the Road Traffic (Parking Places) Ordinance, 1963.
 - (2) To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES BOARD OF ADMINISTRATION**THE REPLACEMENT OF A CLOSED CIRCUIT TELEVISION SYSTEM AT
ST. PETER PORT HARBOUR**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

17th December, 1999.

Sir,

**THE REPLACEMENT OF A CLOSED CIRCUIT TELEVISION SYSTEM AT
ST PETER PORT HARBOUR****1. INTRODUCTION**

- 1.1 The purpose of this Policy Letter is to seek the approval of the States to replace the existing Closed Circuit Television System at St Peter Port Harbour with an enhanced system to be shared by the Police and Customs and Immigration Departments, with the Harbour Authority also having access to the system. The Committee for Home Affairs has been fully involved in the development of these proposals and endorses the recommendations in this policy letter.
- 1.2 The Guernsey Police and the Customs and Excise, Immigration and Nationality Departments are involved in the detection and prevention of criminal and other illegal activities at St Peter Port Harbour.
- 1.3 The Guernsey Police currently utilise a Closed Circuit Television (CCTV) system which is at the end of its useful life. Since the installation of the current system ten years ago there have been significant alterations to buildings, access routes etc and the system needs to be replaced and updated.
- 1.4 The proposed system will provide coverage of the passenger Arrival and Departure Terminal, the Customs Car Hall, freight parking areas and access roads. This will enable Police, Customs or Harbour Authorities to effectively monitor these areas

- 1.5 The Harbour Authority has recently installed a four camera system in order to enhance security around the Queen Elizabeth II Marina and improve the monitoring of vessels in the Little Russel for safety purposes. This system was designed to be compatible with any future systems installed elsewhere around St Peter Port Harbour.
- 1.6 All cameras can be programmed to record 24 hours a day enabling Police, Customs and Harbour Authorities to effectively monitor and quickly respond to crime taking place in the areas covered. The system will also give high quality images which could be used evidentially in Court.
- 1.7 24 hour CCTV surveillance will significantly enhance the protection of the Island from serious crime such as terrorism and commercial drug smuggling. The proposed system will also assist the Harbour Authority in the management of safety and port security, including the prevention and detection of thefts from private vessels.
- 1.8 The need to ensure the continuing confidentiality of Police and Customs operations is recognised and it is considered that it would not be appropriate to publish detailed plans of the proposed installation. However, a plan showing the location of the cameras has been lodged at the Greffe for the information of States Members from the day of publication of the Billet d'Etat.

2. REQUIREMENT FOR REPLACEMENT AND ENHANCEMENT OF CURRENT EQUIPMENT

2.1 The Problem

- 2.1.1 The current system was installed in 1989, primarily to assist in the policing of the Prevention of Terrorism Law. In recent years it has been increasingly used for the detection of commercial drug smuggling. The system is now ten years old, has become expensive to maintain and the technology dated. It would not be viable to continue using the current equipment in the foreseeable future.
- 2.1.2 In view of the successful working partnership formed between the Police and Customs the Committee for Home Affairs and the Board of Administration consider it sensible to replace the existing system with a jointly owned and operated facility.

2.2 Use of CCTV in Detecting and Preventing Crime

- 2.2.1 It is public knowledge that the proper use of CCTV systems throughout the United Kingdom has been a cornerstone in the early arrest and successful prosecution of those engaged in illegal activities ranging from terrorism and serious drug smuggling to theft and public order offences.

- 2.2.2 The proposed system will include a licence plate recognition system, the installation of which was specified as an option in the invitation to tender for the overall CCTV system. The Board of Administration had previously provided £50,000 to cover the estimated costs of this element of the joint project.
- 2.2.3 The proposed system will be linked to the existing Harbour Authority system with the potential for allowing Harbour staff to monitor and operate cameras on the system when they are not in use for Police or Customs operations. This would enhance Harbour security and provide a greater likelihood of those committing theft, malicious damage and public order offences, being successfully prosecuted.

3. PREFERRED COURSE OF ACTION

3.1 Initial Action

During 1996 a joint staff level working party was established to explore options for the replacement of the existing CCTV system at the Harbour. In due course the working party concluded that, in the light of rapid technological developments, independent advice was needed from a consultant in this specialised field with regard to the most appropriate technical solution that would provide best value to the States.

3.2 Appointment of Consultants

In August 1998, the Advisory and Finance Committee approved the appointment of W S Atkins and Co (Northern) Ltd to provide advice at an initial estimated cost of £12,500. The final cost of consultancy is £14,870.24. The consultants, in close co-operation with the working party, prepared a system specification and in November 1998 an advertisement was published inviting companies to express interest in tendering for the project. After further work to develop the full tender specification and with advice from the consultants, eight companies selected from those who had expressed interest in the project were invited to submit tenders.

3.3 Tendering

- 3.3.1 Tenders were subsequently received from four firms in the amounts as follows:

Videcom Security Ltd	156,100.00
S2 Security Systems Ltd	156,440.20
ADT Fire and Security Ltd	193,398.80
Island Lock & Safe (Guernsey) Co Ltd	193,616.30

The tender prices include the provision of an automatic number plate recognition system.

The four firms were also requested to supply the cost of a five-year maintenance contract. Videcom Security Ltd produced the lowest cost at £22,500.00. The cost provided by S2 Security Systems Ltd is £44,903.00.

In view of all the above the working party recommended the acceptance of the tender from Videcom Security Ltd.

- 3.3.2 The Committee for Home Affairs and the Board of Administration have both since met and agreed to recommend acceptance of the tender from Videcom Security Ltd. Both the Committee and the Board also recommend the further appointment of W S Atkins & Co (Northern) Ltd to supervise the works at a cost of £10,615.17.

3.4 Consultation

- 3.4.1 Approval was received from the Harbour Master who was consulted regarding the compatibility of the existing Harbour system with the proposed system, the siting of cameras on Harbour property and the provision of associated civil works the cost of which is £18,275.30.
- 3.4.2 Application was made to the Island Development Committee regarding the siting of external cameras to which it raised no objection.
- 3.4.3 The Advisory and Finance Committee was consulted at staff level regarding the tender specification as were the Law Officers of the Crown in relation to legal texts.

4. CAPITAL ALLOCATION AND BUDGETARY PROVISION

- 4.1 The Advisory and Finance Committee has already approved capital votes of £23,100 and £17,900 respectively for individual CCTV projects by the Committee for Home Affairs at the Harbour and Airport. However, in view of the subsequent suggestion to initiate a joint CCTV system, no expenditure has been incurred from either vote and the Committee for Home Affairs intends to close them and return the balances to its capital allocation in accordance with States procedures.
- 4.2 The total capital expenditure for the proposed system is £199,860.71 made up as follows:

Videcom Security Ltd Contract	£156,100.00
Associated Civil Works	£18,275.30
Pre Contract Consultancy	£14,870.24
Project Supervision	£10,615.17
	£199,860.71

The Board of Administration and the Committee for Home Affairs have agreed that the capital cost of the proposals should be met equally from their respective capital allocations. No additional staff costs will be incurred in either Police or Customs and costs of annual maintenance will be met from existing revenue budgets.

- 4.3 If approved, it is expected that the installation of the system will be completed by the end of May 2000.

5. SUMMARY OF RECOMMENDATIONS

The Board of Administration therefore recommends the States:

- (i) To approve the installation of a CCTV system for use at St Peter Port Harbour as set out in this report, at a total cost not exceeding £199,900.00.
- (ii) To authorise the Board of Administration in consultation with the Committee for Home Affairs to accept the tender submitted by Videcom Security Ltd in the sum of £156,100.00.
- (iii) To vote the Board of Administration a credit of £199,900.00 to cover the cost of the above works, including a sum of £18,275.30 for associated civil works and £25,485.41 for consultancy and project supervision, which total sum to be charged equally between the capital allocations of the Committee for Home Affairs and Board of Administration.

I have the honour to request that you will place this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
R. C. BERRY,
President,
States Board of Administration.

[N.B. The States Advisory and Finance Committee supports the proposals]

The States are asked to decide:—

- XII.— Whether, after consideration of the Report dated the 17th December, 1999, of the States Board of Administration, they are of opinion:-
1. To approve the installation of a CCTV system for use at St. Peter Port Harbour, at a total cost not exceeding £199,900.00, the whole as set out in that Report.
 2. To authorise the States Board of Administration, in consultation with the States Committee for Home Affairs, to accept the tender in the sum of £156,100.00 submitted by Videcom Security Limited for that system.
 3. To vote the States Board of Administration a credit of £199,900.00 to cover the cost of the above works, which sum shall be charged equally between the capital allocations of the States Committee for Home Affairs and that Board.

STATES AGRICULTURAL AND MILK MARKETING BOARD**REVIEW OF THE AGRICULTURAL INDUSTRY ON GUERNSEY**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

13th December, 1999.

Sir,

REVIEW OF THE AGRICULTURAL INDUSTRY ON GUERNSEY.**1. INTRODUCTION.**

The States last considered policy reports on agriculture on Guernsey in 1989 and 1992. Amongst other things those reviews established two fundamental principles:

- formal acknowledgement that farmers were custodians of the countryside; and
- funding of the dairy industry would be based on market returns less Dairy expenses.

The funding formula has resulted in a situation whereby many farmers have been encouraged (and have sought) to maximise their income by maximising the output of milk from their farm.

Intensive farming practices have been adopted in order to maximise output, which has increased the pollution of groundwater by agriculture and a move away from the environmental role that farmers were expected to fulfil.

Greater volumes of milk have put the finances of the Dairy under pressure and resulted in progressive increases in the retail price of milk to the point where there is more and more consumer resistance to such increases.

The dairy industry has now reached a position in which:

- there is too much milk and the volume is still increasing
- the retail price of milk cannot continue to rise without consumer resistance having a significant impact on sales; and
- the environmental image of farmers is tarnished

The Board believes that the existing arrangements cannot continue and there needs to be a new relationship between farmers, the community and the States.

In Appendix 1 there is a brief statement on the development of agriculture on Guernsey and the Guernsey breed. Appendix 2 contains details of the development of the services currently provided by the Board.

2. THE KEY FEATURES OF THE AGRICULTURAL INDUSTRY.

The key features of the agricultural industry are:

- it makes use of the largest area of land on Guernsey and farmers are the main custodians of the countryside,
- it is the custodian of the Guernsey breed; and
- it has a social and cultural impact on Island society.

A) Agriculture is the major user of land.

The Island is 38,675 vergées in area and out of this total there are 15,280 vergées of open land. The dairy and beef sectors of agriculture make use of approximately 10,000 vergées of land which represents 26% of all land and 65% of open land.

Rural land is an important resource, not only in farming terms, but also as a visual amenity, a habitat for wildlife and a barrier to the further urbanisation of the Island.

Farmers work on and manage rural land and whilst their day to day activities may largely go unnoticed, those activities have the significant effect of preserving the character of the countryside and maintaining the value of an amenity which many people may take for granted.

If the agricultural industry ceased to exist there is no doubt that some land would be taken up for other purposes such as:

- gardens
- recreation
- building development
- extensive tree planting
- other types of farming

but it may be unrealistic to expect that any or all of these activities would make full use of the 10,000 vergées that would become available.

If the Island wishes to retain the existing character of the remaining rural areas of Guernsey then farmers have an essential role to play as custodians of the countryside and the rural environment.

The Board recognises that it is essential to retain a viable agricultural industry that practices sustainable farming methods and which delivers long-term environmental benefits to the public.

B) Farmers are the custodians of the Guernsey breed.

The Guernsey cow is one of the few things that is unique to the Island, it carries the Island name around the world and it helps to provide Guernsey with a distinct identity that marks it apart from other communities.

Guernsey cattle are also an important genetic resource. Black and white cattle now dominate dairy farming world-wide because there are economic benefits in keeping such animals. The coloured breeds (such as Guernseys) are in decline. If this trend continues the global dairy herd will consist of cattle which come from a limited genetic base which in turn makes them much more susceptible to global disease epidemics.

With increasing world-wide interest in the concept of biodiversity, it is now recognised that the coloured breeds are an important source of genetic diversity which must be retained.

Although there are larger populations of Guernsey cattle in other countries, as the home of the Guernsey breed, the Island has an important role to play in supporting and acting as a figurehead for plans to ensure the long-term future of the breed.

If Guernsey is not interested in the breed there is no reason why farmers in Guernsey and other countries should continue to support Guernsey cattle. A local dairy industry that farms Guernsey cattle which is committed to the future of the breed sends a strong message to farmers in other countries who also keep Guernsey cattle.

The Board believes that as something that is unique to Guernsey the breed is an asset that the Island can exploit, it is also an important genetic resource and has a role to play in the development of bovine animals on an international scale.

The status of the Island as the home of the breed is important and the support of Guernsey for the breed will be pivotal in plans to ensure the long-term future of that breed. Local farmers will, in turn, have an important role to play in the implementation of those plans.

C) Agriculture makes a social and cultural contribution to the Island.

While agriculture is neither a major employer nor a major sector of the economy, it does provide opportunities for jobs outside of an office environment and another (albeit small) pillar to an economy that is dominated by the finance sector.

It makes an intangible, but significant, cultural contribution to the community. The fact that it has been a feature of Guernsey for centuries means that it has had a major effect of the character of the Island and the nature of the Island community.

The traditional roots of agriculture are still seen today in the Parish and agricultural shows. Even though the nature of these shows has changed over the years they still reflect the fact that they were originally based on competition in and the judging of, livestock and agricultural and horticultural produce.

The identity of any community is influenced by its past and that community relates to itself by reference to its own history. A community derives a sense of belonging and security if it is founded on significant historical roots and agriculture forms part of those roots.

Agriculture adds another dimension of the society of Guernsey and it contributes to the variety of the community. The fact that there is still a farmed rural environment on such a small and quite heavily populated Island provides a much-needed contrast with the more urbanised areas.

3. THE FUTURE.

The Board has identified a number of problems facing agriculture and whilst it may be tempting to think that the solution to one problem will solve all ills, it believes that an integrated package of measures is required rather than separate solutions to individual issues.

Overriding these considerations is the need to ensure that whatever action is taken, farming continues to remain a viable and attractive proposition for the future.

A) Farm Waste and the Control of Groundwater Pollution from Agricultural Sources.

i) The Control of Pollution.

In June 1997 the States considered Waste Strategy Assessment Report No 1. The Assessment identified that nitrates from agriculture had a major impact on groundwater quality and the Board was directed to report on measures to reduce agricultural pollution by April 1998.

In that subsequent report the Board concluded that there was no quick way of solving the problem and that changes in farming practices and capital investment on farms would be required to bring about a reduction in nitrate pollution of groundwater over a period of time.

The Board proposed a phased approach to dealing with the matter starting with:

- a risk assessment (carried out on individual fields),
- the preparation of manure management plans for every farm; and
- the installation of appropriate storage arrangements on all farms that represent a risk (to be completed by 31.12. 2003).

Dealing with the problem of pollution of groundwater from agricultural sources has also coincided with this policy review and the Board made it clear in April 1998 that any solutions regarding farm waste would be bound up with, and affected by, the conclusions of the review.

The pollution risk assessment is complete and manure management plans have been produced for all dairy farms by the end of 1999, but the industry has yet to complete all of the proposed measures to reduce nitrate pollution of groundwater from agricultural sources.

Manure Management Plans calculate the amount of waste produced on a farm and the potential for its dispersal based on the land available on a holding, cropping patterns and the risk of pollution assigned to individual fields. The plans also make recommendations for the amount of waste storage that is required on each holding.

The 1998 report made it clear that what is often called farm “waste” is, in fact, a valuable resource to a farmer as it is a source of nutrients and organic matter. It is a matter of management to ensure that the maximum benefit is derived from this resource and the risk of groundwater pollution is minimised.

The Manure Management Plans are intended to achieve this objective by dealing with three issues:

- where to spread farm slurry,
- when to spread it; and
- how to store it until it can be spread in the right place at the right time.

Plant growth is at its minimum during the winter months and it is during this period that there will be little uptake of nitrogen from farm manure and slurry. It follows, therefore, that the potential to dispose of waste on the land during this time is limited and that some form of storage will be required on most farms.

The final phase of the waste strategy (to be completed by 31 December 2003) is to ensure that appropriate storage facilities are provided on each farm where such storage is required.

The downside to long-term storage is the odour that occurs when slurry is ultimately spread on the land, however, at the present time, storage is seen as the only practical option for farms that generate more slurry than they can safely spread on their land during the winter.

The Board has looked at alternatives to storage including processing at a central location (by aerobic and anaerobic methods or composting) as well as farm based solutions.

Central processing requires a site and the infrastructure to bring farm waste to that site and in many cases whilst technology appears to offer promising solutions, those solutions remain to be fully proven as working systems that can operate reliably in full commercial operation.

In many cases the capital costs are high and there is no guarantee that a “new” solution will prove viable in the long-term, however the Board continues to monitor developments in methods of treatment of farm waste and at some time in the future a practical, workable and economic system might become available.

In 1998 the Board recommended that farmers be encouraged to keep detailed records of the use of both organic and inorganic fertilisers on a voluntary basis and that the uptake of such a scheme be reviewed after five years (or sooner if necessary). The Board proposed that if participation in the voluntary scheme was poor that it would consider the need to introduce legislation to enforce the requirement to keep records. It remains committed to this course of action.

Cropping patterns and soil type have an important impact on the rate at which nitrogen is released into groundwater. The type of crop, the way in which it is manured, the time of year that it is harvested and the crop that follows it are important factors that have to be taken into account so as to minimise the pollution of water by nitrogen.

Accordingly the Board is working on official guidelines for:

- alternative grassland management,
- best practice for growing maize; and
- best environmental practice for potato growing

These guidelines will form part of its policy of educating farmers in the best use of crops to minimise nitrate pollution. Furthermore it has and will continue to run seminars on these subjects and it intends to introduce a Pollution Awareness and Slurry Spreading Course which all farmers will be encouraged to complete.

Manure Management Plans deal with problems arising from the application of organic fertiliser, but nitrate pollution can occur through the inappropriate use of inorganic (chemical or "bag") fertilisers. It is therefore the intention of the Board to develop inorganic fertiliser application plans for every farm that will be incorporated into the Manure Management Plans.

The Board reiterates that the control of nitrate application on agricultural land will not lead to immediate and dramatic falls in the nitrate content of groundwater, but the implementation of the above measures will lead to a gradual reduction over a period of time.

The Board will:

- **continue to implement the waste strategy approved in 1998 in accordance with the timetable proposed in that strategy,**
- **encourage farmers to keep records of manure and fertiliser application and to review the extent of voluntary record keeping no later than 31 December 2003,**
- **encourage farmers to apply the principles contained in the guidelines on the management of grassland, maize and potato crops; and**
- **conclude work on inorganic fertiliser application plans during 2000.**

ii) The Future of the Farm Loan Scheme.

It is clear from the ongoing implementation of the waste strategy that most farms will need to invest a considerable amount of capital in slurry storage facilities.

In April 1998 the Board expressed the view that it would be unrealistic to expect farmers to undertake a heavy capital programme as well as adopt practices to reduce pollution to minimal levels within a very short time period. Such an objective might only be achieved at the expense of farm closures.

The Board remains firmly committed to minimising pollution created by the agricultural industry in as short a time as possible and believes that farmers have an obligation to operate in an environmentally friendly manner. The Board is also of the opinion, however, that the States has a role to play in assisting farmers in making the transition.

The obvious means of providing any support for the industry would be to continue to make loans available to farmers under the provisions of the existing loan scheme. Whilst it feels that some means of providing support for the industry needs to be retained, it has agreed that no support should be made available for projects which encouraged farms to get larger, to intensify or otherwise significantly increase the volume of milk which they can produce.

The Board proposes to limit the support provided by the loans scheme to “new entrants”, to environmental projects and projects designed to improve the quality of milk delivered to the Dairy.

The Guernsey Farmers Association asked the Board to consider making grants available specifically for the installation of slurry storage facilities. The Board agrees with the GFA that grants represent the most efficient way of encouraging investment (sooner rather than later) and reducing a farmer’s capital outlay. In addition they do not require security (a problem for tenant farmers) and require no significant administrative arrangements to operate.

The Board therefore recommends that grants should be made available to farmers for a limited time period and for a proportion of the total cost of a project as a means of ensuring the speedy implementation of measures to deal with farm waste.

The value of the farm loans fund is a little under £750,000 of which some £400,000 is currently tied up in loans. The Board proposes that the balance of the loans fund that is not tied up in loans (£330,000) be transferred out of the fund and into the Board’s General Revenue budget.

This sum would be used to make grants available for farm waste systems on the following basis:

- Grants would only be available for the installation of slurry storage facilities.
- The maximum individual grant would be 50% of the cost of a project.
- Only one grant would be available to any farm holding
- Grants would only be available from 1 February 2000 to 31 December 2003.
- The total sum available for grants would not exceed £330,000 for the four year period.
- If applications for grants exceeded the sum of £330,000, grants would be made on the basis of highest pollution risk.
- Any farmer leaving the industry within 5 years of receiving a grant would have to return that grant to the States.
- The Board would retain the right to review applications for grants and to ensure that any proposals were appropriate for the relevant holding and to determine whether all or part of a proposed project would qualify for assistance.

At the present time the Board believes that the sum of £330,000 (plus an equal contribution from farmers) will be sufficient to fund waste management systems on the farms that are likely to require such facilities. If, however, this sum proves to be inadequate the Board may approach the States again with proposals for additional funds.

The amount remaining in the farm loans fund would be reduced to £400,000 and as capital was repaid from outstanding loans, that money could be offered as new loans for other projects in accordance with the existing rules of the loans scheme.

New loans would, however, only be made available to assist new entrants, for environmental projects not covered by the proposed grant system and for projects aimed at improving the quality of milk delivered to the Dairy.

In effect the existing rules of the loans scheme would continue to apply, the only change would be the restriction in the types of project that would qualify for assistance and the amount available in the loans fund would be reduced.

Recommendations:

The States are asked to authorise:

- **the Board to operate a grant scheme for farm waste systems in the period 1 February 2000 to 31 December 2003.**
- **the transfer of a sum of £330,000 from the Farm Loans Fund to the 2000 Revenue Budget of the Board for this purpose. Any unspent balances accruing to be available for transfer to subsequent budgets for the same purpose.**
- **that the Farm Loans Scheme should continue according to the existing rules, but only for the limited range of projects described above.**

B) The Dairy, Milk Price and Milk Supply.

The last review of the industry established new arrangements for funding based on the principle of **market returns less Dairy expenses**. This means the income derived from the sale of milk and milk products is used to finance the operational costs of the Dairy and the milk retailing system and the balance is used to pay milk producers.

All milk must be delivered to the Dairy and it has to accept it provided that milk meets certain quality standards. Thus, from a business point of view the way in which a farmer can maximise his income is to maximise the milk output of his farm.

While the attraction of the market returns less Dairy expenses formula is that it is simple to administer it has had unforeseen and unfortunate consequences. It has been directly responsible for serious overproduction and resulting environmental problems.

The milk required for the Island demand for liquid milk and milk products is between 8 and 8.5 million litres per annum. However the current system, which encourages intensification and increased production, has generated 10 million litres per annum in recent years. The extra milk has to be processed into cheese and this is sold on the export market at a loss (because the cost of the raw material, milk, is high on Guernsey).

The volume of milk produced by the industry and the formula which encourages overproduction are major problems that have to be addressed.

It has been necessary to review the basis for funding the Dairy and the dairy industry. Unlike the dairy industries in other countries, local farmers derive all of their income from retail sales (after Dairy and retailing expenses are deducted).

Even allowing for the fact that it has been possible to achieve some savings, the operational costs of farmers, the Dairy and retailers have increased over time and ultimately the only way the present system can counteract that is by increasing the retail price of milk.

The retail price of milk is high on Guernsey because the local industry is funded in a different way from dairy industries in other countries. However, even with lower than RPI increases in the retail price in recent years the Board is aware that there is increasing consumer resistance to the escalating cost of local milk.

A higher retail price leads to lower sales, which increases pressure to increase prices further, which in turn generates more sales resistance. The Board does not believe that this arrangement can be sustained.

The Board believes that the whole basis for the funding of the dairy industry must be revised.

i) The Dairy.

Sales and Pricing Policy.

The Board could continue to increase the retail price of milk, but successive increases bring with them a degree of resistance from the consumer and adopting this policy would ultimately lead to further (and possibly increasing) declines in the volume of sales. (The current retail price of milk is 89p per litre).

The Board believes that continually increasing the retail price of milk is not a viable long-term option to pursue. There has been a gradual decline in milk sales over the last few years and if this trend is to be arrested, even to the point that the current volume of sales can be maintained, it will be necessary to significantly lower the retail price of Guernsey milk.

An alternative to increasing prices is to increase the volume of sales. However, recent efforts on the Island have demonstrated that in the face of increasing competition from a large range of drink products, it is difficult to even maintain the market share of milk let alone increase the volume of sales.

The public now has an increasingly wider range of choice in the shops and consumption habits in relation to milk have changed over the years in response to modern health advice.

Milk that is surplus to Island requirements is used to manufacture products (mainly cheese) which are sold on the export market.

Cheese is the main export commodity as it is the only product which makes use of large volumes of the surplus milk. From a financial point of view it is still better to make cheese and recover some of the costs than to simply dispose of the milk.

It has also been suggested to the Board on more than one occasion that individual Guernsey butter portions should be introduced by the Dairy and the feasibility of manufacturing this product is being actively pursued. However, even if individual butter portions are introduced, the impact on the volume of surplus milk will be negligible and this type of product alone will not solve the problems currently facing the dairy industry.

Turning surplus milk into by-products for export sales will never be the saviour of the industry as the market rate for cheese provides the Dairy with a recovery of less than half the total cost of production, including the cost of purchasing milk from the farmer.

It is a telling fact that cheese can be produced in New Zealand, transported half way around the world and sold at a competitive price in European markets. The production of the Dairy, in world terms, is minute and it will never be able to achieve or compete with the economies of scale that are the norm in other countries.

It is also a common belief that the Dairy could simply produce a new product that would generate new income. A brief examination of the yoghurt market illustrates the problems facing the Dairy.

The range and variety of yoghurt products is now enormous and new variations are continually being introduced as the big manufacturers attempt to maintain or increase their share of the market. The Dairy could never justify the capital costs of the equipment required to compete in such a market.

The Dairy has made every attempt to exploit any niche market that it can identify (and will continue to do so). Even though the Dairy has surplus milk for by-products, that surplus is minute in world terms and it is difficult to supply even a small European or UK niche market with a regular supply at the required volume at a competitive price.

The Board proposes to substantially reduce the retail price of Guernsey milk (as part of an integrated package of measures described elsewhere in this report).

Dairy Expenses.

Of all Dairy costs about 75% are associated with the processing of milk and the production of by-products. A considerable proportion of production costs represents the cost of packaging, the price of which is set by the supplier. As the Dairy is faced with having to pay the going rate, it is likely that any significant reduction in Dairy expenses will only be achieved through savings in staff costs.

The Dairy is in the process of introducing new production methods, which in the longer-term should lead to a reduction in such costs. Ultimately, however, only so much can come from savings, as there is a minimum level of resources necessary to operate the Dairy in order to meet local demand for milk and milk products.

The Board intends to continue with initiatives aimed at minimising the operational expenses of the Dairy.

Quality.

Milk delivered to the Dairy is subject to a variety of quality tests. The standards for those tests are continually being improved.

Quality standards apply not only to the raw material, but also to the places where it is collected and processed. Both the Dairy and farm premises are already subject to registration against a European standard, but like the requirements for milk those standards are likely to be raised further over time.

The Board is committed to ensuring that milk produced locally continues to meet or exceed European standards and has embarked on the development of a Dairy Quality Assurance Scheme.

The Board intends to continue work on the introduction of a comprehensive Dairy Quality Assurance Scheme that covers the whole industry.

The Future of the Dairy.

The Board has noted the developments in respect of the commercialisation of the trading boards. Whilst it has made no definitive decision on whether or not this is a route that should be taken in respect of the Dairy, it will be monitoring the success and operational experience of the other boards.

ii) The Retailing System.

Milk retailers are self-employed individuals who provide a delivery service to private houses, hotels and shops. They derive their income from a discount provided by the Dairy on the retail price of milk.

Over the last 10 years milk retailers have worked together to agree zones for rounds in order to improve efficiency and viability. This process is almost complete.

The activities of retailers in many ways go unnoticed (in part due to their early starts), but their importance to the dairy industry must not be underestimated. It is well documented that a retailing system is essential in order to maintain the highest possible level of sales of liquid milk.

In the United Kingdom and other countries the volume of milk sales has fallen dramatically where milk rounds have ceased to operate. Supermarket customers buy less milk. Guernsey is the only place in Europe where the volume of milk delivered to households remains high.

It is a fact, however, that at present local doorstep deliveries on some milk rounds are barely economic and a number of them are only sustained by the income generated from sales to commercial customers. In some cases milk rounds with mostly doorstep deliveries are currently struggling to survive and any decrease in income would have a serious effect on such a business.

All retailers currently receive the same discount; however, the workload of one round compared to another can vary significantly. If, for example, one round only had commercial custom and delivered to a few shops then the retailer could deliver all of his milk in a short space of time and receive a discount on every litre.

If another round consisted only of households it would take the retailer far longer to deliver even a proportion of the volume carried by the retailer above and he would receive the same discount for his efforts.

It is in the latter cases that the cost of running a round is approaching the point where the value of discounts is insufficient for the business to remain viable.

The Board values all retailers and recognises their importance in maintaining liquid milk sales, but it also recognises that unless something changes then some of the financially marginal rounds will go out of business.

The Board will therefore be considering the introduction of a system of variable discounts, which will enable the Dairy, for example, to pay a higher discount for milk delivered to households and thus it will be able to assist marginal rounds and maintain sales. The Board intends to discuss its proposals with the Guernsey Milk Retailers Association before any changes are introduced.

The Dairy has looked at the cost of retailing on a number of occasions and remains convinced that a system of private, licensed individuals is by far the most economic means of providing a delivery service. The estimated cost of running a States delivery service approaches almost twice the cost of operating under the existing arrangements.

The Board's intends to discuss the development of an appropriate system of variable discounts for milk retailers with the Guernsey Milk Retailers Association.

iii) Payments for Milk.

Once the cost of discounts to retailers and the operating costs of the Dairy are accounted for, the balance of income from sales represents the sum available for payments to milk producers.

The Board has considered the option of reducing payments to milk producers. Decreasing such payments is not only a way to balance the finances of the Dairy, it has also been looked at as a means of restricting the volume of milk delivered by milk producers.

The Dairy has already had to introduce a two-tier pricing system to balance its finances. At the present time a higher "A" price is paid for the milk that is needed to supply liquid milk to the Island and a lower, "B" price is paid for milk used in the manufacture of by-products.

As the volume of milk delivered by farmers has increased, the B price has been lowered to compensate for the greater amounts used in cheese which is exported. The effect has been to reduce the overall price paid for milk (the average of the A and B prices).

As that price has fallen the reaction of farmers has been to **increase** output so that they can at least maintain their income, but the increased production only leads to a further reduction in the B price. In some cases the extra production is achieved by adopting more intensive practices, which has welfare and environmental implications.

The Board believes that unless this cycle is broken there is a risk that farmers:

- who cannot achieve economies will go out of business
- who are heavily committed financially will go out of business; and
- farming will become less and less attractive to new entrants

In a two-tier pricing system it is possible that the “B” price would have to be extremely low before farmers cut back on milk production, however circumstances differ on individual farms.

Some farms could achieve economies in their operations, others do not have to service significant financial commitments such as loans.

Some farms might well be able to continue to produce milk economically even if the B price was very low whilst others with different financial circumstances might find milk production less and less viable at a lower B price and would go out of business.

Farms would become fewer, larger and more intensive in order to remain viable and they would have to concentrate on economic survival rather than the delivery of the environmental benefits that the public and the Board would wish them to deliver.

The Board believes that the farming industry **can** deliver positive environmental benefits for the public, but it is against using two-tier pricing alone as a means of reducing milk production as it does not see the outcome of such a strategy as the way to deliver those benefits.

It has therefore concluded that other means of controlling the volume of milk produced on farms need to be considered and it has looked at a variety of methods of doing this.

vi) Milk Supply.

One of the main problems facing the Dairy is the oversupply of milk and the Board has considered various methods of controlling the volume that is delivered to it by farmers. Its preferred option is set out below.

Contracts.

Having reviewed a number of options the Board believes that the most pragmatic solution is to combine various elements of these options into a package that will form the basis of a contract with farmers aimed at achieving the following objectives:

- less milk delivered to the Dairy
- lower nitrate pollution
- lower retail price of milk
- environmental goals
- animal welfare benefits

A more detailed discussion on what could be achieved through contracts with farmers follows in a later section.

v) Market Returns less Dairy Expenses.

The Board believes that the principle of market returns less Dairy expenses cannot be maintained indefinitely as the sole means of funding the dairy industry because:

- **the retail price of milk cannot be increased indefinitely without increasing consumer resistance,**
- **the potential to increase the volume of local sales is limited,**
- **any significant reduction in payments to retailers and farmers will jeopardise the whole industry,**
- **only so much can be saved from Dairy expenses before it reaches the point where it has the minimum resources necessary to operate; and**
- **as small players in the export market for by-products the Dairy cannot compete with economies of scale enjoyed elsewhere and it cannot justify capital expenditure required to compete in that market.**

If the retail price of milk is substantially reduced, then under the existing funding arrangements after the costs of operating the Dairy and providing discounts for

retailers are taken into account, the amount available for producer payments would also be much reduced.

If there is to be any significant reduction in the retail price of milk, farmers are unlikely to be able to remain in business with the lower producer payments that would result. If they are to continue to play a role on the Island as the custodians of the countryside then additional funding will have to be found from another source.

The Board believes that the retail price of milk must be reduced, but the effect will be to significantly reduce the funds available for milk producer payments.

It therefore proposes that additional funding be made available in order to maintain a viable and environmentally positive agricultural industry, such funding to take the form of a General Revenue subsidy. Access to a subsidy would be limited to those farmers who agree to the type of contract outlined above and described in more detail in the next section.

C) Contracts.

i) Dairy Farmers.

If the retail price of milk was substantially lower the Dairy would only be able to pay farmers a much lower price for milk (perhaps half of what it is now).

The Board proposes that additional funding for the industry should take the form of a subsidy and that access to such funds would be limited to those farmers who entered into a contract with the States to operate in a specific manner.

Each contract would be tailored to the circumstances on individual farms, but in general terms they would provide for:

- A quota on milk supply with safeguards to protect small producers.
- Nitrate plans covering the disposal of organic waste and use of inorganic fertiliser.
- An environment plan for each holding.
- An improved code of welfare for farmed dairy cattle.
- Improved quality standards.

Quotas.

The quota for each farm would be included in the contract. It would set out the maximum amount of milk that could be delivered to the Dairy for which a farmer would receive the top price. Any milk supplied in excess of the quota would attract a much lower payment (perhaps only a few pence).

The Board has agreed that the Dairy should retain ownership of all of the quota and to allocate it amongst dairy farms. In the event of a retirement, the relevant quota would return to the Dairy. Quota could not be bought and sold as is the case in the UK.

It has also agreed that, as was the case in the UK, when a local quota system is introduced, that a Tribunal should be set up for a period of 3 months to consider claims of hardship. A reserve of quota would be retained which the Tribunal would be able to dispense in appropriate circumstances.

A reserve would also be retained to enable new entrants to come into dairy farming.

The overall (Island) quota would be based on an estimate of the annual requirement of the Dairy to meet local demand for liquid milk and by-products. The Board has already examined many ways of sharing the Island quota amongst individual farms, but it intends to discuss the best method of distributing that quota with the Advisory and Finance Committee and other parties.

The inclusion of a quota in the proposed contracts will be essential in order to control the volume of milk delivered to the Dairy.

Quality.

Even though farmers already have to meet specified quality standards for both their milk and their milking premises the inclusion of those standards in the contract will formalise these arrangements into what would in effect be conditions for the supply of milk to the Dairy.

The inclusion of quality standards in the proposed contracts would demonstrate an ongoing commitment to quality and participation in the Dairy Quality Assurance Scheme.

Animal Welfare.

There are already Codes or Recommendations for the welfare of different types of livestock. These establish basic welfare rights for animals and they will continue to provide protection to animals, whether or not a farmer enters into a contract with the Board.

The existing codes deal with the treatment of animals as a group, such a cattle, pigs, sheep etc. As part of the contract the Board proposes to introduce a new, supplementary code dealing specifically with the welfare of dairy cattle which are farmed for the production of milk.

The details of a new code will be drafted in consultation with the States Veterinary Officer and the farming industry.

Environment Plans.

In approving previous policy reports the States has accepted that farmers have a major role to play in maintaining the countryside. If nothing else changed they would continue to have that role in as much as they farm the land and thus have an impact of the rural environment and the landscape.

This could be considered to be the lowest level or baseline delivery of environmental benefits which all farmers could be expected to deliver regardless of whether or not they entered into a contract with the States.

In Europe certain areas have been selected in which incentives are offered to farmers to enter into agreements to farm their land in a prescribed manner with the aim of returning environmental benefits to the public.

The objectives are designed to:

- sustain the beauty and diversity of the landscape,
- improve and extend wildlife habitats,
- create new habitats and landscapes,
- conserve archaeological sites and historic features,
- improve opportunities for countryside enjoyment; and
- restore neglected land or features.

In Holland they are called Management Agreements and in Northern Ireland, Countryside Management Schemes. The details of these schemes vary according to the nature of the landscape in a particular area, the history of farming and the nature of the general environment. They include such things as:

- Hedgerow management and planting.
- Tree planting.
- Maintenance of historic, archaeological and traditional landscape features.
- The development of habitats that encourage the maximum diversity of plants, birds, animals and insects.
- Maintenance of traditional buildings.
- Pollution controls.
- Fertiliser management.
- Maintenance of woodlands and wetlands.
- Conservation and maintenance of flower-rich meadows.
- Maintenance of ditches and watercourses.
- Creation wildlife corridors.

They are intended to achieve a balance between the needs of commercial farming and the requirements of nature and conservation. Farmers who participate in the schemes variously receive grants, compensation payments, training and access to free services.

It is proposed that farm environment plans form part of contract with farmers. Like manure management plans, an environment plan will focus down to field level with specific management arrangements for each one.

Environment plans will vary from farm to farm depending on the features on each, but could include such things as when and how hedges should be cut in order to maximise the habitat value for birds, animals and insects and the diversity of plant life. This type of management regime will also be applied to areas of wetland, flower rich meadows and woodland with the same objective in mind.

The plans will include provision for the maintenance and protection of existing features such as banks and field patterns, woodland and features of landscape and archaeological importance.

There will also be provisions for the enhancement of existing features and in appropriate cases the creation of new features. The Board will be looking in particular at the prospects for enhancing larger areas, which might spread over a number of holdings.

The overall objective will be to maintain (and in appropriate cases enhance) the important features of the rural environment of Guernsey and to create conditions which allow for the greatest diversity of birds, animals, insects and plants in the countryside.

The aim will be to achieve the sustainable use of the remaining rural areas of the Island such that farmers can still make a living from the land whilst ensuring that the countryside can be enjoyed by existing and future generations.

The Board intends to work closely in the development on environmental plans with farmers and all interested parties.

Farm Nitrate Plans.

Manure Management Plans will be produced for all farms, but if the problem of nitrate pollution of groundwater is to be tackled in a comprehensive manner it will also be necessary to integrate those plans with a programme for the use of inorganic fertilisers.

Manure management plans and inorganic fertiliser plans will be integrated into a nitrate plan and incorporated into the proposed contract with farmers. The latter plans would include provision for the following:

- Inorganic fertiliser use on a field by field basis, taking into account crop, soil type, previous cropping and organic manure use etc.
- Crop cover. This is important to reduce nitrate leaching. The shorter the period between one crop and the next, the less the leaching risk.
- Use of organic manure. The maximum amount of manure that may be applied per given area in any year excluding that deposited by grazing animals. Periods when no manure may be applied would also be established.

- Cultivation of grass. This releases nitrogen as organic matter is broken down. The measures in the Nitrate Sensitive Area agreements in the UK aim to ensure that the crops which follow disturbance use as much of the released nitrogen as possible.
- Records of the use of both organic and inorganic fertilisers will have to be maintained.

Initially Manure Management Plans would form part of the contract. These will be enhanced into nitrate plans as plans for the use of inorganic fertilisers on farms are developed.

Implementation.

Drawing up individual contracts with each milk producer will entail a considerable workload, but some of the groundwork, particularly in relation to manure management and inorganic fertiliser application has already been completed.

The Board intends to work on the proposed contracts in the first half of 2000 with the intention of implementing them by 1 July 2000.

The Board proposes that the contracts would be reviewed and renewed on an annual basis.

Participation.

A dairy farmer would have the option of not entering into a contract with the States, but he would not receive any subsidy and he would have to survive on much lower producer payments that would result from a significant reduction in the retail price of milk.

ii) Non-Dairy Farmers.

Non-dairy farmers (for example those who keep beef animals or grow crops) make use of a significant area of rural land and as such are responsible for important landscape features and habitats. They may also contribute to the pollution of groundwater through the use of fertilisers.

Whilst a contract with non-dairy farmers could not include a milk quota and provisions relating to the quality of milk there would be scope to negotiate contracts which could include, in appropriate cases, specific animal welfare codes, environment plans and nitrate plans.

The Board proposes to examine the prospects for entering into contracts with non-dairy farmers that would achieve environmental benefits for the public. The Board intends, however, to complete all of the work on contracts with milk producers before considering any policies in relation to non-dairy farmers

D) Subsidy.

As stated above the Board proposes that a subsidy be made available to farmers who enter into the type of contract set out in the previous section.

The amount of subsidy required will depend on the extent to which the retail price of milk is reduced. As this price is lowered, income from milk sales is reduced and after the cost of running the Dairy and the retailing system are deducted from that income the amount available for payments for farmers is also reduced.

The Board has produced a model that calculates the impact on producer payments of any given reduction in the retail price of milk. That result, in turn, generates an indication of the level of subsidy that would be required to maintain a viable dairy industry.

For example, if the retail price of local milk was reduced to 69p the Board believes that the level of subsidy that would be required to support dairy farming to be in the region of £1.5 million in 2000. If the retail price is reduced to an even lower level then, in general terms, the amount required by way of subsidy increases and vice versa.

The Board has taken advice on the average retail price of milk in the United Kingdom. There is no doubt that in some supermarkets prices are very low (these may be loss leaders), but in spite of this fact the National Statistics Office has calculated that the average price of milk delivered to the doorstep across the mainland to be between 60p and 65p per litre.

The Board recognises that a subsidy should not simply be an open-ended commitment and that it should not be "top up" funding that is automatically made available to the dairy industry each year. There must be a mechanism to calculate the annual requirement for a subsidy that is based on realistic projections of the cost of farming in Guernsey.

The requirement for a subsidy will also be effected by the number of farmers in dairy farming and the number who are prepared to enter into the type of contract described in the previous section.

The Board also recognises that farmers will not remain in dairy farming at subsistence income levels and that they have justifiable expectations to derive a reasonable living for their efforts.

A recent financial survey commissioned by the Board and carried out by the Royal Agricultural College, Cirencester, has confirmed that there is a higher cost to farming on Guernsey because of the small and fragmented nature of holdings and because a number of essential farming commodities have to be imported.

Farmers have sought assurances that any new system take account of this fact as well as their aspirations to remain in a farming industry from which they can continue to make a reasonable living.

Finally the Board has also taken account of the fact that if the public is to support the dairy farming industry by way of a subsidy, then it can reasonably expect to see some tangible benefits in return for that support. There must, therefore, also be a mechanism to assess and measure the performance of farmers against the requirements of their individual contracts.

Clearly there are issues of detail to resolve that include:

- the retail price of milk,
- the amount of subsidy that is required,
- a mechanism to calculate that subsidy year on year,
- a mechanism to calculate the cost of dairy farming on Guernsey; and
- contract performance indicators.

Assuming the Board secures the in principle approval of the States for the package of measures contained in this report, it proposes to discuss these issues with the Advisory and Finance Committee and the dairy farming community before submitting a second, detailed report to the House on the introduction of a subsidy scheme.

The Board anticipates that it would be in a position to bring that second report to the States in March 2000.

With the package of measures set out in this report the Board is trying to achieve:

- a significant reduction in the retail price of milk,
- a reduction in the volume of milk delivered to the Dairy,

- sufficient funding to continue to provide dairy farmers with a reasonable return for their efforts; and
- positive environmental benefits for the public.

The Board wishes to make it clear that it is proposing that a subsidy be paid to farmers who agreed to a package of measures contained in a contract. It does not propose that they be paid on the basis of the number of metres of hedge cut per annum or any such formula.

The bulk of the subsidy required by the agricultural industry does not represent new money. The public (consumers) already supports the dairy industry through the current high retail price of milk. The Board is proposing that the burden of that support be shared between the taxpayer and the consumer as elsewhere in Europe.

There will always be a higher cost attached to farming on Guernsey because the Island is isolated, farms are small and fragmented and cannot achieve the economies of scale attainable elsewhere. Without some form of support, dairy farming in particular, would not be an attractive business prospect and such farms would quickly go out of business.

The Board believes that the agricultural industry is important to the Island, but that in return for financial support from the public, farmers must now be expected to deliver some measurable environmental benefits.

At this stage the Board asks the States to:

- **agree, in principle, that there should be a reduction in the retail price of milk coupled to direct payments to dairy farmers through the introduction of a General Revenue subsidy scheme.**
- **direct the Board to submit a detailed report on the introduction of a subsidy scheme as soon as possible in 2000.**

E) Developments in the European Union.

In preparing its proposals the Board has looked at what happens in Europe. The Common Agricultural Policy has recently been the subject of a substantial reform and the following paragraphs are relevant to the review of the agricultural industry on Guernsey.

They are also relevant in that under the provisions of Protocol 3, which set out the relationship between the Island and the European Community, the European Commission is able to comment on aid schemes provided to the agricultural industry on the Island. Any local aid proposals which accord with schemes in operation in Europe is likely to meet with the approval of the Commission.

In the EC the current view is that the value of agriculture is that it is instrumental in shaping the landscape, maintaining traditional features, creating distinct and unique habitats and preserving semi-natural habitats and therefore the species that live in them. There is also a social dimension as EC policy is aimed at encouraging people to stay in country areas so that small rural communities remain viable.

The penalties of agriculture are seen as pollution of the atmosphere (ammonia and methane), water (nitrates) and the soil (acidification and toxification), the destruction of landscape features, erosion, drainage and the removal of wildlife habitats.

The most recent reforms in EC agricultural policy have sought to accentuate the benefits and eliminate the penalties.

The need for reform has arisen for a number of reasons:

- to reduce overproduction and the creation of mountains of surplus food;
- to redress the imbalance of support. It was being concentrated in areas that did not need it and not in those that were the most disadvantaged (this in turn had had a negative effect on regional development and led to intensive farming in other parts of the Community),
- EC prices were too high to take advantage of the expansion of world markets; and
- the Community would need to meet the challenge of enlargement in the next 5 - 10 years.

In the reforms of 1992 the environmental role of agriculture became central to the CAP and the emphasis of policy shifted towards encouraging less intensive practices, complementing environmental policies and the maintenance of the basic natural processes that were essential for the long-term future of agriculture. The principles of the Rio Environmental Summit were also embodied in the reforms with further emphasis being placed on the importance of maintaining biodiversity and sustainable production.

The principles underlying the recent reforms of the CAP are that there had to be large price cuts to ensure the long-term competitiveness of EC agricultural products and these cuts would be offset by an increase in direct aid payments in order to safeguard producers income.

In addition it was proposed that agricultural policy be given new tasks so that it could better meet the expectations of society.

The reforms also included provision for national governments to be given greater flexibility to pursue their own programmes of reforms within the context of the Community programme and subject to central guidelines. This means that each Member State will have some scope to target direct aid at specific objectives, for example farmers adopting less intensive methods could be rewarded and those that did not could be penalised.

The types of project which are now the subject of EC aid schemes are shown in Appendix 3.

The EC has established that the model for European agriculture should be based on:

- a competitive industry that can face up to the world market,
- production methods that are environmentally friendly and capable of supplying quality products of the kind that the public wants,
- production that is not just output orientated, but which also seeks to maintain the visual amenity of the countryside; and
- expenditure that is justified by the provision of services which society expects farmers to provide.

In conclusion the reforms are aimed at reducing product prices, compensating farmers for lost income, shifting the basis for payments away from quantity and onto quality, creating a balance between demand and supply and making EC products competitive in world markets.

The financial burden of agriculture will be transferred from the consumer to the taxpayer (on the basis that the reforms are not purely economic measures, but also socio-environmental measures that benefit all).

There are recommendations for further reforms contained in the Agenda 2000 proposals which will continue the move towards market prices coupled to direct

income aids that are environment and quality orientated. **The ultimate aim is to move completely from market support to direct payments.**

F) Organic Dairy Farming.

Before organic milk can be produced on a farm the holding must go through a process of “conversion”. This means that the land and the cattle have to be managed in a particular way, for example, the use of such things as inorganic fertilisers and certain types of animal feed and veterinary drugs is restricted.

The whole process can take over two years and the special management practices must be maintained after conversion in order to retain the status of an organic milk producer.

The Board recognises that there is growing public demand for organic milk and dairy products and that it will have to meet that demand from local milk production.

One local farmer is nearing the completion of the conversion process, but additional farms will also need to convert to meet the demand that is anticipated by the Board.

The experience of farms elsewhere has been that a switch to organic production leads to a reduction in milk output of at least 10% both during and after conversion. In recognition of this it has become the norm in the UK, mainland Europe and more recently in Jersey for some form of assistance to be made available to organic milk producers.

Such assistance normally comes in two forms:

- grants for conversion (which are usually paid on the basis of the area of land that is farmed); and
- following conversion, a premium price is paid on a per litre basis for organic production.

The levels of assistance vary from country to country, but conversion payments are in the region of £200 - £300 per vergee per annum and the premium paid to producers is in the region of 12p per litre. It is also usual for a premium price to be charged for organic milk when it is sold to the consumer.

As is the case in other countries, the Board believes that it will be necessary to offer financial assistance to Guernsey farmers if more are to be encouraged to begin organic farming. Having looked at the systems operated in other countries, it has concluded that any local assistance will have to be at a similar level.

Unlike other countries it is a feature of Guernsey that a large proportion of farm land is rented and therefore tying conversion payments to land could be a risk in that the States could provide assistance to a farmer to convert to organic production only for him to lose rented land at some time during or after the conversion process.

The Board therefore believes that it would be best if local conversion payments were tied to the number of cattle on a holding rather than the land.

The Board believes that, to begin with, 400,000 litres of organic milk would be required in order to meet local demand for this product. This volume could be supplied by about 100 cattle. It does not wish to have a significant oversupply of such milk as it might be in a position of having excess production (for which it had paid a premium) which it could not sell.

In Jersey contracts have been negotiated with specific farmers to supply organic milk and the Board proposes to adopt a similar approach in Guernsey. It therefore intends to enter into specific agreements with selected farmers who are able to and interested in converting to organic production, but only with a number sufficient to supply the estimated public demand.

The Board anticipates that the single farm nearing the end of the conversion process would be party to such an agreement, but additional farms will need to convert to meet the estimate of demand. Agreements therefore need to be concluded with farmers as soon as possible in 2000 in order that organic production can increase at the earliest opportunity.

If it was foreseen that demand for organic milk was likely to increase in future years the Board would negotiate with additional farmers to meet the extra demand.

The organic milk contracts would ultimately be incorporated in the broader contracts described in a previous section of this report.

The Board recommends that the States support the principle of organic milk production and agree that assistance be provided, on an annual basis, to specific farms to convert to such production and that additional assistance be provided, in the form of a premium on producer payments, once conversion is complete.

The Board proposes that recommendations on funding for organic milk production be included in the detailed report on the implementation of a subsidy scheme which will be submitted to the States later in 2000.

G) The Future of the Guernsey Breed.

Since the last policy review events have occurred that have a bearing on the international status of the Guernsey breed.

On a world scale the Guernsey is a minority breed and the recent international trend has seen the genetic development and widespread use of black and white cattle to the point where one breed is now dominant in many countries.

As black and white cattle become more and more numerous the rate of their genetic improvement accelerates as the herd gene pool increases in size. This in turn increases the potential for yet further improvements.

The economic advantage of these cattle over other breeds is further accentuated by this process, encouraging more farmers to run these animals on their farms instead of breeds like the Guernsey.

There is, however, growing concern that a world-wide reliance on a single breed exposes the whole herd to the risk of a disease epidemic and that the smaller breeds have a vital role to play in that they represent a source of genetic diversity that must be preserved.

Unfortunately if no effort is made to improve minority breeds they will decline to rare or novelty status and will only be kept by a few hobby farmers. The smaller breeds must remain viable from a business point of view otherwise farmers will not be willing to continue to keep them and it is therefore important that the economic advantages for black and white cattle are minimised.

If breeds like the Guernsey continue to decline then the potential for genetic development also declines as the gene pool diminishes.

The World Guernsey Cattle Federation has recognised that the rate of genetic progress in black and white cattle is a threat to all other breeds and as the economic performance of those cattle improve they will be farmed by greater numbers of individuals world-wide.

The Federation has recognised the difficulties facing the Guernsey breed and is attempting to put together a global breeding programme to develop the genetic potential of Guernsey cattle, promote continued farming of those cattle and ensure the long-term future of the breed.

The programme will involve obtaining the best genetic material from within the global Guernsey herd and distributing it to Guernsey cattle populations world-wide with the aim of achieving a general increase in the genetic quality of the herd as a whole.

Even if a country does not produce the top Guernsey animals in the World, it still has a role to play in the international development of the breed as a recipient of the top genetic material which will be used on its local population.

The Guernsey breed is part of the heritage of Guernsey, it carries the Island name around the world and helps to maintain its unique identity at a time when increasing globalisation highlights the similarities between different areas.

Some observers have made the assumption that breed promotion is about generating income from semen and live animal sales. They are mistaken. The Board believes that there are far more fundamental reasons to maintain support for the Guernsey breed than income generation and considers that support should be redirected in the light of international developments.

Biodiversity and global breeding plans may seem far removed from Guernsey, but the Island is the home of the Guernsey breed and as such it would help the cause of the Federation if the Island endorsed its plans. It can act as a figurehead that will hopefully encourage other Guernsey breeders to participate in the programme. If Guernsey is not prepared to support the Island breed, farmers in other countries might well ask why they should support it themselves.

The Secretariat of the Federation is based in Guernsey and for a number of years the Board has provided a grant to assist with administrative costs and the cost of producing publicity material that is distributed world-wide.

The Secretariat will be the driving force behind the co-ordination of the global breeding plan once it is implemented. In the past the Board has also made a grant towards attending agricultural shows in the UK, but it now believes that those funds could be better used to support the Federation and the global plan.

It therefore proposes that the funds that it would have previously put towards attending agricultural shows in the United Kingdom be redirected to supporting the efforts of the World Guernsey Cattle Federation and the global breed development plan for Guernsey cattle.

It should be noted that the States only makes a contribution towards total Federation costs and it obtains further funding from members and sponsoring organisations.

The Board recommends that it continue to make an annual provision for a grant in its budget for breed promotion, subject to a maximum of £20,000 with annual allowances for inflation. That sum to be used to support the World Guernsey Cattle Federation and the implementation of a global breeding plan for Guernsey cattle.

The grant would only be issued on receipt of a detailed budget submission from the World Guernsey Cattle Federation.

Representation at the UK cattle shows was originally intended to maintain support for Guernseys on the mainland, but despite this effort the breed has continued to decline there.

The main show event that was supported was the Royal Show at Stoneleigh. It was attended by representatives of the Royal Guernsey Agricultural and Horticultural Society. The end of funding to attend this event does not mean that the Board no longer believes that the Society has a role to play in breed promotion.

The Board foresees a future in which it has a close working partnership with the Society in which the latter will be involved in breed promotion, breed development and the maintenance of high quality pedigree animal records. Proposals for this partnership are set out in a later section.

H) The Provision of Services.

The Board has reviewed the provision of all of the services that it provides and each of these is considered below.

i) Agricultural Advice.

The Board believes that it will be necessary for it to continue to have access to professional business management and technical advice on policy issues and farmers will need to be kept up to date with developments within the agricultural industry.

The emphasis and workload of this section will, however, change considerably over time. The purely advisory role will become the minor aspect of that work and there will be an increasing emphasis on environmental issues.

This trend has already started with the implementation of a study on measures to control the pollution of groundwater from agricultural sources. Staff are heavily committed on this project and if the States accepts the proposals for contracts with farmers, much of the work on preparing, monitoring and policing those contracts will be the responsibility of this section.

At the present time the provision of agricultural advice is the role of only one person. The proposal for the development of a much stronger environmental role means that there will be implications for staffing which are discussed towards the end of this document.

The provision of general agricultural advice will continue, but the emphasis of such advice will be redirected towards environmental and countryside issues in support of a new environmental role for the Board.

ii) Breed Development Services.

The Artificial Insemination Scheme.

The Board has considered whether it is necessary to continue to provide an AI service and in doing so it has reviewed the original reasons for the introduction of that service.

A prime reason was to reduce the risks of disease being spread from herd to herd by infected bulls. There can be no doubt that prior to the introduction of the service this was a problem and the operational experience indicates that AI is an effective means of inseminating cattle without spreading disease.

Regardless of any other considerations the Board believes that it would be a step backwards to increase health risks to cattle, but it is also conscious that the health status of animals that provide food products for human consumption is a matter of increasing consumer interest.

The AI service also originally had the objective of providing farmers with access to a variety of bulls to secure genetic improvement in the Island herd.

It should be noted that increases in milk production are not necessarily the objective of genetic improvement. Variations in milk constituents and improvements in the physical attributes of animals are also objectives that can and have been pursued.

The service continues to provide farmers with access to bulls which have been selected on the basis of genetic potential, either from within the local herd or from Guernsey cattle populations in other countries (mainly Canada and the USA).

If the service was discontinued the range of genetic material available to farmers would be reduced and the overall quality of the Island herd in genetic terms would diminish over time.

It has already been stated that the World Guernsey Cattle Federation has plans for a global breeding programme and if the Island is to play a role in securing the long-term future of the breed it will be necessary for semen from the best bulls

from outside of Guernsey as well as from the best local animals to be used in as many herds as possible.

An AI service is necessary for the selection, collection and utilisation of semen that will be used in the global plan.

To end the service would lead to:

- increased animal health risks,
- reduced viability of the Island herd gene pool (in-breeding); and
- limited prospects for participation in the global breeding plan.

The Board has decided that the original reasons for setting up an AI scheme remain valid and having reached that conclusion it considered whether the service should continue to be provided by the States. The following possibilities were debated:

Farm based Inseminations.

Farmers could import semen of their choice and breed or hire/loan local bulls for natural service.

Breeding policy would be uncoordinated and the mixture of new genetic material between herds would be considerably reduced. The scientific assessment of genetic merit would be limited and there would therefore be a greater chance that bulls of poor genetic quality would be used. This would lead to a reduction in the overall quality of the gene pool of the Island herd.

Trained inseminators will always get better results than untrained personnel and the Board would have to retain staff to look after bulls on the Centre and collect semen for local use.

Contracting Out.

If the Board contracted out the provision of the service it would retain more direct control over the setting of standards and the quality of the service that was provided to farmers.

A contractor could recover its costs from farmers, but if a profit element is included problems would be encountered. If a contract was negotiated on the basis of a fee, then the Board would have to be satisfied that there would be a financial benefit to the States.

If it is assumed that all support costs remained the same (i.e. all health standards and testing protocols etc. were maintained) then any savings would essentially be the difference between existing staff costs and the cost of the contract and would depend on the extent of any profit element that was included in the contract price.

Contracted out work would have to include not only inseminations, but also the stockman and semen collection duties otherwise the Board would have to retain staff to do this work and potential savings would be reduced.

Ending the Collection of Semen from Local Bulls.

The Board would save on semen collection costs. If, however, there is to be any commitment to global breed development and biodiversity, and the genetic diversity of the Island herd is to be maximised, these policies and requirements would be undermined if no effort was made to retain the best of Island genetics in future generations of cattle.

Allowing on Farm Collection of Semen.

The Board could close the AI Centre, but savings would depend on whether or not the Board was charged to use private farm premises.

Farms would have to have “spare” facilities to isolate a bull for pre-collection health testing and few if any would have sufficient space to enable current health standards in respect of semen collection to be maintained.

A move to on-farm collection could lead to a reduction in animal health standards (as they currently have to undergo pre-collection health testing in isolation on the AI Centre) and even though exports sales are limited, local semen would not qualify for export.

Using only Local Semen.

The importation of semen is necessary to maintain genetic variation in the Island herd. If it was ended the existing cattle population is not large enough to prevent problems caused by in-breeding in the long-term.

The Board believes that a States run AI Scheme should continue in order to maintain control over and guarantee animal health standards. It will also be able to guarantee a 365 day service to farmers and meet commitments to the global breed development plan.

Access to Imported Bull Semen.

At the present time, under the provisions of Sections 4A(2) and 4A(3) of the Bovine Semen, Artificial Insemination and Embryo Transplantation Ordinances 1957 to 1982, a farmer only has access to imported bull semen for his cattle, if those cattle are registered with the Royal Agricultural and Horticultural Society.

In the section of this report which deals with cull cattle (which follows), the Board will set out proposals for the introduction of EC standards for the identification of all bovine animals. The Board believes that provided that cattle are identified in accordance with these standards that a farmer should be able to inseminate them with imported bull semen.

It therefore recommends that Sections 4A(2) and 4A(3) the Bovine Semen, Artificial Insemination and Embryo Transplantation Ordinances, 1957-1982 be amended accordingly.

Semen Exports.

If a bull is taken onto the AI Centre for semen collection for local use, it costs little to collect more semen for export. Although exports are not substantial, they do provide a small source of income that might grow once BSE is eliminated.

Exports are, however, unlikely to be a major source of income for the foreseeable future as the bulls with the greatest genetic potential are found in the much larger populations of Guernsey cattle in North America and it is semen from this area which is in the greatest demand.

Home Farm.

Home Farm can accommodate AI bulls, it has pens for the isolation of animals for pre-entry health tests, a hay store and a small laboratory.

The AI Centre is an isolation facility and it is through the rigorous application of health testing protocols that high animal health standards within the AI service have been maintained. The existence of an Island herd requires such a facility which may have to be used to deal with outbreaks of animal diseases that are a threat to Island livestock. Home Farm is therefore essential for these purposes.

The Board accepts that the facility could operate on a smaller site and that another use for the land might be found, but until such a use is identified, and alternative arrangements made for an isolation facility, the Board proposes to continue to operate the AI facility on this site.

If, at some time in the future, Home Farm is to be put to other uses, a new AI facility (albeit smaller in scale) will be required to maintain health standards and to ensure that semen from the best local bulls can be collected for use by the farming industry.

The Milk Recording Service.

As with the AI service the Board has addressed the question of whether or not milk records are necessary.

Milk records involves visiting farms once a month and recording the amount of milk produced by individual cows. The raw data is used to evaluate the performance of each animal and to calculate the genetic merit of those animals. This information is essential in order to make informed decisions regarding the selection of bulls for public AI.

Without this information the selection of bulls would have no scientific foundation. Milk records therefore underpin both Island breed development and global breed development programmes.

The Board believes that milk recording is necessary, complementary to the AI scheme and essential if there is to be any realistic commitment to the global breeding plan. It has also considered how the service should be operated.

For the Board to benefit from alternative operational methods, the cost of, say contracting out, would have to be less than the cost of providing its own staff. The current staff costs in relation to actual data collection are not high and any private individual bidding for a contract would, in effect, have to accept a lower rate of pay in order that the Board could make a saving. Those savings would probably be only marginal.

The milk records service is now run with the minimum of resources and the continuing development of computer technology will enable existing staff to be redeployed in other areas of Board work.

This process has already begun and the Board is actively pursuing the possibilities of the electronic capture of information on farms.

The scientific value of milk records is dependent on:

- As many animals as possible being recorded.**
- The use of consistent methods of evaluation.**
- The regular assessment of animals.**

Accurate and complete records are essential for a credible breed development programme and vital if the Island herd is to be part of the global breeding plan. It is for these reasons that the Board believes that the States should continue to operate the milk recording service.

Milk Records "Rules".

To have access to milk records at the present time a farmers animals must be registered with the Royal Guernsey Agricultural and Horticultural Society and this means that they have to join the Society if they want the benefits that milk records provide.

The proper identification of animals has always been an essential part of a credible milk records system and in the past pedigree records produced by the breed society have been used for this purpose.

The Board now proposes to introduce an EC standard identification system (which is discussed in the section on livestock services) for all cattle and therefore pedigree records will no longer be required and all farmers will have access to milk records.

iii) Livestock Services.

BSE.

Appendix 4 shows the number of BSE cases in Guernsey since 1987. The estimated number for 1999 is 10, which is a significant reduction on previous years.

It was not until the BSE crisis in 1996 that comprehensive controls on the use of animal protein in cattle feed was guaranteed, but now that such controls are in place in the United Kingdom the decline of the disease should continue.

Experimental work on the disease in the UK has suggested that a proportion of cases are due to maternal transmission, but that that proportion is too low to sustain the epidemic.

If, as forecast, the current trend in the decline of cases continues it is possible that BSE will be eliminated from the Island herd in the next few years, however, whilst there can be no guarantees that it will disappear in the near future the trend is definitely one of reducing numbers.

The compensation currently paid for a BSE infected animal in Guernsey is £600 which is the maximum amount that can be paid according to the relevant legislation.

From the beginning of the incidence of the disease the Board decided to pay this level of compensation to ensure the prompt reporting of cases and immediate slaughter of infected animals. It proposes to continue with this policy.

There is no doubt that whilst some animals might be worth more than £600, others are worth less. The Board has been advised, on a number of occasions that £600 is a fair price for an animal and this advice remains unchanged.

Cull Cattle.

Animals have always been culled from dairy herds as they are replaced by young stock. In the past a good proportion of such animals could be sold into the UK market for meat.

The BSE crisis in 1996 ended that and led to restrictions on the age at which animals could be slaughtered for human consumption on the Island.

The States funded the cost of installing a cattle incinerator at Longue Hougue so that these surplus animals could be disposed of locally and it also agreed to pay compensation to farmers for cull cattle. Beef farmers receive no compensation and they must ensure that their animals are slaughtered before they are 30 months of age in order to ensure that they will be accepted for human consumption.

Slaughter and disposal will remain the only option for farmers until the markets in the UK reopen.

The UK Government has recently negotiated arrangements which has seen the lifting of trade barriers in respect of British beef, but the conditions under which trade is allowed are very strict and rigorously enforced.

The Board is advised that the UK Government, having gone through this process and having implemented some expensive control measures, is not prepared to risk its new trade concessions by allowing cull cattle to be imported from Guernsey under conditions that were any less strict than those applied on the mainland.

Some of the conditions under which trade is permitted relate to the period during which herds have been free from BSE. None of the local herds could yet meet those conditions, however as the incidence of the disease on the Island declines the prospects for herds becoming "BSE free" increase.

Other conditions relate to the identification and traceability of animals. They must be identified shortly after birth by methods specified in EC legislation and they must have unique passports which accompany them until death.

If local animals are to gain access to UK markets in the future they will have to be identified in the same way and to have passports assigned to them.

The Board cannot create a market for local cull cattle, but it intends to do all that it can to place local farmers in a position to exploit a market as and when it becomes available.

It therefore intends to introduce EC standard methods of identification and cattle passports as soon as possible.

A further requirement is for the creation of a database to log animals and track their movements until they are slaughtered. The Board has already acquired, on a joint basis with the Royal Guernsey Agricultural and Horticultural Society, computer software that meets that requirement.

The States has agreed to meet the cost of the disposal of cattle carcasses and to pay compensation (£150) to farmers provided that an animal would have been fit for human consumption at the time of slaughter if the 30 month ban was not in place.

The compensation scheme has been reviewed annually since its introduction and each time the Board has recommended that it continue for another year on the basis that the difficulties faced by farmers were no different to the problems that they faced at the start of the BSE crisis in 1996.

That continues to be the case and the Board recommends that the compensation scheme continue for another year.

If all Island farmers gain access to UK markets for cull cattle at any time during 2000 the scheme should be discontinued immediately, and if access is achieved on a herd by herd basis compensation should only be made available to farms that are still subject to restrictions.

If there are any significant changes in the circumstances facing the local farming industry in respect of BSE the Board undertakes to report to the States on the implications of such changes immediately.

Incinerator.

The carcasses of cattle and waste from the slaughterhouse are routinely disposed of at the incinerator. It is also now illegal to bury the carcasses of large animals in the water catchment area and the Board accepts the carcasses of horses, sheep, goats and pigs for incineration.

It has also recently reached agreement with the veterinary practices to take the carcasses of pets and animal waste that cannot be cremated by the GSPCA.

With the closure of landfill sites for the disposal of the majority of animal carcasses and waste, the incinerator is the only means of the safe disposal of such material. This means that the incinerator will not just be required for the duration of the BSE crisis, it will continue to be needed to dispose of animal and slaughter house waste for the foreseeable future.

The staffing and operation of the incinerator is currently the subject of a contract with a private individual (who also provides a knacker service and operates the slaughter house).

This has proven to be a practical, flexible and effective system and the Board proposes to continue with this arrangement in the future.

Slaughter House.

The Board has considered the future of the slaughter house and has concluded that:

- it will be increasingly difficult for the existing facility to meet rising public health standards,
- the existing site is not the best location for such a facility (and it acknowledges that it could be used for other worthwhile purposes); and
- a slaughter house is an essential facility for the local farming industry.

Accordingly the Board has commenced an examination of potential sites for a new slaughter house (in consultation with the Board of Administration) and will discuss the implications of developing a preferred site with the IDC and other interested parties.

Recommendations for the construction of a new slaughter house will be the subject of a detailed policy report which the Board hopes to be in a position to present to the States in 2000.

iv) Veterinary Services.

States Veterinary Officer.

The Board will continue to need professional veterinary advice on a wide range of issues and it also requires an authorised person to carry out some of the measures necessary to control any outbreak of notifiable animal diseases.

There is not enough work to justify a full-time appointment and the existing contract arrangement has worked well and is flexible. The Board has reached agreement with the States Veterinary Officer to periodically review his workload and if appropriate to adjust the retainer fee accordingly.

The Board proposes to continue with this arrangement.

Animal Health Testing.

The testing programme has been in operation for a number of years and with each batch of clear (i.e. disease-free) results it was been possible to reduce the intensity (and hence the cost) of those tests.

The result is that the Island has a recognised disease-free status in respect of a number of cattle diseases that are found elsewhere.

The Board believes that having achieved a recognised disease-free status for the Island herd in respect on a number of important animal diseases, that the programme should continue so that import controls in respect of other breeds of cattle can be maintained.

Animal Welfare.

Public awareness and concern over the welfare of animals has increased over the last few years and the Board has no doubt that this trend will continue. International animal welfare legislation continues to be developed and expanded and in some cases there are implications for the Island.

Taking these developments and public concerns into account the Board recognises that it is necessary to review all aspects on animal welfare legislation on the Island. It proposes to submit a detailed report on this subject to the States in 2000.

D) Partnership with the Royal Guernsey Agricultural and Horticultural Society.

Over the years the Board and the Society have co-operated on matters such as breed promotion and breed development on the Island.

In recent years part of the annual provision for a grant was provided to the Society to attend the Royal Show in the UK. The Board now believes that the bulk of that provision should be used to support the global breeding plan.

This had led to a reappraisal of the relationship between the Board and the Society and proposals for a new partnership based on the following principles.

The Board and the Society have already jointly funded computer software that will act as an animal database and make provision for the registration of pedigree animals. The system will be operated by both organisations to identify cattle, track their movements and maintain pedigree information.

The Society has always had a role in local breed development through representation on the AI Sub-Committee and this arrangement will continue. However the focus of the activities of the Sub-Committee are likely to change with the concentration of its efforts on implementing the global breeding plan on the Island.

The Society will continue to be involved in setting minimum standards for bulls for public AI and in the selection of the best local bulls for the AI Scheme. It will also have a role in the promotion of the use of imported semen amongst its membership.

As stated in the section on cull cattle that the Board intends to introduce an EC standard system of eartagging so that local animals can be exported to the UK in due course. It will be a requirement that cattle are identified shortly after birth.

Milk records provides information on the productivity of animals and they are used to determine the genetic potential of animals to pass on productivity to progeny.

Milk yield is not, however, the only attribute that is assessed for the calculation of genetic merit. The physical characteristics of animals are also determined as is their potential to pass on those characteristics to progeny. The method used to determine physical characteristics is "linear assessment" which is a standardised system of measuring particular features on an animal.

Both animal identification and linear assessment are important operations which are potentially time-consuming and the Board will find it difficult to undertake new environmental initiatives and carry out these tasks.

The Board therefore proposes to discuss with the Society the possibility of it undertaking some or all of the work described above on the basis of a contract.

J) Other Functions.

i) Control of Animal Diseases.

Legislation dealing with a wide range of animal diseases was approved in 1996. The Board does not foresee that there will be a need to amend it other than to reflect international developments in the control and management of animal diseases.

ii) Rabies and the Movement of Pets.

At the present the United Kingdom is embarking on a pilot scheme which will introduce new rules for the movement of cats and dogs from EC countries without the need for quarantine.

The Board is being kept informed of developments and it intends to report to the States on the operation of the new arrangements in the UK and the implications for the Island in due course.

iii) Wildlife.

The Board is responsible for a range of legislation that provides protection to animals and birds and it does not believe that the bulk of it requires amendment at the present time.

There have, however, been problems with feral ducks and pigeons on some areas of private land for a number of years and the Board intends to report on this issue and to propose amendments to legislation in the early part of 2000.

iv) Weeds.

The Noxious Weeds (Guernsey) Law, 1952 provides the Board with powers to bring about the clearance of the weeds that are specified in that law.

The actual administration of the law is, however, a labour intensive exercise and in the past the Board has not had the resources to devote staff to weeds matters on a full-time basis.

With the adoption of a major new environmental role requiring the reorganisation of staff resources (which is discussed in a later section) the opportunity exists to redress this matter and for the Board to take a much more proactive role in dealing with noxious weeds.

Over the years there has been some debate over which weeds should and should not be included in the schedule of the law. The Board proposes to discuss this matter with interested parties and, if necessary, to bring forward proposals for the amendment of the schedule in the next six months.

v) Horses.

As part of its review the Board has looked at the issue of horses. In the eyes of many they may be more a feature of recreation than agriculture, but if the future role of the Board is to be concerned about all activities in the countryside rather than just farming, then horses will be an important consideration.

Land.

The Board fully accepts that people have the right to own horses and that they require land on which to keep them. The Board will be concerned that in future there is enough land available to support all of the activities which are carried out in the countryside.

Disease Controls.

Like cattle, the stock of horses on the Island is potentially at risk from various diseases, both in terms of the spread of diseases to which horses themselves are susceptible and also in relation to diseases which affect other species.

The Board is responsible for legislation that deals with the control of significant animal disease. In certain circumstances (such as an outbreak of African Horse Sickness) the Board can order the slaughter of horses and the owner is entitled to compensation.

Even though the risk of an outbreak of disease may be remote, the Board cannot assess the extent of that risk and in appropriate cases, the potential liability for compensation without knowing the extent of the horse population on the Island.

Environmental Issues.

The Board believes that many horses are kept singly or in small numbers and as such represent a small pollution risk. However, where they are gathered together in larger groups, such as at livery stables, the risk may be significant enough to justify the inclusion of such facilities in any plans for the control of pollution of groundwater.

Welfare Matters.

The Board has already produced a code of recommendations for the welfare of horses and has set up a welfare panel to consider claims of cruelty or mistreatment of these animals.

Conclusions.

The Board needs to know the extent of horse ownership on the Island in order to be able to make realistic estimates of equine health risks and also to be able to determine whether there are any groundwater pollution risks.

It therefore proposes that owners of horses be required to submit an annual census return under the provisions of the Agriculture Census Ordinance, 1997 and that the definitions of a prescribed person who is required to make such a return in that Ordinance be amended accordingly.

The Board recommends that horses be included in the annual census of livestock and that the Agricultural census Ordinance, 1997 be amended accordingly.

vi) Demand for Agricultural Land.

The package of measures proposed by the Board in this report will mean that farmers will continue to need to use all of the land that they farm at the present time.

Farmers will be encouraged to move away from the current intensive approach to milk production in order to address the problems of oversupply of milk and groundwater pollution.

This means that land will not be ploughed up and re-sown as intensively as in the past or crop yields increased with the use of inorganic fertiliser with the result that the feed value for animals will be reduced. Furthermore the Board will be encouraging a reduction in the use of concentrate feeds to increase milk yields and their replacement with locally grown fodder crops.

The result will be that the **same number of cows** will produce less milk. It does not necessarily follow, therefore that there will be a reduction in the size of the Island herd as a consequence of introducing milk quotas and equally it should not be assumed the land will be released from the agricultural industry for other uses.

Farmers will still need the existing area of farm land on which to dispose of slurry and they may require a greater area in the future if they have to grow more fodder crops.

It will be essential to continue to retain open land for agriculture and whilst the Board acknowledges that there will always be competing demands for that land for projects that are of public interest or necessity, it must be recognised that the impact of such projects on the agricultural industry will be greater than ever.

There is no question of less land being required as a consequence of the package of measures proposed in this report.

K) A New Role for the Board.

The previous reviews of agriculture established that farmers are the custodians of the rural environment and there is no doubt that their activities have an impact on the countryside.

The introduction of contracts with farmers to deliver, amongst other things, environmental benefits for the Island in return for a subsidy will lead to a new role for the Board.

Through the negotiation of the terms and objectives of the environmental elements of the proposed contracts it will have the opportunity to influence the management and, in appropriate circumstances, the enhancement of areas of the countryside.

The Board also believes that there will be an opportunity to co-ordinate activities on farm land to compliment projects that may be carried out on States and private land that is outside of the agricultural industry. In particular it foresees an

opportunity to work closely with the IDC to achieve some of the objectives which are bound up in the proposals for a new planning law.

The Board will continue to represent the farming industry and it must ensure that it remains viable, that regulation is realistic to the extent that environmental goals are balanced against the practical aspects of farming in order that farmers keep farming and that new people come into the industry in the future. It will, however, also be responsible for ensuring that the public derives a tangible benefit from the funds invested in that industry by way of a subsidy.

In order to achieve the co-ordination of environmental programmes in the rural environment the Board believes that its role should be extended to include an interest in activities which take place in the countryside.

i) Title and Mandate.

In the Policy and Resource Planning debate on 12 July 1999 the States agreed that the Mandate of the Board should be changed as follows in order to reflect the intimate relationship between agriculture and the rural environment.

- To advise the States on matters relating to agriculture and the countryside.
- To develop, present to the States for approval and to implement policies on the above matters for the provision of services, introduction of legislation and other appropriate measures which contribute to the achievement of strategic and corporate objectives.
- To exercise the powers and duties conferred on it by extant legislation and States resolutions.
- To be accountable to the States for the management and safeguarding of public funds and other resources entrusted to it.

The Board now recommends that its title be changed to the “Agriculture and Countryside Board” to better reflect that Mandate and the enhanced and more proactive environmental functions that it will undertake in the future.

L) Resources.

i) Staff.

The Board has been aware that trends within farming, changing practices and the introduction of new technology has had an impact on the work of its staff, but it has delayed a review of staff requirements pending the outcome of the policy review.

Clearly if farmers are to receive a subsidy they will have to comply with the provisions of the contract with the States and the Board believes that checks on farms should be carried out on a random basis at least twice each year.

In addition farmers periodically lose and acquire a proportion of their land (either purchased, sold, exchanged or rented) and it will be necessary to revise nitrate and environment plans in such circumstances.

If the Board is to take a proactive role in respect of noxious weeds and undertake a much closer and active involvement with other organisations that have an interest in rural and environmental matters there will be further demands on staff time.

The role of the Agricultural Officer will change with much greater emphasis on environmental and countryside matters, continuing and formalising a trend that has been developing for a number of years.

In addition, by re-organising work practices the Board believes that it can release the equivalent of 2.5 staff from AI and milk records duties and make them available for environmental work. This will also effectively formalise a trend that has already started.

Finally, if those resources prove insufficient the Board has a vacancy for a full-time member of staff which it could fill if necessary and with the reorganisation of staff at Raymond Falla House the Board might also be able to make some use of the centralised services that have been created there.

The Board believes that at this stage it may well be able to undertake its proposed new environmental role with existing staff resources however it will not be in a position to say this with any certainty until it has implemented the proposals set out in this policy letter and operated the new regime for at least 12 months. The issue of staffing will be reviewed with appropriate parties at the end of that period.

M) Consultations.

The Board has consulted in general, or on specific parts of this report with the Advisory and Finance Committee, Island Development Committee and the States Water Board.

It has also consulted the Guernsey Farmers Association, the Royal Guernsey Agricultural and Horticultural Society and the Secretary of the World Guernsey Cattle Federation. In addition all dairy farmers were invited to a presentation and discussion of the review.

The Law Officers of the Crown have been consulted on the legal implications of the proposals contained in this report.

4. IMPLEMENTATION.

Year 2000	Grants for slurry storage facilities available from 1 February Detailed report on the implementation of a subsidy scheme in March Proposals on the control of specified feral birds on private land by 30 April Review of noxious weeds by 30 June Completion of contracts with farmers by 30 June. Proposals for revised animal welfare legislation by 31 December Report on a new slaughter house by 31 December Fertiliser application plans for all farms by 31 December Review of cull cattle compensation scheme by 31 December
Year 2001	Review of pet movements and rabies controls Review of cull cattle compensation scheme by 31 December
Year 2002	Review of cull cattle compensation scheme by 31 December
Year 2003	Slurry storage facilities to be installed on farms End of grants for slurry stores on 31 December Review of manure and fertiliser use record keeping by 31 December Review of cull cattle compensation scheme by 31 December

5. REVIEW.

Some of the proposals contained in this report will take a number of years to implement and the Board proposes that it should submit a review of the progress and developments in the agricultural industry to the States by the end of 2005.

By that time farm waste systems should be in place, the impact of quotas and lower retail milk prices as well as the environmental impact of contracts with farmers can be assessed. At this time agricultural policy in the EC will also come under review and Island policies can be judged in relation to those in Europe.

6. SUMMARY.

The Board believes that the current policies governing agriculture in Guernsey, if allowed to continue, will undermine the viability of the dairy industry and at the same time damage the countryside.

A new approach is urgently required.

Agriculture and the environment are inextricably linked and for this reason farmers play a vital role in acting as custodians of the countryside. This report reaches the clear conclusion that the type of farming needed in Guernsey, which will deliver the environmental benefits that the community requires, will not be viable without appropriate financial support.

The package of support which has been developed will balance the objectives of keeping farming viable and ensuring that its activities have a positive effect on the countryside. These measures include conditions to ensure that both of these objectives are met.

Against this background the Board's belief is that the community should expect, in the coming years, that the implementation of the proposed policies will produce a countryside that should be:

- unpolluted,
- pleasing to look at,
- rich in wildlife,
- producing the highest quality food products; and
- managed by environmentally responsible farmers who respect past heritage and integrate care and protection of that countryside into everyday farming activities.

7. RECOMMENDATIONS.

The States are asked:

1. to authorise the Board to operate a grant scheme for farm waste systems as set out in section 3A(ii) of this report for the period 1 February 2000 to 31 December 2003.
2. to authorise the transfer of a sum of £330,000 from the Farm Loans Fund to the 2000 Revenue Budget of the Board for this purpose. Any unspent balances accruing to be available for transfer to subsequent budgets for the same purpose.
3. to agree that the Farm Loans Scheme should continue according to the existing rules, but only for the limited range of projects set out in section 3A(ii) of this report.
4. to agree, in principle to a reduction of the retail price of milk linked to the introduction of a General Revenue subsidy scheme for dairy farming.
5. to direct the Board to submit a detailed report on the introduction and operation of such a subsidy scheme as soon as possible in 2000, that report to include proposals for financial support for organic milk production on Guernsey.
6. to authorise the Board to continue to make provision in its general revenue budget for a grant to the World Guernsey Cattle Federation for the promotion of the Guernsey breed and to assist with plans for a global breeding plan for that breed as set out in section 3G of this report.
7. to approve the amendment of the Bovine Semen, Artificial Insemination and Embryo Transplantation Ordinances, 1957 to 1982, as set out in section 3H(ii) of this report.
8.
 - a) to continue to meet the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter.
 - b) to continue to pay compensation of £150 in addition to the slaughtering and disposal costs for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to 20 March 1996.

- c) to agree that the compensation scheme and States funding of the slaughter and carcass disposal programme should operate from 1 January 2000 to 31 December 2000.
- d) to agree that the cost of compensation should continue to be categorised as formula-led in the budget of the Agricultural and Milk Marketing Board.
- e) to direct the Board to report on the operation of the cull cattle compensation scheme before 31 December 2000 or sooner if developments in respect of BSE mean that it should be substantially altered or discontinued.
- 9 to agree that the Agricultural Census Ordinance, 1997 be amended to include provision for horses as set out in section 3J(v) of this report.
- 10 to agree that the title of the Agricultural and Milk Marketing Board be changed to the Agriculture and Countryside Board.
- 11 to direct the Board to present a review of the subsidy scheme and the future of farming industry to the States by 31 December 2005.

I would be grateful if you would lay this matter before the States with appropriate propositions including those directing the amendment of legislation.

I am, Sir,
Your obedient Servant,
H. J. DOREY,
Vice-President,
States Agricultural and Milk Marketing Board.

APPENDIX 1

THE DEVELOPMENT OF FARMING AND THE GUERNSEY BREED.

Agricultural production probably began on the Island as subsistence farming sustaining individual families and small communities. Later surplus agricultural produce could have been used in local trade on the Island, but it is unlikely that any form of specialisation in production occurred until infrastructures and the economies of other countries developed sufficiently to support an export industry.

It is known that during the last century local producers had begun to target niche markets as business opportunities arose. Before dairy farming there was a sheep and woollens industry and then in the latter part of that century there was increasing interest in local pedigree dairy cattle in the UK and later in the USA. Island farmers were able to exploit such markets because Guernsey cattle were free from many of the diseases that were found in other European countries.

The First World War effectively ended the large-scale trade in live animals and the dairy industry grew out of the requirement to find another source of income and the need to dispose of the milk produced on farms. Farming changed from an industry that bred dairy cattle with milk as a by-product to a bespoke dairy industry which is now the predominant form of agricultural production on the Island.

The Guernsey breed also has a long history. It is believed that it originated from two French breeds which were brought to the Island in the tenth century. The relative isolation of the Island allowed the two French breeds to merge to become the Guernsey breed, a breed that has come to be recognised as unique in its own right.

The involvement of government in agriculture has also increased over time, through regulation and legislation and ultimately the operation of the Dairy. The last reviews of the relationship with the industry were concluded in 1989 and 1992 when the principles that farmers were the custodians of the rural environment and that funding of the dairy industry would be based on market returns less dairy expenses were established.

APPENDIX 2

FARMING ON GUERNSEY AT THE PRESENT TIME.

Many people probably view agriculture in Guernsey as a small industry made up of dairy farms.

Whilst it is correct that the local industry is dominated by dairy farming, there are people engaged in other forms of agricultural production on Guernsey on both a full-time and part-time basis. These other forms of agriculture include:

- beef farming
- the production of food crops (other than under glass)
- the production of animal feed crops
- the production of grass crops (silage and hay)
- poultry farming and egg production
- sheep farming
- pig farming
- goat keeping

In addition to these activities there are a range of operations that provide support for and depend for their existence (either wholly or in part) on the presence of a farming industry. These include:

- the Dairy
- milk retailers
- slaughter and knacker services
- feed and fertiliser merchants
- agricultural contractors
- vets
- equipment suppliers (including servicing and repairs)
- livestock hauliers

Statistics on the number of farms, livestock and the use of land is shown in Appendix 4.

A) Services currently Provided by the Board to the Agricultural Industry

The Board provides a range of services to farmers which are funded from General Revenue and it is responsible for the operation of the Dairy. A summary of the development and extent of the services is set out below.

i) The Agricultural Advisory Service.

Agricultural Advisers were originally provided, on secondment, from the Agricultural Development Advisory Service (ADAS) in the UK for a fixed period of time. They were principally engaged to provide advice to farmers on the management of dairy herds and the production of arable crops, to provide the Board with technical advice on agricultural matters and to give the industry access to a range of agricultural knowledge and expertise from outside of the Island.

When ADAS became an Agency in 1991 the Board reached agreement with the Civil Service Board to appoint an Agricultural Advisor as a permanent member of staff and in addition to providing technical advice to the Board, he is currently engaged in the following areas of work:

Animal Welfare - dealing with complaints regarding the welfare of farmed animals.

AI Service - providing the AI Sub-Committee with technical advice on the selection of imported semen and local bulls for the AI Centre.

Breed Development - liaison with the World Guernsey Cattle Federation, the Animal Data Centre and national breed societies on developments in and policies relating to, the genetic improvement of the Guernsey breed world-wide.

Farm Advice - on milk quality standards, the registration of milking premises and general advice on a wide range of issues including the reduction of pollution.

BSE - liaison with the Board of Health on public health risks and regular contact with the Central Veterinary Laboratory and MAFF on developments in dealing with the disease.

Farm Loan Scheme – processing applications and presenting them to the Board.

Environmental Matters - ad hoc advice on environmental and wildlife issues and the control of weeds and other pests.

ii) Breed Development Services.

Breed development services consists of two parts, the artificial insemination (AI) scheme and the milk recording scheme.

The Artificial Insemination Scheme.

AI was introduced in Guernsey in 1956 with the aim of eradicating a disease called vibriosis and the AI Sub-Committee was set up to:

- ensure that a wide variety of bulls of acceptable breeding quality were available to farmers; and
- to secure whatever improvement was possible in breed advancement.

In 1975 Mr F.K.Deeble (a geneticist) was commissioned to report on the advisability of continued breeding within a closed Guernsey cattle population and he recommended that there was a need to introduce greater genetic variation into

the Island herd to broaden its genetic base and thus provide the genetic variability essential for breed improvement.

He recommended that the States import semen from Guernsey bulls with the aim of positively influencing the development of the breed in general and to improve the quality of specific aspects of the conformation of animals. This use of imported semen was coupled with the use of semen from selected local bulls. In 1976 semen was imported into the Island.

There are two main elements to the AI Scheme. The collection of semen from local bulls at the AI Centre and the insemination of cattle using both local and imported semen.

The service is staffed by three full-time employees working a seven day per week rota and AI is available on 365 days in each year. The number of inseminations carried annually since 1978 is shown in Appendix 4.

The Milk Recording Service.

In 1961 the Committee for Agriculture assumed responsibility (from the Royal Guernsey Agricultural and Horticultural Society) for running of the service dedicated to the recording of individual cow milk yields with the aims of

- enabling farmers to make informed decisions on breeding, culling, feeding and the general management of their herd; and
- enabling the Committee (now the Board) to select animals for the AI Scheme

With the onset of computerisation and the development of more sophisticated programmes the milk recording service is now able to provide a wealth of information on individual animals on production, genetic merit and the management of diseases that effect milk quality.

40 herds are currently milk recorded. The number of farms has fallen over the years, but as the number of animals in the Island herd has remained relatively static this has partially offset the reduction in the volume of work arising from the fact that fewer farms have to be visited. Even so it has been possible to reduce staff numbers in recent years.

In addition to the recording of milk, it is also tested for its constituents and for somatic cells in the milk records laboratory. The results are made known to the farmers and the information is used by the Dairy.

iii) Livestock Services.

BSE.

The first officially recognised case of BSE in Guernsey was seen in August 1987 and the pattern of cases since then is shown in Appendix 4.

The suspected source of infection in cattle was thought to be animal feed containing animal derived protein. A change in production methods is believed to have enabled scrapie-type agents in the carcasses of sheep to survive processing, (scrapie is a similar disease to BSE found in sheep).

The use of animal protein in cattle feed was banned in the UK and Guernsey in 1988. The incidence of the disease began to fall in 1993 supporting the feed borne infection hypothesis, however it was still found in a proportion of animals that had been born after the feed ban and it was subsequently discovered that there had been some cross contamination of different feeds produced at the same mills.

Comprehensive controls on the production of animal feed were not fully implemented until August 1996 and therefore animals could have been exposed to (a lower level) of infection after the feed controls were introduced.

Some cases born after the feed ban were also thought to have been infected by maternal transmission.

In March 1996 the “BSE crisis” occurred when the UK Government announced that a link between the disease and a new strain of Creutzfeld Jacob Disease in humans, whilst not proven, could not be discounted.

International trade in bovine animals and beef and beef products from the UK was suspended and it has only recently been allowed to resume in specified circumstances and subject to stringent conditions.

The compensation currently paid for a BSE infected animal in Guernsey is £600.

Cull Cattle.

The “BSE crisis” in 1996 led to the collapse of the market for Guernsey cull cows in the UK and the introduction of restrictions on the age at which animals could be slaughtered for human consumption (30 months or less).

Local farmers therefore were suddenly left with surplus animals that could not be sold for meat and the Board of Health closed the landfill sites for the disposal of cattle carcasses.

The States agreed to pay compensation for surplus animals (£150 for dairy cattle) and to meet the cost of the slaughter and disposal of these animals in the UK until a carcass incinerator could be installed on the Island. Compensation remains at £150 for the carcass of an animal which is over 30 months of age and which, in normal circumstances, would have been declared fit for human consumption.

The States also agreed a separate scheme for “beef” animals that were more than 30 months of age, with £350 being paid for each carcass. The scheme ran for 6 months and ended in September 1996.

The Island’s incinerator was installed during the winter of 1996/1997 and following commissioning, became operational in April 1997.

The Incinerator.

The Incinerator became operational in April 1997 and in addition to cattle, the carcasses of horses, other livestock and slaughter house waste are disposed of at this plant. The Board has also agreed to dispose of pet animal carcasses (those not cremated at the request of the owner by the GSPCA) and waste from veterinary practices.

With the installation of the new equipment it was possible to close the temporary incinerator sited at the Creux Mahie which was used to dispose of BSE cases.

Slaughter House

The Board took over responsibility for the slaughter house from the Board of Administration in 1995. Following the BSE crisis in 1996 and the introduction of restrictions on the age of cattle that could be slaughtered for human consumption, the throughput of animals has declined.

Throughput figures for the facility are shown in Appendix 4.

The Board is conscious that there are designs to use the site for other purposes and accepts that the present location may not be the best for this type of facility in this day and age.

It is also aware of the fact that whilst it is acceptable as a facility for the production of meat for human consumption, because of the nature of the building, it could not meet all of the standards of a modern slaughter house or EC standards for the export of meat.

iv) Veterinary Services.

Veterinary Services are overseen by the States Veterinary Officer (SVO) who is a private practitioner retained by the States to undertake specific tasks under the provisions of a contract. The contract includes the provision of technical advice to the Board and the SVO has certain powers to act if there is a suspected outbreak of a notifiable animal disease.

Animal Health Testing.

In 1992 the Board began a health testing programme on Island cattle based on EC standards for Bovine TB, Bovine Brucellosis and Enzootic Bovine Leucosis. It was also decided to test for Infectious Bovine Rhinotracheitis and Bovine Viral Diarrhoea.

The Island has always been able to claim that local cattle have a superior health status than other populations and this has helped to maintain the controls over the importation of live cattle into Guernsey. However a health status based on no reported cases was no longer acceptable and if the Island was to continue to maintain its claims a formal testing programme was required.

These diseases are important in terms of animal health (and in some cases human health) and they would have a serious economic impact on farming if an outbreak occurred on the Island.

The health status of animals that are the source of food has become increasingly important and proof of such a status is now required in respect of milk products exported from the Dairy to the UK.

Animal Welfare.

The Board has agreed with the GSPCA that in the majority of cases their officers will carry out investigations of alleged cruelty to animals. In appropriate circumstances they will refer matters to the Board or the Police.

The Board has a small welfare panel that carries out further investigations in the cases involving farm animals or horses. The States Veterinary Officer may be asked to assist the Police in cases involving pet animals.

v) Breed Promotion.

The 1989 policy report contained proposals for the promotion of the Guernsey breed that were founded on the basis that:

- It was part of the Island's heritage.

- There were good commercial reasons for keeping Guernsey cattle on Guernsey.
- There was a decline in the number of Guernsey cattle internationally.
- The breed was a focus of Island identity that could be exploited by other economic sectors such as the tourist industry.

The States accepted proposals that breed promotion should be carried out by the Royal Guernsey Agricultural and Horticultural Society and World Guernsey Cattle Federation with the assistance of grants from the Board.

Breed promotion was not intended to generate income from the sale of semen and live animals and it was agreed that if the breed declined world-wide then its value to the Island would diminish and therefore the expenditure of public funds was justified on such things as:

- attending the Royal Show (to maintain confidence in the breed in the UK); and
- supporting efforts to raise the profile of the breed world-wide by assisting with the operational expenses of the WGCF and the publication of material for international circulation

The Board has made annual grants to the Society and Federation since the last policy review.

vi) The Farm Loans Scheme.

The farm loans scheme was set up in 1963 to allow farmers access to borrowing free from fluctuating bank interest rates in order that they might develop their business. The terms of interest were also favourable (5%) and the loans were repayable over a 10 or 15 year period.

Since its introduction the range of projects that could qualify for support has varied and in 1989 the States approved significant changes in the way in which interest was charged on loans. The fixed 5% rate was discontinued and a sliding scale of rates introduced, beginning at 0 and rising during the term of the loan to a maximum of 18%. The intention was to minimise the burden of repayments during the early stages of a project until the benefits of the investment could be realised.

The maximum amount of borrowing available to a farmer at any one farm is fixed at £70,000.

The loans fund currently stands at £743,271 of which approximately two thirds is tied up as loans. At the present time, with serious overproduction of milk, it is the Board's policy to restrict loans to projects involving the management and storage of farm waste.

The value of loans issued each year is shown in Appendix 4.

vii) The Dairy

The direct involvement of the States in the dairy industry began in 1937 when it purchased and combined the two principal dairies on the Island. The Dairy Committee was established in March 1937 to run the Dairy and manage the business.

That involvement has continued ever since and the Dairy premises, equipment and processes have been updated as new production methods have been developed.

The current basis for funding the dairy industry is market returns less Dairy expenses. This means that the income from the sale of milk and dairy products is used to finance the retailing system and the operational and capital requirements of the Dairy and the balance is available for payments to milk producers.

Information on milk intake and Dairy sales are shown in Appendix 4.

B) Other Board Functions.

In addition to providing services to farmers the Board is responsible for the administration of legislation dealing with the importation of animals and meat and meat products, the control of animal diseases, the protection of wild birds, the control of noxious weeds and the hunting of game.

The legislation dealing with the importation of animals and animal products dates from the 1950s and has been amended on an ad hoc basis over the years.

The point has now been reached in which a variety of meat products can be imported into the Island from a range of countries, but not necessarily the same products from the same countries.

The result is a complicated and inconsistent system that would benefit from revision. For example, certain meat products can be imported from France if they come via the UK, but not directly from the country itself.

The Board's responsibility in respect of the importation of animals is limited to livestock.

APPENDIX 3

EC AID SCHEMES.

Aid may now be made available to farmers for the following:

- to reduce fertiliser use,
- the introduction of non-intensive practices,
- to reduce livestock densities,
- to adopt environmental practices,
- for the upkeep of abandoned land,
- set aside of land for 20 years for environmental projects,
- for the management of land for public access and leisure; and
- afforestation.

Rural development measures include support for structural adjustment (investment in agricultural holdings, establishment of young farmers, training and early retirement), payments of agri-environmental activities and support for investments in processing and marketing facilities.

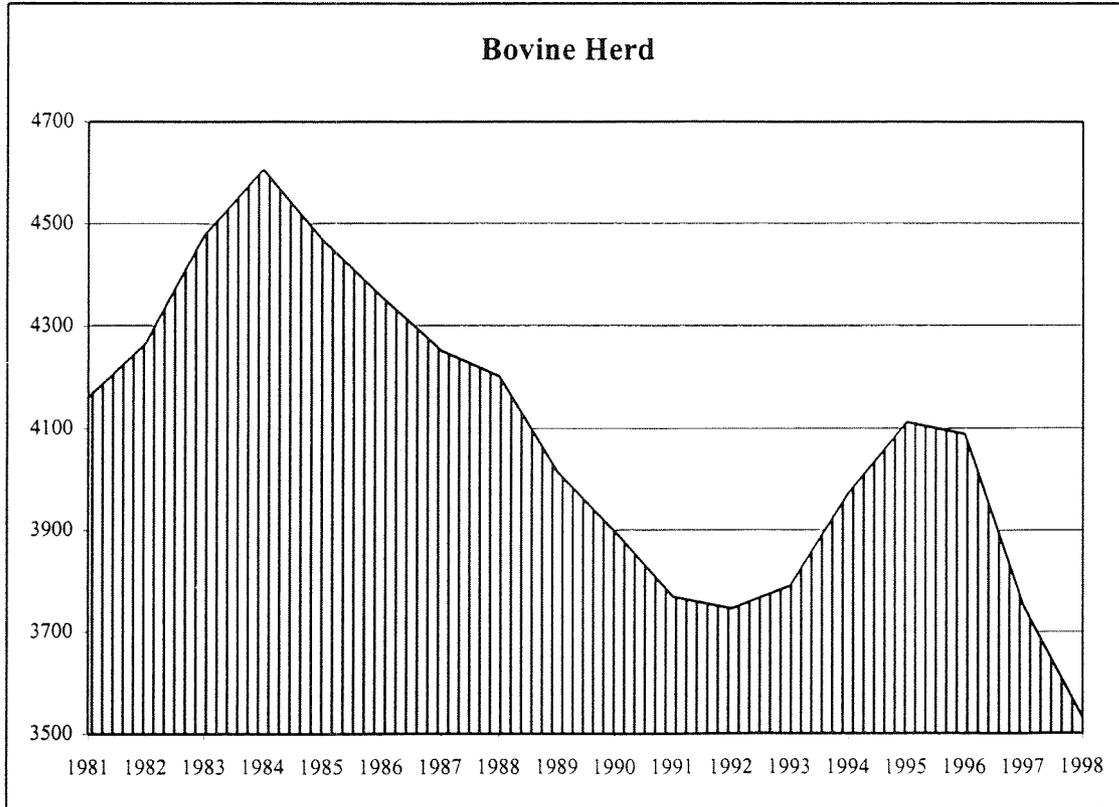
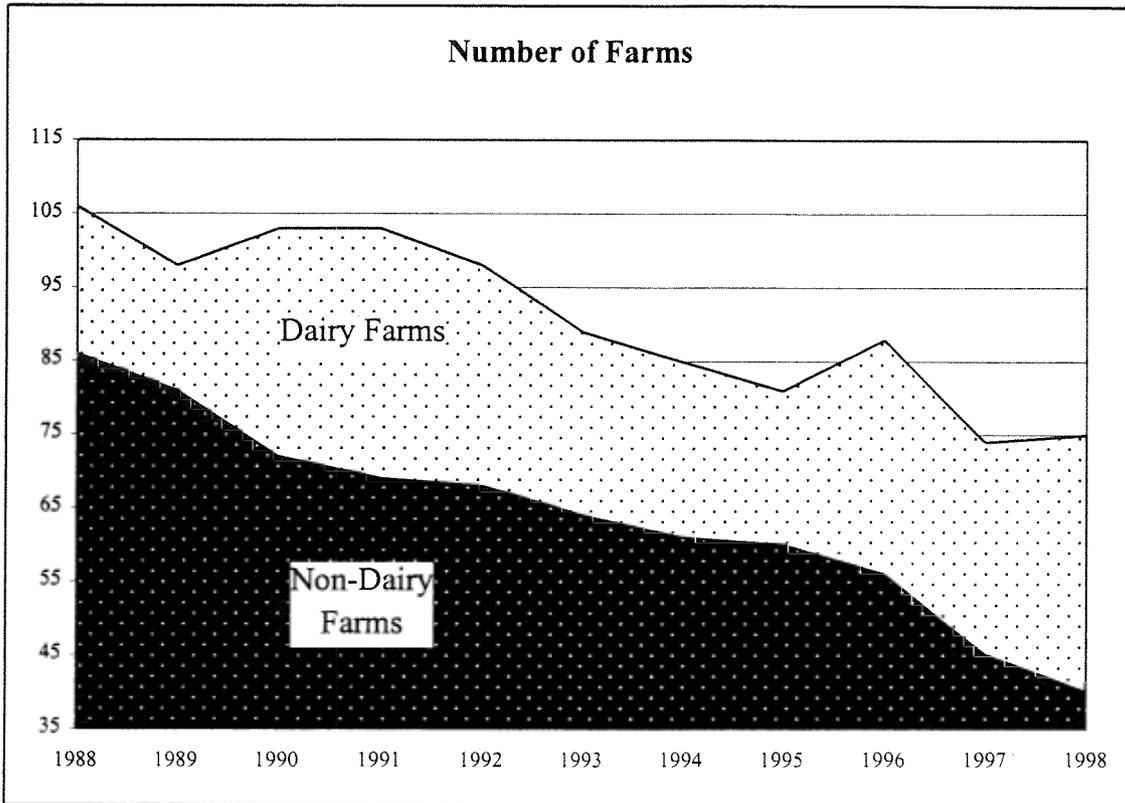
Support for rural development may be targeted at:

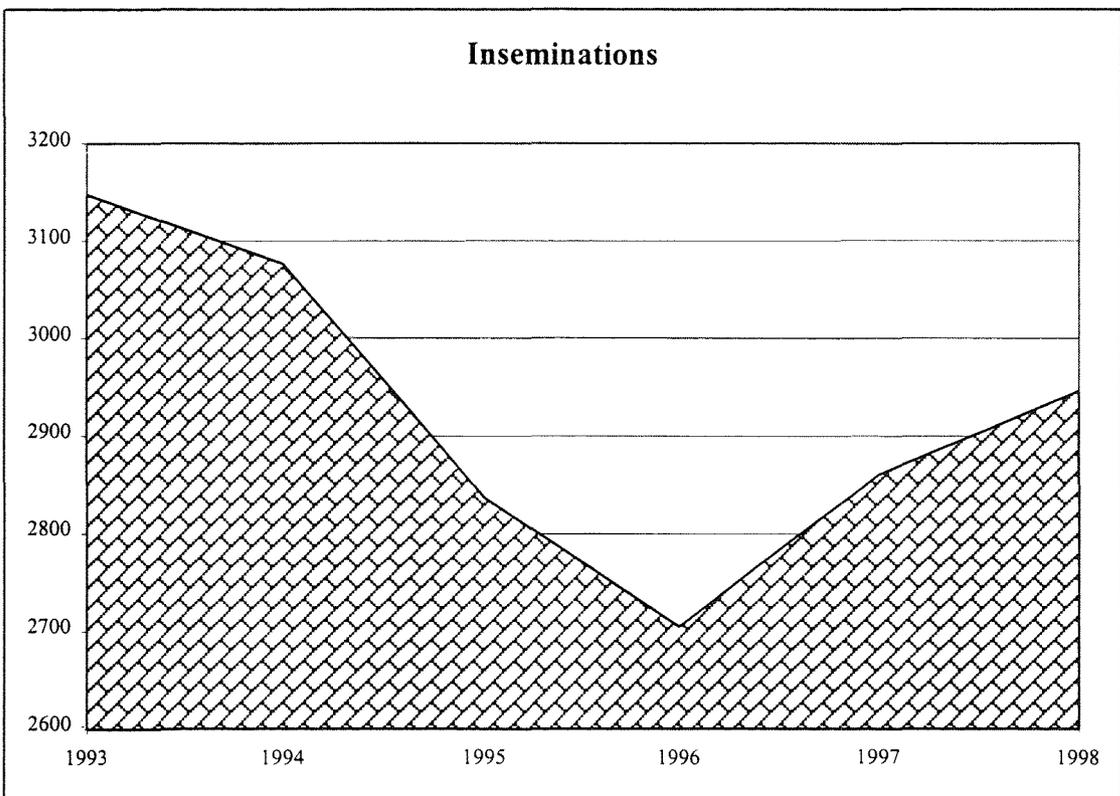
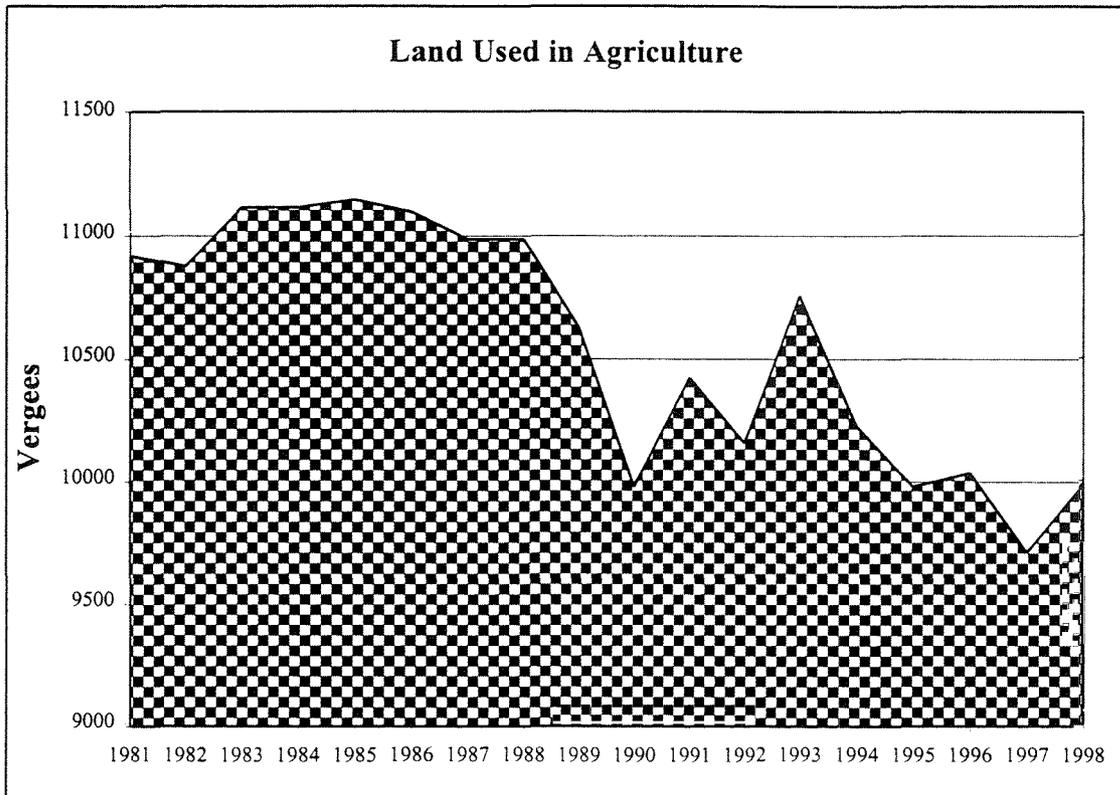
- Improvements to structures in agricultural holdings.
- The marketing of agricultural products.
- The conversion of production potential and the introduction of new technology.
- The improvement of product quality.
- Sustainable forest development.
- Diversification (other activities that supplement a farm income).
- The maintenance and reinforcement of viable social fabric in rural areas.
- The development of economic activities and maintenance and creation of employment.
- The improvement of working and living conditions.
- The maintenance of low input farming in less favoured areas.
- The preservation and promotion of a high nature value and sustainable Agriculture that respects environmental requirements.
- The removal of inequalities and promotion of equal rights.
- Organic farming.
- Better use of set aside.
- Waste recycling.
- Animal welfare.
- Farming in less favoured areas.

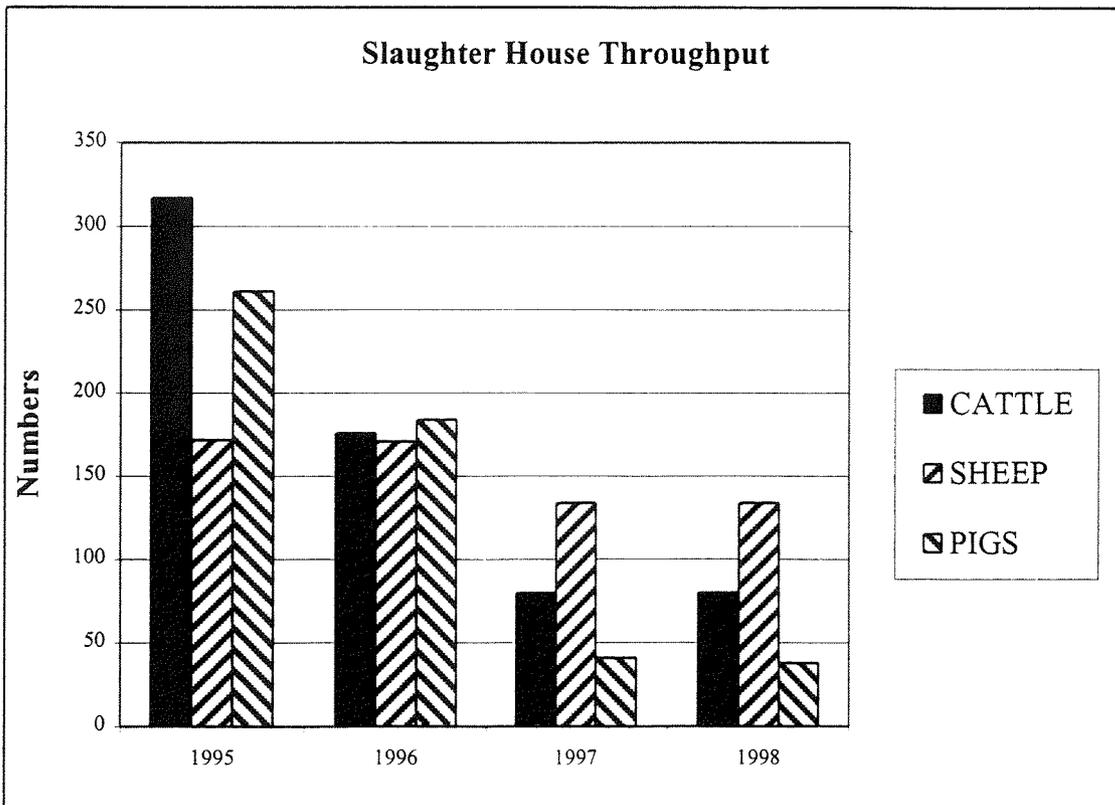
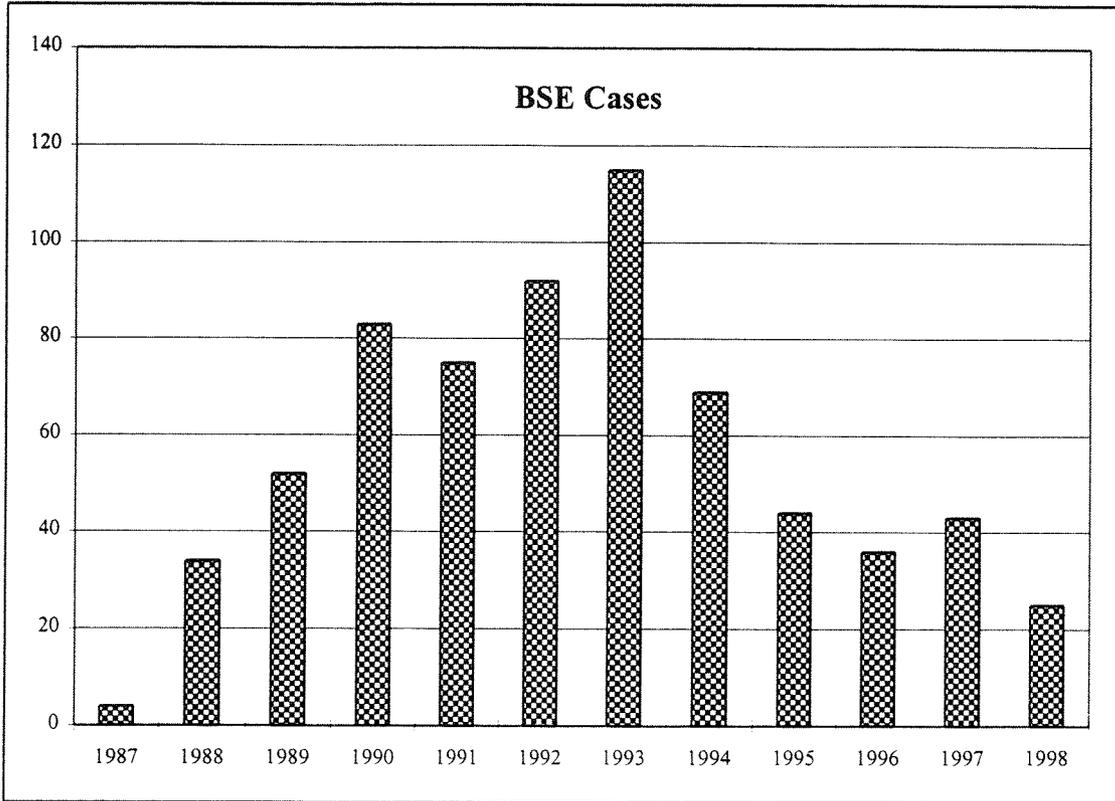
In addition aid schemes may be introduced to provide assistance for attendance of courses and traineeships and for the organisation of such activities which may not be part of the normal programmes of secondary education or higher agricultural education. Aid may also be provided for demonstration projects.

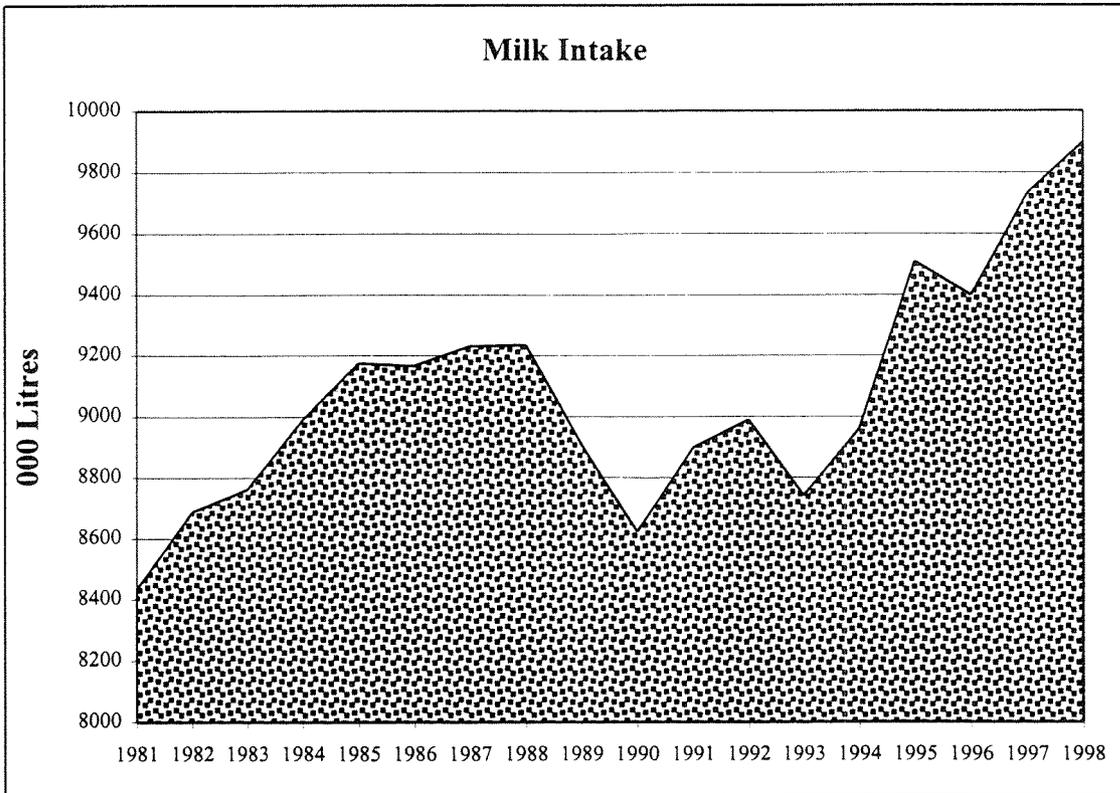
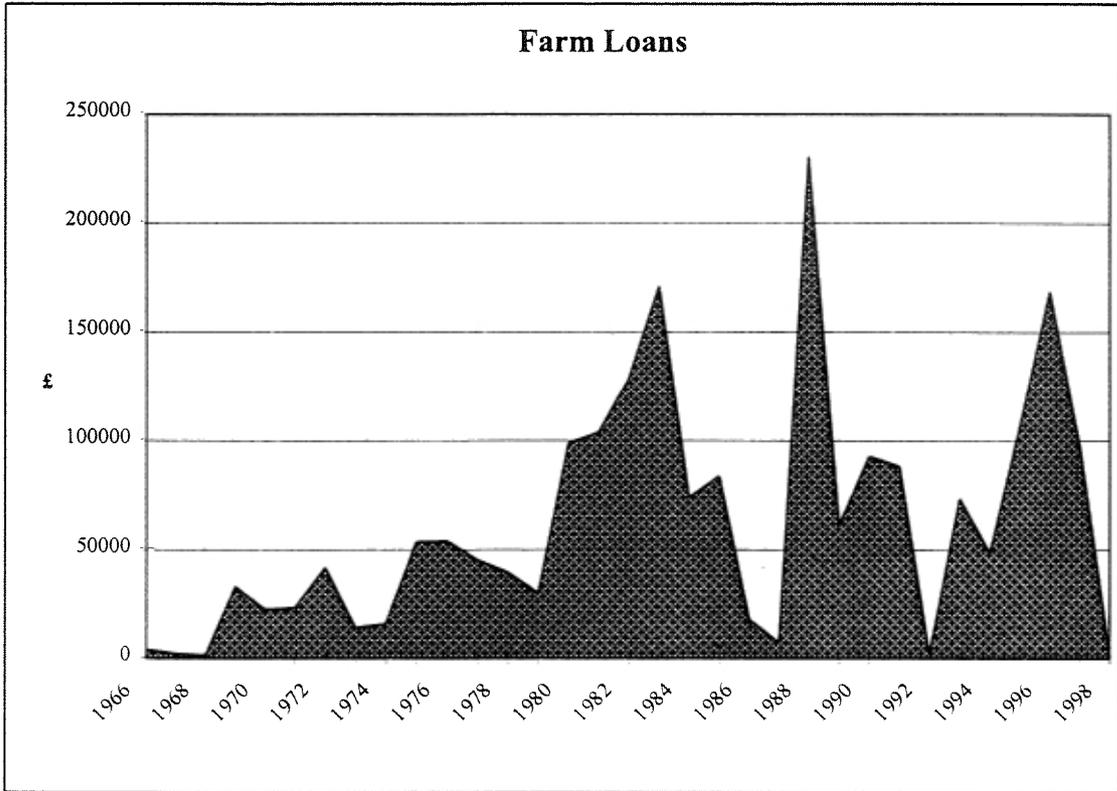
In order to avoid excessive transfers of public funds to individual farmers an overall annual ceiling on direct payments (per farmer) has been introduced.

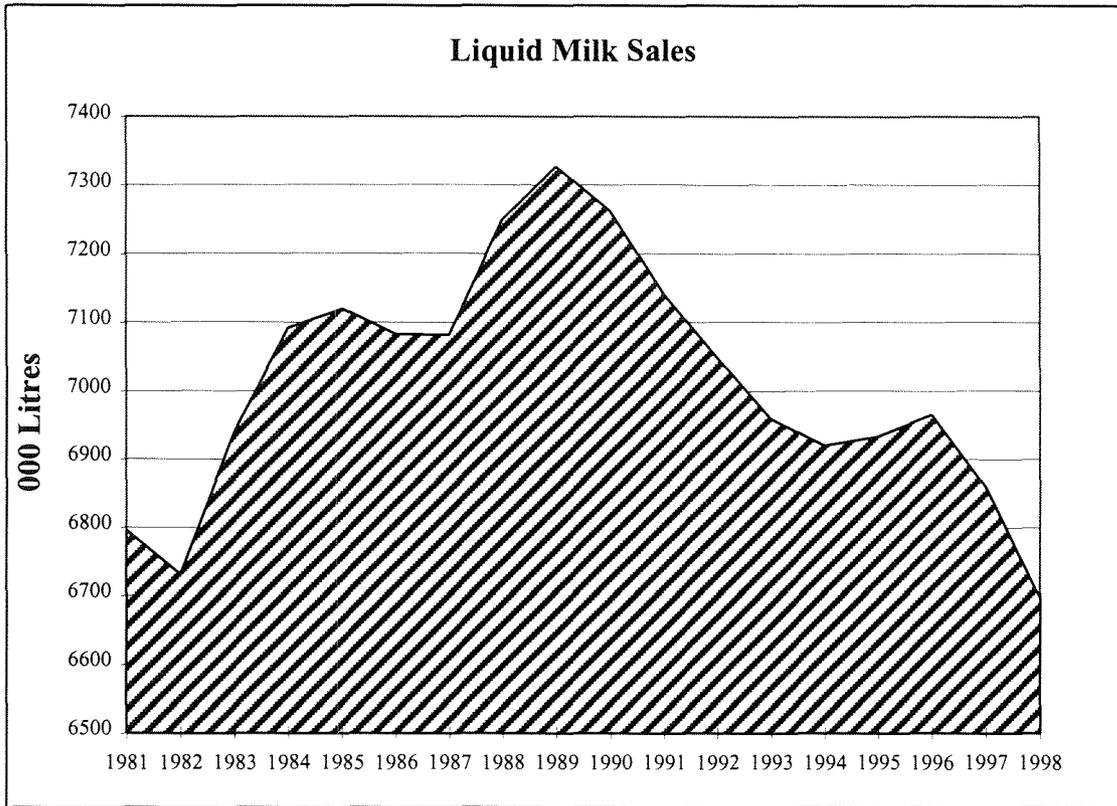
APPENDIX 4.











The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

20th December, 1999.

Sir,

I have the honour to refer to the letter dated 13 December 1999 from the President of the Agricultural and Milk Marketing Board concerning a review of the agricultural industry on Guernsey.

The Advisory and Finance Committee notes the Agricultural and Milk Marketing Board's two-stage approach to the States, in which the current policy letter seeks approval in principle for its proposals for the future of the agricultural industry in Guernsey and particularly the future of dairy farming.

The Committee agrees with the Board's conclusion that the present arrangements for support of the local dairy industry through the retail price of milk is unsustainable. It further agrees in principle that the proposed new regime represents one of the few ways forward if there is to remain an agricultural industry in Guernsey, which helps to maintain the established and accepted appearance of the countryside.

In order to reduce over-production, lower the retail price of milk, and ensure that appropriate environmental and farming standards are met, whilst also providing sufficient economic incentive to sustain the industry, the Board proposes the introduction of production quotas and a package of direct subsidies linked to contracts with farmers. The contracts will require not only set quotas, but also ensure farmers' compliance with a number of agricultural and environmental standards. In this way, the Board wishes to set the volume of milk produced (through allocated quotas) and the environmental standards under which milk is produced (through the contracts with farmers). These are the broad principles to which the Advisory and Finance Committee lends its support.

In Section D) of the policy letter the Board describes the way in which milk-drinkers are effectively "taxed" (through the high retail price) in order to conserve the countryside. The Committee accepts that this is presently the case and considers that it would not be unreasonable to shift the burden of that tax from milk consumers to the tax payer generally. This is, in effect, what the Board's proposals would achieve.

The Committee notes the Board's argument, in Section E) of the report, that the proposed arrangements accord with recent shifts in European Union policy towards support for agricultural production.

However, the Committee also recognises that much will turn on the interpretation of the above principles when the Board reports once again to the States to clarify the future retail price of milk and the level of subsidy required to support the milk producers in order to secure their compliance with the proposed contracts.

The Advisory and Finance Committee will then consider its position in the light of the rationale for the proposed retail price of milk, the actual level of subsidy required to support that price, and whatever mechanisms are proposed for determining what is a reasonable return to milk producers. With the anticipated downward pressure on the retail price and farmers' efforts to maximise their returns, the Committee is clearly concerned to ensure that there will be in place sufficient and effective safeguards to contain the level of subsidies met by the taxpayer.

Given the pressures facing the industry, as described in the Agricultural and Milk Marketing Board's report, the Advisory and Finance Committee would urge the Board to return to the States with its substantive policy letter with the minimum delay.

Subject to the above comments, the Advisory and Finance Committee supports the Agricultural and Milk Marketing Board's present proposals.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

- XIII.— Whether, after consideration of the Report dated the 13th December, 1999, of the States Agricultural and Milk Marketing Board, they are of opinion:-
1. To authorise the States Agricultural and Milk Marketing Board to operate a grant scheme for farm waste systems as set out in section 3A(ii) of that Report for the period 1st February, 2000 to the 31st December, 2003.
 2. To authorise the transfer of a sum of £330,000 from the Farm Loans Fund to the 2000 Revenue Budget of the States Agricultural and Milk Marketing Board for the above purpose and any unspent balances accruing to be available for transfer to subsequent budgets for the same purpose.
 3. That the Farm Loans Scheme shall continue according to the existing rules, but only for the limited range of projects as set out in section 3A(ii) of that Report.
 4. To agree, in principle, to a reduction of the retail price of milk linked to the introduction of a General Revenue subsidy scheme for dairy farming.
 5. To direct the States Agricultural and Milk Marketing Board to submit a detailed report on the introduction and operation of such a subsidy scheme as soon as possible in 2000, that report to include proposals for financial support for organic milk production on Guernsey.
 6. To authorise the States Agricultural and Milk Marketing Board to continue to make provision in its General Revenue Budget for a grant to the World Guernsey Cattle Federation for the promotion of the Guernsey breed and to assist with plans for a global breeding plan for that breed as set out in section 3G of that Report.
 7. To approve the amendment of the Bovine Semen, Artificial Insemination and Embryo Transplantation Ordinances, 1957 to 1982, as set out in section 3H(ii) of that Report.
 8. (a) To continue to meet the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter;
 - (b) to continue to pay compensation of £150 in addition to the slaughtering and disposal costs for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to the 20th March, 1996;
 - (c) that the compensation scheme and States funding of the slaughter and carcass disposal programme shall operate from the 1st January, 2000 to the 31st December, 2000;
 - (d) that the cost of compensation shall continue to be categorised as formula-led in the budget of the States Agricultural and Milk Marketing Board;
 - (e) to direct the States Agricultural and Milk Marketing Board to report on the operation of the cull cattle compensation scheme before the 31st December, 2000, or sooner if developments in respect of BSE mean that it should be substantially altered or discontinued.
 9. That the Agricultural Census Ordinance, 1997, shall be amended to include provision for horses as set out in section 3J(v) of that Report.

10. That the title of the States Agricultural and Milk Marketing Board shall be changed to the States Agriculture and Countryside Board.
11. To direct the States Agricultural and Milk Marketing Board to present a review of the subsidy scheme and the future of the farming industry to the States by the 31st December, 2005.
12. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

*STATUTORY INSTRUMENTS LAID BEFORE THE STATES***THE HEALTH SERVICE (PAYMENT OF AUTHORISED SUPPLIERS)
(AMENDMENT) REGULATIONS, 1999****THE HEALTH SERVICE (PAYMENT OF AUTHORISED APPLIANCE
SUPPLIERS) (AMENDMENT) REGULATIONS, 1999****THE HEALTH SERVICE (PHARMACEUTICAL BENEFIT)
(RESTRICTED SUBSTANCES) (AMENDMENT) REGULATIONS, 1999****THE HEALTH SERVICE (PHARMACEUTICAL BENEFIT)
(AMENDMENT) REGULATIONS, 1999****THE HEALTH SERVICE (MEDICAL APPLIANCES)
(AMENDMENT) (NO. 2) REGULATIONS, 1999**

In pursuance of the provisions of section 35(4) of the Health Service (Benefit) (Guernsey) Law, 1990, I lay before you herewith the following Regulations made by the Guernsey Social Security Authority on the 17th November, 1999:-

**THE HEALTH SERVICE (PAYMENT OF AUTHORISED SUPPLIERS)
(AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These Regulations further amend the Health Service (Payment of Authorised Suppliers) Regulations, 1990, as amended, by increasing the graduated fees paid to pharmacists not employed by a medical practice, by increasing the rates of additional dispensing fees payable in respect of pharmaceutical benefit and by increasing the additional dispensing fees payable in respect of pharmaceutical benefit supplied on a prescription endorsed "URGENT" or "DISPENSED URGENTLY".

**THE HEALTH SERVICE (PAYMENT OF AUTHORISED APPLIANCE
SUPPLIERS) (AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These Regulations further amend the Health Service (Payment of Authorised Appliance Suppliers) Regulations, 1990, as amended, by increasing the dispensing fees for pharmacists not employed by a medical practice for Part I, II and III appliances. They also increase the dispensing fee for any other class of authorised appliance supplier, except a medical practitioner or a pharmacist employed by a medical practice, in relation to the supply of Part III appliances. These Regulations also increase the dispensing fees for appliances dispensed urgently.

**THE HEALTH SERVICE (PHARMACEUTICAL BENEFIT)
(RESTRICTED SUBSTANCES) (AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These Regulations amend the previous Regulations so that the restriction in ordering Sildenafil (Viagra) by medical practitioners is removed for certain conditions. It places a limit on the quantity of drugs ordered for erectile dysfunction and the conditions for which such drugs can be ordered.

These Regulations also restrict certain cough preparations, nasal decongestants, aromatic inhalations, zanamivir (Relenza), and Lipotrim, from being supplied as pharmaceutical benefit.

**THE HEALTH SERVICE (PHARMACEUTICAL BENEFIT)
(AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These Regulations amend the Health Service (Pharmaceutical Benefit) Regulations, 1990, as amended, so as to allow one original prescription and up to five copies of that prescription to be issued at any time. Previously only three copies could be issued.

**THE HEALTH SERVICE (MEDICAL APPLIANCES)
(AMENDMENT) (NO. 2) REGULATIONS, 1999**

EXPLANATORY NOTE

These Regulations further amend the Health Service (Medical Appliances) Regulations, 1990, as amended, by increasing the charges payable to authorised appliance suppliers in Guernsey and Alderney by persons supplied with Part I, II or III medical appliances who are not exempt from such charges.

These Regulations also amend the previous Regulations to allow one original prescription and up to five copies to be issued at any time for Part I and Part II appliances. Previously only three copies could be issued.

**THE INCOME TAX (GUERNSEY) (VALUATION OF BENEFITS IN KIND)
REGULATIONS, 1999**

In pursuance of the provisions of section 203 of the Income Tax (Guernsey) Law, 1975, I lay before you herewith the Income Tax (Guernsey) (Valuation of Benefits in Kind) Regulations, 1999, made by the States Income Tax Authority on the 18th November, 1999.

EXPLANATORY NOTE

The Income Tax (Emoluments Amendments) (Guernsey) Law, 1995 lays down the basis on which income tax is chargeable in respect of benefits provided to individuals as a consequence of their offices or employment.

In the case of benefits arising during 2000 from the use of something, but without a transfer of ownership, the amounts chargeable to tax are to be determined in accordance with these Regulations.

These Regulations divide benefits into three categories, that is benefits arising from:

- (a) the use of a motor vehicle;
- (b) the use of land and the provision of accommodation;
- (c) the use of other assets.

THE WATER CHARGES ORDER 1999

In pursuance of the provisions of Article 17(6) of the Law entitled "Loi ayant rapport à la Fourniture d'Eau par les États de cette Île aux Habitants de la dite Île" I lay before you herewith the Water Charges Order 1999 made by the States Water Board on the 18th November, 1999.

EXPLANATORY NOTE

This Order varies the charges which may be made for the supply of water, slightly reducing the quarterly standing charge in respect of properties supplied by measure through 15mm ($\frac{1}{2}$ ") meters and increasing the remaining charges by amounts not exceeding the rate of inflation since March 1996 taking into account increases already levied. The new charges come into effect on 1st January 2000 and will be levied on quarterly accounts rendered on and after 1st April 2000.

**THE FISHING (MINIMUM SIZE AND PRESCRIBED SPECIES)
(AMENDMENT) ORDER, 1999**

In pursuance of the provisions of section 26 (1) (c) of the Fishing Ordinance, 1997, I lay before you herewith the Fishing (Minimum Size and Prescribed Species) (Amendment) Order, 1999, made by the States Sea Fisheries Committee on the 23rd November, 1999.

EXPLANATORY NOTE

This Order constitutes a revision of certain permitted minimum shellfish and fish landing sizes.

The measures decided upon reflect changes to UK national conservation measures for shellfish and additional conservation measures recommended by the Sea Fisheries Committee and the Guernsey Fishermen's Association.

THE SOCIAL INSURANCE (BENEFITS) (MISCELLANEOUS PROVISIONS) REGULATIONS, 2000

THE SOCIAL INSURANCE (CLAIMS AND PAYMENTS) (AMENDMENT) REGULATIONS, 1999

THE SOCIAL INSURANCE (CONTRIBUTIONS) REGULATIONS, 2000

THE SOCIAL INSURANCE (INCREASE OF BENEFITS) REGULATIONS, 1999

THE SOCIAL INSURANCE (MARRIED WOMEN AND WIDOWS) (AMENDMENT) (NO. 2) REGULATIONS, 1999

THE SOCIAL INSURANCE (RESIDENCE AND PERSONS ABROAD) (AMENDMENT) REGULATIONS, 1999

THE SOCIAL INSURANCE (UNEMPLOYMENT, SICKNESS AND INVALIDITY BENEFIT) (AMENDMENT) (NO. 3) REGULATIONS, 1999

THE SOCIAL INSURANCE (WIDOW'S BENEFIT AND OLD AGE PENSIONS) (AMENDMENT) REGULATIONS, 1999

In pursuance of the provisions of section 117 of the Social Insurance (Guernsey) Law 1978, as amended, I lay before you herewith the following Regulations made by the Guernsey Social Security Authority on the 2nd December, 1999:-

THE SOCIAL INSURANCE (BENEFITS) (MISCELLANEOUS PROVISIONS) REGULATIONS, 2000

EXPLANATORY NOTE

These regulations have been extensively revised to reflect the changes to maternity benefits, have been renumbered and are reissued in their entirety. They also contain miscellaneous provisions relating to death grant, guardian's allowance, child's special allowance, travelling allowance grant and limited medical benefit, to the adjusting of personal benefit where other personal benefit is payable and of dependency benefit where other dependency benefit is payable; and to the forms of medical certificate required to be produced in claiming certain benefits as evidence of incapacity, of personal injury or a prescribed disease, or of confinement or expected confinement.

THE SOCIAL INSURANCE (CLAIMS AND PAYMENTS) (AMENDMENT) REGULATIONS, 1999

EXPLANATORY NOTE

These regulations reflect the reform of maternity benefits brought about by changes to the Social Insurance Law by replacing complex provisions about the time limits for making claims to benefits with a simple limit of three months.

THE SOCIAL INSURANCE (CONTRIBUTIONS) REGULATIONS, 2000

EXPLANATORY NOTE

These regulations cover all aspects of the assessment and collection of contributions, the award of contribution credits for persons receiving benefits for incapacity, maternity and unemployment, and the exception of certain classes of people from liability to pay contributions.

Although some minor changes have been incorporated to reflect the changes to maternity benefits and transitional provisions have been removed which are no longer of value, the regulations are substantially identical to those previously in force, but the opportunity has been taken to incorporate the 26 amendments that have been made since 1978 into one continuous text.

THE SOCIAL INSURANCE (INCREASE OF BENEFITS) REGULATIONS, 1999

EXPLANATORY NOTE

These regulations increase the remaining benefits in line with the general increase in benefit rates approved by the States on 29th September, 1999.

**THE SOCIAL INSURANCE (MARRIED WOMEN AND WIDOWS)
(AMENDMENT) (NO. 2) REGULATIONS, 1999**

EXPLANATORY NOTE

These regulations delete references to widow's allowance which has now been replaced by a lump sum grant.

**THE SOCIAL INSURANCE (RESIDENCE AND PERSONS ABROAD)
(AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These regulations amend the existing provisions to allow sickness benefit, in exceptional circumstances, to continue to be paid during temporary periods of absence from the Island for reasons other than medical treatment. The amendment does not affect the rule that benefit cannot be paid for persons falling ill whilst temporarily absent from Guernsey until their return to the Island.

In relation to maternity allowance, the regulations provide for that benefit, once payable, to continue to be paid whether or not the claimant is present in Guernsey.

Regulation 1 amends an existing provision to remove the possibility of misinterpretation in regard to the contribution liability of Class 2 and 3 contributors absent from the Island.

**THE SOCIAL INSURANCE (UNEMPLOYMENT, SICKNESS AND INVALIDITY
BENEFIT) (AMENDMENT) (NO. 3) REGULATIONS, 1999**

EXPLANATORY NOTE

These regulations remove the provision that a woman in receipt of maternity allowance is deemed to be incapable of work. This is a consequence of the changes to maternity benefits, under which a woman may choose to claim maternity allowance for any period of 18 weeks in the period commencing 11 weeks before the week her confinement is expected and ending 17 weeks after the confinement took place. The Schedules increase the reduced rates of sickness, invalidity and unemployment benefits in line with the general increase of benefit rates agreed by the States on 29th September, 1999

**THE SOCIAL INSURANCE (WIDOW'S BENEFIT AND OLD AGE PENSIONS)
(AMENDMENT) REGULATIONS, 1999**

EXPLANATORY NOTE

These regulations provide for the crediting of a contribution to a man receiving widowed parent's allowance, specify the reduced rates of survivor's grant payable where the contribution conditions are not met in full, and increase the rates of the remaining benefits in line with the general increase of benefit rates approved by the States on 29th September, 1999.

**THE CRIMINAL JUSTICE (PROCEEDS OF CRIME)
(BAILIWICK OF GUERNSEY) REGULATIONS, 1999**

In pursuance of the provisions of section 54(1)(c) of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, I lay before you herewith the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Regulations, 1999, made by the States Advisory and Finance Committee on the 7th December, 1999.

EXPLANATORY NOTE

These Regulations prescribe for the purposes of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999:-

the identification procedures, record-keeping procedures, internal reporting procedures and training procedures to be established and maintained by financial services businesses;

guidance which the Court shall take into account in determining whether any person has complied with a duty or requirement imposed by or in pursuance of the Regulations, being guidance which, in the opinion of the Court, is relevant to the duty or requirement in question and which has been issued or approved by the Guernsey Financial Services Commission; and

an amendment to the Schedule to the Law in respect of paragraphs 2 and 3.

**THE INCOME TAX (PENSIONS) (CONTRIBUTION LIMITS AND TAX-FREE
LUMP SUMS) REGULATIONS, 1999**

In pursuance of the provisions of section 203 of the Income Tax (Guernsey) Law, 1975, as amended, I lay before you herewith the Income Tax (Pensions) (Contribution Limits and Tax-free Lump Sums) Regulations, 1999.

EXPLANATORY NOTE

Individuals who are residents of Guernsey are permitted, under the Income Tax Law, to contribute to Retirement Annuity Schemes or Retirement Annuity Trust Schemes which provide personal pensions upon retirement. The Income Tax Authority is empowered, under the Law, to make Regulations which, amongst other things, lay down the limits of contributions which are permitted.

These Regulations:

- lay down the limits of contributions and mean that with effect from 1st January, 2000, individuals are able to contribute up to the maxima shown;
- limit the total of tax free lump sum payments which may be made from an approved occupational pension scheme or an approved annuity scheme; and
- give an entitlement to carry forward the amount of any qualifying unused contributions for 1994, 1995, 1996, 1997, 1998 and 1999 for utilisation in 2000.

A. C. K. DAY

Deputy Bailiff and Deputy President of the States

The Royal Court House,
Guernsey.
The 7th January, 2000.

APPENDIX I

STATES EDUCATION COUNCIL

AMHERST INFANTS' SCHOOL VALIDATION REPORT

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

29th November, 1999.

Sir,

Amherst Infants' School Validation Report

I enclose two copies of the summary of the validation report and Council's response for the above school. I have the honour to request that you will be good enough to arrange for this to be published as an appendix to the Billet d'État for January.

The Council took the decision at its last meeting that it would no longer publish the full report, although copies will be made available for any member of the public to inspect at both the school and the Education Department.

I am, Sir,
Your obedient Servant,
M. A. OZANNE,
President,
States Education Council.

SUMMARY OF THE VALIDATION REPORT

AMHERST INFANT SCHOOL

Amherst Infant School is situated in the north of St. Peter Port, and has a mixed, town catchment area.

It is a three form entry school. There are 202 pupils on roll, made up of 115 boys and 87 girls, aged from 4 to 7.

They are taught by 11 full-time staff, including the headteacher, and 1 part-time teacher.

There are 9 classes with an average class size of 22 and a pupil/teacher ratio of 18.3 : 1.

At the age of 7 pupils transfer to the adjacent junior school on the same site.

Background

The school was visited by a validation team of 5 inspectors during the week of April 26th 1999. The school provided a range of documentation in advance of the inspection, having spent a year on a variety of self-evaluation activities.

During the inspection all classes and teachers were visited. Planned discussions were held with teaching and non-teaching staff. Informal discussions were held with pupils and their current and previous work was scrutinised. The 88 replies to a parental survey were analysed. Observations and recommendations were discussed with the headteacher and appropriate staff during the week and a report was made to the Director of Education.

Main Findings

* The headteacher and her senior management team have successfully established a calm and orderly working environment in which children feel secure and valued, and where parents are made welcome.

* The returns from the parental questionnaire reveal widespread support for the school's aims and work, and good relationships with the local community. The headteacher operates an effective 'open door' policy, and both she and the secretary devote much time to dealing with a wide range of issues.

* The school's self-review process was well led and organised, and staff worked hard and successfully to identify current strengths and future needs. There is now a secure basis for further development.

* During the week, 66 lessons were observed as well as school assemblies. Of these, 85% were deemed to be satisfactory, with 17% being good. Lessons with some shortfalls in the teaching and learning amounted to 15%.

* The school curriculum is broad and appropriately balanced to meet current needs. All subjects of the National Curriculum (Guernsey) are taught. Time is included each day for teaching

literacy and numeracy, and sound preparation has been made for the introduction of the National Literacy Strategy.

* There is a good range of curriculum policies and schemes of work for most subjects. The drafts for history, geography and RE are of good quality. The school rightly intends to update some schemes of work, particularly in the light of QCA documentation.

* Teachers work hard at planning within their year teams. Further work is needed to link long and medium term plans and to strengthen the assessment and evaluation of outcomes.

* On entry to the school, there is a wide variation in pupils' abilities, although most are below the average for the island. Pupils make sound progress during their time in the school. In the 1998 Standard Assessment Tests (SATs) the percentage of pupils at KS1 achieving levels 2 and 3 was below the average for the island and the UK in reading, writing, spelling and mathematics. There has been a general percentage improvement in these subjects since the 1997 tests.

* As part of the literacy strategy to improve standards, targets for reading and writing have been agreed for the next three years.

* There is a helpful whole school policy which establishes clear systems for assessment, recording and reporting. However, these need to be implemented and monitored more consistently. The school is at an early stage of using portfolios of pupils' work as an aid to marking and deciding levels of attainment.

* The process of monitoring and overseeing classroom work on a regular basis has been strengthened by the VSSE activities. Continued development of the monitoring roles of the senior management team and of subject co-ordinators will be necessary to maintain progress. A re-organisation of pupils' workbooks and folders would make it easier for staff to track individual progress and attainment. Work is marked regularly, and many pupils benefit from the system of 'Impact' homework.

* The school makes good provision for children with special needs, and there is effective liaison between the SENCO, teachers, classroom assistants, and the learning support service. The school is rightly seeking to ensure that the needs of the most able children are fully met.

* The school ethos provides a supportive learning environment. Good provision is made for the social, moral and cultural development of pupils. Spiritual development is sound.

* The school places great emphasis on providing support and guidance for pupils and ensuring their welfare. There is good liaison with the external support agencies. The attendance of most pupils is good, with a school average of around 94%.

* Most children behaved well during the validation week. There is a helpful school behaviour policy, and relationships within the school are good. A few children who display particularly difficult behaviour are well managed. The quality of teaching and learning would be further enhanced by monitoring to ensure the more consistent application of the behaviour policy and of successful classroom management strategies.

* The school development plan contains a concise statement of the school's philosophy and aims. Priorities include early years development, the introduction of the literacy hour and the completion of the audit and self-review.

* The school rightly intends to strengthen its systems of internal communication, to clarify the roles of senior management and to facilitate the work of subject co-ordinators.

* The school is well staffed to deliver the requirements of the National Curriculum (Guernsey). Teaching and non-teaching staff are conscientious, hard working and willing to develop their skills through relevant in-service training.

* The accommodation is used effectively, and the school is well cleaned and maintained. There are adequate resources to support the teaching and learning, although further development is needed in information and communication technology (ICT) and in design technology (DT).

* The school's financial systems are sound, with good oversight provided by the school secretary and headteacher. Subject co-ordinators have yet to take full responsibility for their budget areas and for evaluating the outcomes of spending decisions.

Key Issues that the School Needs to Address

* In order to maintain the momentum provided by the positive initiatives undertaken during the period of self-review, the headteacher and staff need to :

- strengthen classroom practices through well planned in-service training activities in selected curriculum areas;
- establish a staff development policy;
- enhance and facilitate the role of subject co-ordinators;
- strengthen the regular monitoring and review of work in classrooms by the senior management team and subject co-ordinators;
- make sure that the needs of the most able pupils are fully met;
- ensure the consistent application of agreed school policies.

The school is responsible for drawing up an action plan after receiving the report, showing what it is going to do about the issues raised and how it will incorporate them in the school's Development Plan. A follow-up visit to the school will be made in the summer of 2000 in order to monitor and discuss progress, and a written report will be made to the Director of Education.

Addendum

1) Validation Team

The validation team consisted of:

Dr. Graham Wilson	- OFSTED Inspector, UK
Mrs. Marion Dowling	- OFSTED Inspector, UK
Mr. Ivan McNally	- OFSTED Inspector, UK
Ms. Anne Curzons	- Jersey Validator
Ms. Caryn Stone	- Jersey Validator

2) Full Report

A copy of the full report is available for inspection, either from the school or from the Education Department.

STATES EDUCATION COUNCIL

RESPONSE TO THE VALIDATION REPORT

ON

AMHERST INFANT SCHOOL

The Education Council and Amherst Infant School staff welcome and accept the Validation Report of April 1999. It is pleasing to note that the school's self review process was deemed to be successful and that it provides a secure basis for further development.

The staff are pleased that recognition has been given to the calm and orderly working environment in which the children feel secure and valued, and where there is widespread parental support for the school.

The report identifies the fact that the school curriculum is broad, appropriately balanced, and supported by a good range of curriculum policies and schemes of work for most subjects. It is noted that the pupils make sound progress during their time in the school.

The staff will be working diligently to address the areas for development through the school's action plan or through the on - going review processes. Indeed, many of the issues raised have already been addressed and implemented into current practice.

In order to maintain the positive initiatives undertaken during the self review, the headteacher and staff intend to develop processes which:

strengthen classroom practices through well - planned INSET activities;
strengthen the regular monitoring and review of work in classrooms by the senior management team and subject co-ordinators;
ensure the needs of the most able pupils are fully met.

The staff of the school have worked extremely hard during the validation process and now have a clear path ahead for the continued development and enhancement of their pupils' learning.

APPENDIX II

STATES EDUCATION COUNCIL

ST. MARTIN'S PRIMARY SCHOOL VALIDATION REPORT

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

6th December, 1999.

Sir,

St. Martin's Primary School
Validation Report

I enclose two copies of the summary of the validation report and Council's response for the above school. I have the honour to request that you will be good enough to arrange for this to be published as an appendix to the Billet d'État for January.

Copies of the full report will be made available for any member of the public to inspect at both the school and the Education Department.

I am, Sir,
Your obedient Servant,
M. A. OZANNE,
President,
States Education Council.

SUMMARY OF THE VALIDATION REPORT

ST. MARTIN'S PRIMARY SCHOOL

The school is situated in St. Martin's, and the catchment area is from the whole of the parish.

It is a three form entry school. There are 507 pupils on roll, made up of 270 boys and 237 girls, aged from 4 to 11.

They are taught by 22 full-time staff, including the headteacher, and 2 part-time teachers. There are 21 classes with an average class size of 24.1 and a pupil/teacher ratio of 22 : 1.

Background

The school was visited by a validation team of 6 inspectors during the week of June 21st 1999. The school provided a wide range of detailed documentation in advance of the inspection, having spent a year on a variety of well planned self-evaluation activities.

During the inspection all classes and teachers were visited. Planned discussions were held with teaching and non-teaching staff. Informal discussions were held with pupils and their current and previous work was scrutinised. The 223 replies to a parental survey were analysed. Observations and recommendations were discussed with the headteacher and appropriate staff during the week and a report was made to the Director of Education.

Main Findings

- * St. Martin's is a good school with many excellent features.
- * The school is very well led by an able and experienced headteacher, who receives good support from his deputy and senior management team, and from a committed and hard working staff.
- * The self-evaluation exercise was organised and managed in a very professional manner and carried out with commendable rigour.
- * The self-review statements are founded upon a secure evidence base and in most cases the school's judgements receive endorsement from the validation team. The school is aware of its strengths and development needs, and is well placed to make further progress.
- * The curriculum is broad and balanced, and includes the literacy hour throughout the school and French in Y5 and Y6. There are good practices in assessment, recording and reporting which are being reviewed and strengthened. Children in the reception classes receive a good start to their education. Pupils benefit from a wide range of extra-curricular activities.
- * The school is well documented, with clear aims and policies, and a relevant school development plan. Some schemes of work are awaiting updating and completion.
- * During the week, 96 lessons were observed, in addition to assemblies. Of these, 90% were deemed to be at least satisfactory, and a commendable 56% were judged to be good or excellent.
- * Good attention has been paid to long, medium and short term planning, with many lessons having clear learning objectives which are shared with the children.

- * Most lessons are characterised by good pace, warm relationships and high expectations of work and behaviour. Examples of effective teaching and purposeful learning were observed in all subject areas and throughout the school. Work is particularly strong in the core subjects of English, mathematics and science.
- * Pupils are attaining good standards in most subjects of the NC(Guernsey). National Curriculum Attainment Test results have improved steadily over the last three years, and pupils' scores are well above the national average for the UK.
- * In the few lessons where there were shortfalls in the teaching and learning, classroom planning and management were weak and children did not listen attentively or remain on task. There were insufficient opportunities for investigative work and the most able children were not stretched.
- * Pupils with special educational needs receive good support and are making sound progress.
- * More in-class support is needed for children with behavioural problems, and the use of individual education plans could usefully be extended to include the higher attaining.
- * The school makes good provision for the spiritual, moral, social and cultural development of its pupils, and children respond well to the opportunities provided.
- * Throughout the week, children displayed high levels of behaviour and courtesy. Attendance is very good at around 96%. Children enjoy school.
- * Relationships with parents and the community are a strength of the school. Communications are good, and parents support the school in many positive ways. The returns from the parental questionnaire (Appendix A) reveal a very high degree of satisfaction with all aspects of the school's work.
- * The quality of internal communication is good, and there is a regular pattern of well planned meetings at senior, co-ordinator and whole staff levels. The school is seeking to strengthen its practices in monitoring classroom activities and progress.
- * A significant feature of the school is its active encouragement of staff professional development. Roles and responsibilities are clear, and staff are involved in a good range of in-service training activities.
- * The school's accommodation is light and spacious and is enhanced by lively displays of pupils' work. The building has been skilfully adapted to create sufficient administrative and teaching spaces, with nearby or adjoining practical areas. Car parking facilities are limited.
- * Finances have been carefully targeted to ensure that there are sufficient, good quality resources to support the teaching and learning. Additional resources are needed for ICT, art and geography.
- * The school budget is sensibly allocated in line with the agreed priorities of the annual development plan. Financial systems are secure, with a good oversight of spending.
- * Taking account of contextual matters, such as the children's ability levels on entry to the school, the progress they make, the school's willingness regularly to review its work, the high quality of leadership, its development planning, the quality of teaching and learning, and the effective use of available staffing, accommodation and learning resources, the school is providing very good value for money.

Key Issues that the School Needs to Address

* In order to sustain progress and the existing good levels of teaching and learning, the validation team endorses the school's intentions to :

- strengthen the roles of subject co-ordinators through more time for monitoring activities, and ensure more consistency in departmental planning and meetings;
- improve ICT provision and competency;
- provide more opportunities for investigative work, and the extension of the high attaining pupils;
- continue to improve planning and assessment procedures;
- complete the necessary provision and updating of schemes of work.

The school is responsible for drawing up an action plan after receiving the report, showing what it is going to do about the issues raised and how it will incorporate them in the school's Development Plan. A follow-up visit to the school will be made in the summer of 2000 in order to monitor and discuss progress, and a written report will be made to the Director of Education.

STATES EDUCATION COUNCIL
RESPONSE TO THE VALIDATION REPORT
ON
ST. MARTIN'S PRIMARY SCHOOL

The Education Council and St. Martin's Primary School staff welcome and accept the Validation Report of June, 1999. It is particularly pleasing to note that the school's self - review is, in the main, endorsed by the Validation Team.

The staff are pleased that recognition has been given to the fact that St. Martin's is a good school with many excellent features. The children attain good standards and enjoy school, having warm relationships with their teachers. Relationships with the parents and the community are also seen as a strength.

It is also noted that the school is well led by the headteacher, who is ably supported by his senior management team. In addition, the staff are to be commended on the number of lessons that were deemed to be good or excellent. The professional development of staff was also seen as a strength.

The school agrees with the proposals in the Report and will now take the necessary steps to ensure that the future development continues in a positive fashion. Thus, in its Action Plan, key issues to be addressed include:

- * strengthen the curriculum leadership and monitoring roles of curriculum co - ordinators;

- * provide more opportunities for investigative work, and the extension of the high attaining pupils.

Finally, the school feels that it can approach the new Millenium with confidence, and will continue to ensure that its pupils receive a quality education.

APPENDIX III

STATES EDUCATION COUNCIL

ELIZABETH COLLEGE – PRINCIPAL'S REPORT FOR 1998/99

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

2nd December, 1999.

Sir,

Elizabeth College - Annual Report 1998/99

I have pleasure in forwarding to you the Annual Report of the Principal of Elizabeth College, for the academic year 1998/99. I should be grateful if you would publish it as an Appendix in a forthcoming Billet d'État.

I am, Sir,
Your obedient Servant,
M. A. OZANNE,
President,
States Education Council.

The Principal's Annual Report of the general state of the College, the number of scholars and the course of education pursued in the academic year 1998/9 addressed to the Board of Directors of Elizabeth College.

For onward transmission by them to His Excellency, the Lieutenant Governor, Vice Admiral Sir John Coward, K.C.B., D.S.O. and to the Bailiff of Guernsey, de Vic G. Carey, Esq.

PRINCIPAL'S REPORT

This last year saw College take dramatic steps on the road to change and development. We did so because of a feeling among the Directors and the Senior Management Team that we needed to take stock of our position as a provider of education and begin to map out our route for school improvement.

Such a statement is, of course, open to misinterpretation. It may be perceived as a criticism of previous practice. That is far from the case. What we have done is to recognise that even if the College were an educational oasis, it would still be our duty to ask people to rethink and reevaluate what it was that they were doing; to urge them to move on from where we were. Individually and institutionally, we must all change and develop. Nowhere is that more important than in the world of education. Of course, schools need to offer secure environments in order for children and teachers to thrive; the paradox is that there needs as well to be challenge and uncertainty. We ought to be confident, but we mustn't be comfortable. Our best students characterise themselves by their critical analysis, their search for stimulus, their reluctance to accept things on face value, their quest to do better. As an institution, we need to manifest the same traits.

It so happened that last year there were, as well, external factors that acted as an inducement to evaluate the role of Elizabeth College as one of the facets of the island education system. The fundamental question we asked ourselves was *Just how secure are we as an institution - and how secure should we be?* The fact that we have held, for centuries, a privileged and significant place in the provision of education on this island is, in itself, no guarantee of our future. And nor should it be. Elizabeth College should survive - and thrive - because it deserves to. Because it offers to a substantial number of young men a conspicuously better education than they can find elsewhere on the island. If College cannot do that, then the rationale for its very existence comes into question.

As a result of our review, we have made the following changes in policy and practice:

- For practical, as well as pedagogical reasons, we move to longer teaching periods - forty-five minutes instead of thirty-seven - and a different shape to the school day. In recognition of the age differential, younger boys will have a slightly less demanding school day and instead of a seventh lesson will have, on three days each week, the opportunity to take part in voluntary activities or attend a homework club.
- We now offer, in our GCSE programme, a wider choice of subjects to students by introducing Business Studies, Information & Communication Technology and Physical Education.
- We have moved, as far as is possible, to a more flexible system of grouping students by ability. On the one hand, we recognise that wholesale mixed-ability teaching is unlikely to be productive in a situation where the span of individual potential is as wide as it is at College. On the other hand, we wish to avoid pigeon-holing some of our students as

bottom set boys as early as the age of twelve - knowing that they will stay with that tag (and sometimes live down to it!) until the age of sixteen. As far as is possible, within the constraints of the schedule, we shall, therefore, try to allow individual departments the opportunity to determine the best means of grouping their students. In some subjects - such as P.E. or Art or Design Technology - that may mean that mixed ability is the preferred option; in others, departments may wish to have an upper band of forty students forming two classes and a lower band of thirty students forming two classes. In others, a department may look to a large upper set and three other classes of broadly mixed ability. Some may choose a top set, a foundation set and two mixed ability classes in between. The alternatives are endless and should help us to target more exactly the needs of individual students without the rigidity or stigmatisation of the A,B,C,D structure.

- We have seen the introduction of a Personal, Social and Health Education programme - or Life Skills, as we choose to call it - in which we can explore issues of real significance to our students in terms of their growth and development as young men.
- We shall be moving to a horizontal system of pastoral care with Year Heads responsible for a group of boys in one particular age group. College's success, in large part, can be measured by the impact we have on the behaviour, discipline and work habits of our boys. The Life Skills course and the new Year Heads will have, as their prime responsibility, to deal with these issues.
- We have made a significant investment in Information and Communication Technology. This has allowed us to refurbish one of our two laboratories and equip it with state of the art PC's operating on a *Thin Client* system. Thanks to a generous sponsorship we have also provided a dozen computers for the Library and Manchester Room, so that all boys will have ready access to Information and Communication Technology.
- The biggest change is taking place at the top end of the College. You may be aware of the frankly chaotic state of affairs in post 16 education in terms of the introduction of the new AS Levels. As yet, many of the new syllabi or specifications our present Year 11/Fifth Form boys will follow next year are either not available or only available in draft form. Assessment procedures are undefined. The currency or value of the AS Levels in terms of how universities and future employers will view them is undetermined. The significance of the Key Skills component and the usefulness of the unfortunately named World Class Tests are as yet unclear. The impact on students and schools as more and more examinations feature within the school year seems not to have been thought through. Certainly the number of students taking linear courses with one terminal examination at the end of two years will be almost negligible within a few years. What that will mean is that for three consecutive years, in Fifth, Lower Sixth and Upper Sixth, students will be taking critical, life-shaping examinations - a situation exacerbated by the ever-increasing coursework demands at GCSE and A Level. Has anyone considered the psychological implications for young people in terms of increased stress levels? Or indeed the implications for teachers? And what about those activities that traditionally rely on the participation of the Lower Sixth? The School Play? The Sports Teams? Young Enterprise? How ready will our Lower Sixth boys be to participate in these events if they are facing five module examinations in May and June? But there are financial issues that are, in

their own way, at least as significant as those concerning educational philosophy or administration. Although it will still be acceptable, for the foreseeable future, for students to take three A Levels, more and more will find themselves taking three A Levels plus one or two AS Level courses. That will have two immediate impacts on schools: more teaching time to be found and paid for; the need for a greater range of subjects from which the students can choose - which will also have to be paid for. I was at a Headmasters Conference meeting in June where it was posited by the head of one of Britain's major public schools that, within five years, those schools whose sixth forms, Upper and Lower combined, were smaller than 200 would no longer be able to compete in the market place. They would have neither the flexibility of staffing nor the economies of scale to be able to provide the additional teaching or the choice to remain attractive to students in the light of competition from, say, the sixth form college down the road. Elizabeth College without a sixth form is not viable. How many of our very best teachers would wish to stay if there were no opportunity for sixth form teaching? What would happen to our sports programme without any senior teams? Without a sixth form, we would no longer be members of the Headmasters Conference. Most importantly, we would no longer be able to point out our senior students to prospective parents and say "That is the product of our education. That is why you are choosing to send your son to Elizabeth College."

- Certainly, all of this formed part of my thinking when Miss Macdonald and I began discussions to lead to a partnership between Ladies College and Elizabeth College at sixth form level. Of course there has, for some time, been limited cooperation with one or two of our students going to Ladies College to do, say, German while one or two girls came to College to do, say, Latin. As of this academic year we are offering joint courses that will involve up to thirty students. Next year, we are offering to our students a vastly increased range of subjects. Apart from our traditional academic menu, students will have the opportunity to study such subjects as Government and Politics, Information and Communication Technology, Film Studies, Italian, Photography, Psychology, Music Technology and Classical Greek. We have to realise, we do realise, that the curriculum itself has broadened and changed. We can no longer assume that students will always be content with the spread of A Level alternatives that we have traditionally offered. To some extent, at least, we have to respond to what our boys want. Of course, we can never be all things to all men and offer every conceivable A Level specification. Practically, financially, that is not feasible. Nor would it be educationally sound to chase every curricular whim with courses appearing and disappearing over night. But we do have to be sensitive to the fact that parents and boys are clients of the College, and the service we provide must be relevant to their needs as well as to our own. The new sixth form partnership, though, is much more than about administrative convenience or financial efficiency or flexibility of choice. We have in our two Colleges genuine talent among the sixth form teachers. How much better they will be when they work in tandem and build on their strengths and use each other's experiences to overcome areas of weakness. Both Colleges are in the business of preparing young men and women to leave the island and make their way in a university many miles from their home. How much better will those

young men and women be prepared for their new learning environment if they spend their sixth form years in a mature mixed environment rather than being segregated. Together, Elizabeth College and Ladies College become major players in post sixteen education on the island and thus secure their futures.

- We are not simply focusing attention on the Upper School. Schools improve from the bottom up and not from the top down. If we wish to make a real impact on quality, then we must be prepared to invest time and energy in Beechwood and Acorn House. Acorn House has, of course, been the College success story in recent years. We have extended our programme there with the introduction of a coeducational Preschool Class for children aged three to four. The expansion into Preschool education will not only provide a wider service to our community, it should also broaden our client base and prepare the way for significant growth in future years. We are also devoting considerable attention to the future of our Prep School, Beechwood. Beechwood provides College with fifty per cent of its intake. If we allow Beechwood to wither away through lack of investment and imagination, then College jeopardises its own future.

People have remarked to me that, had Elizabeth College been sited on the mainland, then either it would be a vastly different institution today or it would be defunct. How true that is, I don't know. What I can say for sure is that on the mainland, independent schools can no longer be content to follow the well-trodden paths of yesterday. Competition is fierce over there and schools survive because they sell themselves to their clients. They sell excellence. And because that level of excellence is continuously being challenged by their competitors, standards are constantly being revised and raised. In the meantime, we sit here in the security of our island home and move along at our own rhythm, with our own sense of pace and progress. There is a lot to be said for that. One of the charms of Guernsey is that it avoids much of the freneticism of the mainland. But there is a downside, too, and that is the temptation to be too conservative, too cautious, too easily content in our vision of the quality of education that we must provide. I have never found *adequate* or *satisfactory* or *as good as* to be inspiring targets.

NUMBERS AND ENTRY

	<u>Entries to College</u>		<u>Numbers at College</u>	
	<u>1998/9</u>	<u>1999/2000</u>	<u>1998/9</u>	<u>1999/2000</u>
<u>Acorn House</u>				
Reception	15	17	15	17
Form I	1	1	15	17
Form II	<u>1</u>	<u>0</u>	<u>17</u>	<u>18</u>
	<u>17</u>	<u>18</u>	<u>47</u>	<u>52</u>
<u>Beechwood</u>				
Form 1	27	24	38	24
Form 2	0	1	20	38
Form 3	4	0	35	20
Form 4	<u>2</u>	<u>1</u>	<u>35</u>	<u>36</u>
	<u>33</u>	<u>26</u>	<u>128</u>	<u>118</u>
<u>Upper School</u>				
Form I	49	39	88	70
Form II	1	2	76	85
Form III	2	1	73	74
Form IV	3	0	67	70
Form V	0	1	77	67
LVith	5	2	60	47
UVith	<u>0</u>	<u>0</u>	<u>72</u>	<u>54</u>
	<u>60</u>	<u>45</u>	<u>513</u>	<u>467</u>

ACADEMIC ACHIEVEMENTS

Amendment from last year's annual report should have read: 'A place to read Law at Clare College, Cambridge University for 1997 was obtained by P. D. Rowland

J.D. Rowland was successful in gaining a place at New College, Oxford to read Human Sciences commencing October 1998.

The following were successful in obtaining places at Cambridge University for this year:

M.R. Harbour at Peterhouse College, to read Mathematics

M.G.P. Strother at St. John's College, to read Modern History.

A place to read Chemistry at Balliol College, Oxford was obtained by A.M. Nightingale.

The following awards were made by the Board of Directors to those at present attending university:

Mainguy Scholarships to O.P. Bartlett reading Engineering at Trinity Hall, Cambridge. S.C. Rodger reading Mathematics at Warwick University. J.C. Surcombe reading Mathematics and Computer Sciences at St. John's College, Cambridge.

Mansell Exhibitions to G.E. Hurdman reading Engineering at Newcastle University. H.W.G. Lewis-Jones reading Geography at St. John's College, Cambridge and R.E. Trestain reading Zoology at Nottingham University.

A Mignot Scholarship to P.R. Rowland reading Law at Clare College, Cambridge.

M.R. Harbour was awarded a Rothschild Guernsey Open Studentship.

STAFF APPOINTMENTS

Mr.M.A. Egan teaching Business Studies and Economics. He joined us from The Haberdashers' Aske's School in Elstree.

Mr. L. Hudson teaching Information and Communication Technology. He joined us from Les Beaucamps School.

Mrs. Maureen Moss rejoins our Modern Language Department for two-terms.

Mr. I. P. Livingston teaching Chemistry. He joins us on a one-year contract.

INTERNAL APPOINTMENTS

Year Heads		Faculty Heads	
Year One	B.E.H. Aplin	Head of English	R.J.W. James
Year Two	M.E. Kinder	Head of Mathematics	R.H. Surcombe
Year Three	A.M. Jewell	Head of Science	J.R. Pedlar
Year Four	D.F. Raines	Head of Modern Languages	J.L. Romanillos
Year Five	B.W. Allen	Head of Humanities	C.R.W. Cottam
Lower Sixth	R.J.W. James	Head of Social Sciences	L.B. Grover
Upper Sixth	J.M. Hunter	Head of Fine Arts & Craft	M.S. Webb
		Head of Physical Education	D. Wray

OTHER MATTERS OF NOTE

In the Eisteddfod there were many successes. In the English Section 75 certificates were awarded out of those 7 were win Honours. C.E. Allen and A.J. Miller were both awarded Cups.

The following were prizewinners in the French Section:- N.S. Havard & L.M. Thibeault.

In the Music Section the following won their classes: B.P.D. Kirkby (Piano Under 18 – J.M. David Cup, Church Organ Under 18 – The N. Le C Bisson Cup); T.D. Horn (Violin Under 14 – The H. de la Mare Cup)

In the International Intermediate Maths Challenge J.D. Cranch was placed eighth. A tremendous achievement. Both Melvyn and Adrian Harbour sat a Senior Mathematics Contest both received Gold certificates and were accepted for British Mathematical Olympiad Round

1. Melvyn was accepted for the BMO Round 2. He just missed selection for the IMO training squad but he did extremely well.

The Christmas Concert and the Foundress's Day Concert were once more of an extremely high standard. For the third year running Mr. Harris composed a piece for the College Choir and the Beechwood Choir, accompanied this year by the String Orchestra, Organ and Flute.

The College play was "Sweeney Todd the Demon Barber." This unusual play was well supported by both cast and audience.

ELIZABETH COLLEGE**A/AS RESULTS 1998/9; SUBJECT GRADES**

No. of Boys in College aged 17 at 31.08.98 71

<u>GRADES ACHIEVED BY NUMBERS OF PUPILS</u>								
SUBJECT	NO. OF ENTRIES	A	B	C	D	E	N	U
Ancient History	6	0	1	1	1	2	0	1
Art & Design	8	0	0	4	4	0	0	0
Biology	7	2	1	2	1	1	0	0
Chemistry	9	1	2	1	2	1	2	0
Classical Civilisation	7	2	1	1	1	2	0	0
Technology	3	1	0	0	2	0	0	0
Economics	14	2	6	1	3	2	0	0
English	13	4	3	4	1	1	0	0
French	5	1	0	1	2	0	1	0
Geography	17	3	7	2	3	2	0	0
Graphics	16	1	1	4	2	6	1	1
History	12	5	3	1	1	2	0	0
Latin	1	0	0	1	0	0	0	0
Mathematics	36	11	8	2	9	2	3	1
Music	1	1	0	0	0	0	0	0
Further Mathematics	7	1	0	4	2	0	0	0
Physical Education	13	1	5	1	5	1	0	0
Physics	12	7	2	2	0	1	0	0
Totals	187	43	40	32	39	23	7	3

ANNEXE AELIZABETH COLLEGE

A/AS RESULTS, 1998 and 1999 : SUMMARY
% of pupils aged 17 at start of year achieving each score

PUPILS	0-4	5-9	10-14	15-19	20-24	25-29	30+	Av. Score
								Total Scores/ No. Pupils
Boys 1997/98 Total:	11	12	23	14	19	6	15	17.15
Boys 1998/99 Total:	5	17	21	11	16	17	13	19.10
Girls 1997/98 Total	0	0	67	0	33	0	0	14.66
Girls 1998/99 Total:	0	0	0	0	0	0	0	0
All Pupils 1997/8 Total:	10	12	25	13	20	6	14	17.04
All Pupils 1998/9 Total:	5	17	21	11	16	17	13	19.10

ANNEXE A

ELIZABETH COLLEGE**G.C.S.E. RESULTS 1998/9 : SUBJECT GRADES****1997/8 : RESULTS ACHIEVED BY FORM V**

NO: OF BOYS IN SCHOOL AGED 15 AT 24.04.99 : 77.

SUBJECT NO.OF ENTRIES **GRADES ACHIEVED BY NUMBERS OF PUPILS**

		A*	A	B	C	D	E	F	G	U
Art & Design	36	0	3	11	17	4	0	1	0	0
Biology	47	6	11	12	13	5	0	0	0	0
Chemistry	47	6	8	9	18	6	0	0	0	0
Class Civil.	17	0	4	9	3	1	0	0	0	0
Design & Technology (Graphics)	24	0	4	7	11	1	1	0	0	0
Design & Technology (Res.Mat)	6	2	1	2	1	0	0	0	0	0
English	77	2	15	25	28	7	0	0	0	0
Eng.Lit	64	7	18	28	8	3	0	0	0	0
French	77	4	11	23	16	17	5	0	0	0
Geog.	44	6	10	11	9	5	3	0	0	0
German	10	1	2	2	3	2	0	0	0	0
History	59	1	12	24	12	5	3	2	0	0
Latin	11	2	4	1	1	3	0	0	0	0
Mathematics	77	15	16	24	15	6	0	0	0	0
Music	3	0	2	1	0	0	0	0	0	0
Physics	47	9	11	9	15	3	0	0	0	0
Rel. Studies	9	0	4	2	2	1	0	0	0	0
Science Double	59	0	0	0	53	6	0	0	0	0
Spanish	9	1	5	2	1	1	0	0	0	0
Totals:	723	62	141	202	226	76	12	3	0	0

ANNEXE A**ELIZABETH COLLEGE****G.C.S.E. RESULTS 1998 AND 1999: SUMMARY****FIFTH FORM : PERCENTAGES**

PUPILS	Entered For 5+ GCSEs	Achieved 5+ A*-C Grades	Achieved 5 + A*-G Grades	Entered for 1+ GCSEs	Achieved 1 + A*-C Grades	Achieved 1 + A*-G Grades	No GCSEs achieved or sat
BOYS 1997/98 TOTAL	100	83.3	100	100	97.4	100	0
BOYS 1998/99 TOTAL	100	97.4	100	100	100	100	0
ALL PUPILS 1997/98 TOTAL	100	83.3	100	100	97.4	100	0
ALL PUPILS 1998/9 TOTAL	100	97.4	100	100	97.4	100	0

ANNEXE BPUPILS LEAVING ELIZABETH COLLEGE FOR SUBSEQUENT
ENTRY TO HIGHER EDUCATION

P.S. Adkins	Coventry University to read Business/Technology and Marketing.
J.W. Armsden	Lincoln University to read Media/Production.
M.P. Babbé	Oxford Brookes University to read Architecture.
J.S.W. Bell	Farnborough College of Technology to read Aerospace Engineering.
R.J. Bell	Oxford Brookes University to read Architecture.
I.R. Carre	Coventry University to read Construction Management.
N.A. Crispini	Art Foundation Course, Wimbledon.
B.J-P de Jersey Moore	Southampton University to read Biology.
G. Domaille	Southampton University to read Computer Science.
T. Eggimann	Bristol West of England University to read Accountancy
D.M.P. Garland	Bath University to read Sport and Ex.Science.
J.D. Geall	Royal Holloway College University of London to read Management.
A.J. Good	Worcester University to read Sport and Ex. Science.
M.A. Good	Exeter University to read Law.
A.L. Greenfield	Warwick University to read Law.
P.A. Groves	Warwick University to read Law.
S.M. Guilbert	East Anglia University to read History.
M.R. Harbour	Cambridge University to read Mathematics.
M.O. Jewell	Southampton University to read Computer Science.
B.P.D. Kirby	Bath University to read Mechanical Engineering.
J.D. Macrae	Leeds University to read Classics.
B.M. Molloy	Bristol West of England University to read Accountancy.
J.A. McInnes	Nottingham University to read Physics with European Language.
T.W. Murrin	Kingston University to read Sociology.
J. Le C. Nicolle	Warwick University to read Microbiology.
A.M. Le C Nightingale	Oxford University to read Chemistry.
L.F.J.M. Noel	Glasgow University to read Psychology/Sports Science.
M.J. Oliphant	Sheffield University to read Modern History/Politics.
J.P. Osborn	Bath University to read Material Science.
L.F. Parks	Bradford University to read Defence & Security Studies.
C.J. Parrott	Keele University to read Finance/Management Science.
E.K. Perrot	Portsmouth University to read Finance.
A.D. Pointon	Birmingham University to read Mathematics.
S.P. Queripel	Bristol West of England University to read Accounting.
A.G. Riley	Nottingham University to read Physics with Languages.
E.N. Riley	Bristol West of England University to read Sociology.
L.C. Roffey	London School of Economics to read Law.
R.F.M. Sallis	Robert Gordon Aberdeen to read Architecture.
A.G. Sauvage	Portsmouth University to read English & Creative Studies.
J.P. Sebire	Leicester University to read Geography.
A.D. Shields	Cardiff University to read Sports Science.
M.G.P. Strother	Cambridge University to read History.
K-C. Tang	Plymouth University to read Computing Foundation.
S.C. Tidd	Warwick University to read Philosophy.
D.P. Walder	King's College London to read Physiology and Pharmacology
T.D. Watson	Bath University to read Architecture Studies.
S.F. Willey	Manchester University to read Computer Science.
N.M. Williams	Bristol West of England to read Business Administration.

Pupils that took GAP year in July 1998

J.N. Adams	Oxford Brookes University to read Art.
T.W. Bradshaw	Leicester University to read Geography.
J.J. Greenfield	Sports Coaching College, Epsom.
A.P. Le Page	Reading University to read Building Surveying.
E. Sweet	Edinburgh University to read Geology and Physical Geography.

ANNEXE B

PUPILS KNOWN TO HAVE GRADUATED THIS YEAR

A.I. Alford	2:ii BSc (Hons) in Sports Science at Worcester University
D.J.N. Armsden	2:ii B.Eng in Ship Science at University of Southampton
N.J. Bachmann	2:ii in Economics at Exeter University
T. Becker	2:i in Classics at Royal Holloway, University of London
M. Brehaut	2:i in Law at St. Hughes College Oxford
N. Burton	2:i Master Eng. Environmental Engineering & Research Management Resource at University of Nottingham
L. Cairns	2:i in Greek & Roman Studies at Exeter University
T.C. Carnegie	2:i (Hons) Degree of Bachelor of Land Economy at University of Aberdeen
J.A. Coquelin	2:i BA in Geography at University College London
R. J. Coppolo	HND in Marine Leisure Management at Falmouth Marine School, University of Plymouth
T.O. Daish	2:ii in Natural Sciences at Bath University
S. Freeman	2:i BSc in Marine Sciences at University of Southampton
K.R. Graham	2:ii BSc (Hons) in Physical Education & Applied Social Sciences at University of Ripon & York, St.John.
J.A. Hamilton	B.Eng. Hons in Aeronautical Engineering at Loughborough University
J.R.D. Hawkins	2:i BSc in Architecture, Planning, Building & Environmental Studies at University College London
D.S. Herschel	2:ii in Ocean Science at Plymouth University
S.C. Kirkpatrick	2:i in Law at Exeter University
M.A. Mauger	First in Computer Science with Psychology at King Alfred's College, University of Southampton
G.C. Rogers	2:ii in Classics at Warwick University
S.H. Scarse	2:i MA at University of Glasgow
L.O. Watson	2:i BSc in Construction Management at Nottingham Trent University
B. Woodward	MEng (Hons) in Civil Engineering at University of Portsmouth

SPORT**ANNEXE C**

Played Won Drawn Lost For Against

Cricket	22	11	7	4		
Hockey	20	10	3	7	39	33
Soccer	15	12	2	1	63	13
Athletics	1	1	-		97	65
Cross country	1	1	-	-	15	46
Golf	1	-	-	1	3.5	4.5
Squash	1	1	-	-	3	2
Tennis	1	1	-	0	7	2
Rugby	6	1	1	4	-	-
Volleyball	10	2	0	8	-	-

Senior Victoria Matches

Cricket	Won. Victoria – All out. Elizabeth College 64-2
Hockey	Won 2-0
Soccer	Won 6-1
Athletics	Hutchence Cup: Won 97-65
Cross country	Won (15-46)
Golf	Lost (3½-4½)
Sailing	Won 3 races to 1
Squash	Beat Victoria 3-2
Tennis	Won (7-2)
Shooting	Won the Haines Shield (1 st Hat trick of wins over Jersey)
Rugby	Lost.

Other Statistics**In addition to matters already mentioned.**

Athletics:	Dale Garland won Silver Medals in Island Games in 400m Hurdles (New Island Record) and 4x400m and came 4 th in English Schools' Triple Jump. Thomas Horn set new U15 Inter-insular Javelin Record. Junior Colts won U15 Island Schools' Sports.
Cricket:	Highlights: 2 Hat-tricks. One by Christopher Blackburn against Victoria and one Michael Greenfield against The Glen, High School, Pretoria. Adrian Birkett played for East of England. Final Trials English Schools' Cricket Association and also played for Guernsey. David Walder also had trial for Hampshire and played for Guernsey.
Cross-country	Won U14 and U16 Island Schools' team races.
Fencing	A.M. Nightingale and M.G.P. Strother attending Crystal Palace Public Schools' Fencing Championships and had commendable placements.
Hockey:	Losing semi-finalist West of England U18 and U16 Tournaments. M.J. Watson West of England U15. A.J. Good West of England U21.
Rugby:	5 members of the College played for the Island U19 XV.
Sailing:	Michael Henning did exceptionally well. As result of the match colours were awarded to Michael Henning and Matthew Atkinson.
Shooting:	21 st in the Ashburton Shield.
Soccer:	Year 10 League Champions. Dale Garland won Junior & Senior Soccer Murrati Cap. Liam Roffey Captained U18 Island side to Victory of Jersey.
Squash	Beat Victoria 3-2 Alistair Wrench & Christopher Simpson Hampshire U13 champions. Adam Shields: Channel Island Champion. Simon Birch U19 Hampshire squad. Christopher Simpson U13 England squad.
Tennis:	U15 team finished 3 rd in National Finals of Midland Bank SLTA Schools' Tennis Team Competition. Ben Gill won the 1999 C.I. LTA U18 Singles Championships With Jonathan Le Tocq runner-up. Ben Gill was runner-up in the Guernsey Mens' Singles Senior competition.

APPENDIX IV

STATES HERITAGE COMMITTEE

WILFRED CAREY PURCHASE FUND

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

9th December, 1999.

Sir

Wilfred Carey Purchase Fund

In 1990 the States resolved to establish the Wilfred Carey Purchase Fund for use in acquiring items of specific local interest to add to the Museums' collection of material having strong local connections.

In establishing the Wilfred Carey Purchase Fund the States approved the presentation to the States from time to time of reports on the operation of the Fund.

The Wilfred Carey Purchase Fund is in the tenth year of its operation. Following the recent purchase of a number of important paintings and sketches by Joshua Gosselin, the Heritage Committee considered that this would be an appropriate time to submit its first report on the operation of the Fund.

The Wilfred Carey Purchase Fund is a vital resource to the Heritage Committee. It has enabled the Guernsey Museum and Art Gallery and Island Archives Service to purchase items that would not have been previously possible.

I should be grateful if you would publish this report as an appendix to a forthcoming Billet d'État.

I am, Sir,
Your obedient Servant,
F. X. PAUL,
President,
States Heritage Committee.

WILFRED CAREY PURCHASE FUND 1990 – 1999

ESTABLISHING THE FUND

Between 1937 and 1989 the States voted the Ancient Monuments Committee an annual sum of money to purchase objects of special interest to the Island.

The annual amounts were transferred to a Purchase of Exhibits Fund into which private donations were also paid.

By the mid 1980's the Ancient Monuments Committee had concluded that the amounts being paid into the Purchase of Exhibits Fund were woefully inadequate for the purpose. (By the time the Wilfred Carey Purchase Fund was established the Committee, with the agreement of the Advisory and Finance Committee, had overdrawn on the Purchase of Exhibits Fund by £114,680.) The Committee had resolved to explore other ways in which to increase the amount of money available for the purchase of such items without having to ask the States for more funds from the General Revenue.

Accordingly on 1 March 1990 after consideration of the Report, dated 24 January 1990, from the Ancient Monuments Committee (Billet d'État III of 1990), the States resolved inter alia:

“To approve the sale by public auction or private treaty of the two paintings by Luis Melendez, which the States acquired in 1929 as part of the Carey bequest.

That the monies realised by the sale of those two paintings shall be credited to a new purchase fund for use in acquiring items of specific local interest to add to the Museum's collection of material having strong Guernsey connections.

To approve the name of the new purchase fund as the Wilfred Carey Purchase Fund.

That a notice shall be attached to each and every item purchased with the aid of the Wilfred Carey Purchase Fund indicating that the item was acquired with the aid of that Fund.”

It also agreed that the Wilfred Carey Purchase Fund should clear the overdraft on the existing Purchase of Exhibits Fund.

On 26 April 1990 the President of the Ancient Monuments Committee informed the States that the two Melendez paintings had been sold by private treaty for the nett sum of £1,773,000.

On 12 July 1990 after consideration of the Report dated 23 May 1990 from the Ancient Monuments Committee on the operation of the Wilfred Carey Purchase Fund (Billet d'État XII of 1990) the States resolved:

“To approve the establishment, operation and use of the Wilfred Carey Purchase Fund as set out in paragraph 3, 4, 5 and 6 of that Report.

To approve the presentation to the States from time to time of reports on the operation of that Fund.”

The relevant paragraphs of the Ancient Monuments Committee's Report, dated 23 May 1990, are as follows:

- “3. Having considered the matter carefully the Committee has reached the conclusion that the nett sale proceeds should not be used for purchases but should be invested as a Capital Sum, and the interest accruing from this investment should be used in the manner set out in paragraph 4 below:
4. The Committee proposes that from the income accruing each year to the Fund:
 - 1 there shall be made available to the Committee such sum as the States may from time to time see fit to approve for the Purchase of Exhibits; such monies to be expended at the Committee's discretion
 - 2 the balance of the income accruing to the Fund shall be made available to the Committee on the following terms:
 - (i) for the extraordinary purchases of items of Island interest as agreed between the Committee and the Advisory and Finance Committee
 - (ii) for the capitalisation of such sum as may be agreed from time to time between the Committee and the Advisory and Finance Committee in order to assist in maintaining the real value of the Fund
 - (iii) for such other purpose as may be found to be an appropriate use of the Fund, but only with the specific approval of the States.
5. In respect of the year 1990, the Committee proposes:
 - 1 that from the investment income of the Fund the sum of money to be made available to the Committee for the Purchase of Exhibits Fund shall be £50,000
 - 2 that from the investment income of the Fund shall be transferred a sufficient amount to clear the overdraft on the present Purchase Fund [£114,680]
 - 3 that any balance of income shall be available for use in accordance with the principles set out in paragraph 4.2 above.
6. In respect of the year 1991 and subsequent years the Committee proposes:
 - 1 that from the investment income of the Fund the sum of money made available to the Committee for the Purchase of Exhibits Fund shall be the equivalent of £50,000 adjusted annually according to the change in the Guernsey Index of Retail Prices
 - 2 that any balance of income shall be available to the Committee for use in accordance with the principles set out in paragraph 4.2 above.”

WILFRED CAREY PURCHASE FUND

The £1,773,000 received from the sale of the two Melendez paintings was placed in a Capital Account within the Wilfred Carey Purchase Fund.

There are two other accounts in the Wilfred Carey Purchase Fund.

The Revenue Account into which interest on the capital is paid and out of which an annual sum is paid to the Purchase of Exhibits Account (plus further amounts for any extraordinary purchases).

The Purchase of Exhibits Account, which was not created until 1993, is used to purchase items for the museums collection. (Prior to 1993 purchases were made directly from the Revenue Account.)

The Revenue Account is operated on the basis of maintaining the value of the original capital received from the sale of the Melendez paintings. On that basis, the annual payment to the Purchase of Exhibits Account was set at £50,000 in 1990 to be increased annually in accordance with the increase in the Guernsey Index of Retail Prices.

The Revenue Account was also used to meet the overdraft of £114,680 that had arisen, with the consent of the Advisory and Finance Committee, prior to the establishment of the Wilfred Carey Purchase Fund.

The Revenue Account is used for:

the extraordinary purchases of items of Island interest as agreed between the Committee and the Advisory and Finance Committee

the capitalisation of such sum as may be agreed from time to time between the Committee and the Advisory and Finance Committee in order to assist in maintaining the real value of the Fund

such other purpose as may be found to be an appropriate use of the Revenue Account, but only with the specific approval of the States.

The Revenue Account's operation during the period 1990-9 may be summarised as follows:

Year	Interest	Donations / Commissions	Transfer to Purchase of Exhibits Account	Extraordinary Purchases	Purchases	End of Year Balance
	£	£	£	£	£	£
						(114,680)
1990	174,376	-	-	133,800	34,530	(108,634)
1991	201,246	1,388	-	-	54,350	39,650
1992	187,088	874	31,560	-	44,642	151,410
1993	137,119	-	59,773	-	-	228,756
1994	114,882	-	60,610	17,644	-	265,384
1995	143,774	-	62,065	-	-	347,093
1996	134,953	-	64,299	-	-	417,747
1997	154,479	-	66,099	-	-	506,127
1998	177,663	-	69,206	-	-	614,584
1999	n/a	-	71,421	25,129	-	n/a

The Purchase of Exhibits Account is used by the Heritage Committee (successor to the Ancient Monuments Committee) to purchase items of specific local interest.

The Committee has delegated authority to purchase items to the Director of Museums (in 1996) and the Island Archivist (in 1999) up to a monthly ceiling.

The Purchase of Exhibits Account during the period 1990-9 may be summarised as follows:

Year	Donations / Commissions	Transfer from the Revenue Account	Purchases	End of Year Balance
	£	£	£	£
1992	-	-	-	31,560
1993	375	59,773	77,786	13,922
1994	162	60,610	46,511	28,183
1995	556	62,065	32,730	58,074
1996	180	64,299	24,855	97,698
1997	125	66,099	11,947	151,975
1998	50	69,206	112,694	108,537
1999	n/a	71,421	179,958	0

The following sections of this Report summarise the operation of the Wilfred Carey Purchase Fund:

in clearing the overdraft of £114,680

for each of the ten years 1990-9, identifying items that were purchased as extraordinary expenditure and highlighting significant purchases (including those costing £1,000 or above).

SIGNIFICANT ITEMS INCLUDED IN THE OVERDRAFT

Oil by C F Sorensen View of St Peter Port showing Doyle monument and Victoria tower, 1855	£34,000
Oil by unknown artist. In the Dutch school Castle Cornet, circa 1680	£28,000
Oil by E W Cooke Pilot boat running into St Peter Port, 1837	£17,885
Oil by G Webster <i>HMS Crescent</i> off the coast of Devon	£9,500
Silver Guernsey coffee pot by G Henry engraved with armorial & Silver Guernsey salver on four feet with decorative rim	£10,500
Silver model of Guernsey Anglo/Boer war memorial by Hutton & Sons Made as a present for Lieutenant Governor, Major General B B D Campbell in 1908. Purchased with the aid of a private donation	£7,200
Silver Guernsey brandy warmer by J H with ebony handle	£4,200
Silver Guernsey Christening Cups (3) by J P du Port, circa 1779 to 1788, P Maingy, circa 1739 to 1776, J H	£1,430
Silver Guernsey Brandy Ladle by G Henry & Silver Guernsey Christening Cup by I S	£1,000
Silver Guernsey Salt Cellars (3) by J H on hoof feet, circa 1727 to 1783	£620

1990

EXTRAORDINARY EXPENDITURE – STEVENS GUILLE ARCHIVE COLLECTION £133,800

The Ancient Monuments Committee, with agreement of the Advisory and Finance Committee, purchased the Stevens Guille Archive Collection, which was due to be offered for sale by public auction, on 13 December 1990. The Collection forms part of the collections of the Island Archives Service.

The Documents are a unique collection of great historic interest to the Island. The Guille family in Guernsey built up the Collection over several generations, from the mid-16th century onwards. It was greatly enlarged with their 17th century acquisition of the estate at St George, Castel. The Family was noted in the Island for being leading merchants, and provided a succession of Jurats and two Bailiffs to the Royal Court of Guernsey. The Guilles had close collateral relationships with other leading families: notably the Andros, Le Marchant, de Carteret and de Jersey families.

The Collection consists of almost entirely of documents of Guernsey origin, many under the Bailiwick Seal and some under manorial court seals. With very few exceptions the documents have a strong local connection. The Collection includes some 1,250 individual documents and other papers dating from the 14th to 19th centuries.

The content shows that there are at least 102 Billes-de-Partage from 1478 to 1872, which is utterly unparalleled in any other Island collection. There are well over 200 documents and papers relating to official and private matters for the 17th, 18th and 19th centuries. These cover the English Civil War period, the Military, the Guernsey Militia and John Guille's term as Bailiff in the mid 19th century. Other equally valuable items include an 'epitome' with reference to the Papal bull of 1481, sales of lands by Royal Commissioners in the 16th century, various letters patent and appointments made by the Crown, Governors and Lieutenant-Governors, manorial records, pre and post Reformation ecclesiastical documents, Privy Council and Customs papers, arbitrations, and various Royal Court orders, reports and working papers from the 16th to 19th centuries.

SIGNIFICANT PURCHASES

Oil by unknown artist. In the Monamy school The Battle of La Hogue, May 1692. In this battle, Guernsey man John Tupper was awarded a specially struck gold medal, which is on display at Candie Museum.	£8,920
Watercolour by W J Caparne Bon Port ravine	£5,000
Watercolour by W J Caparne Iris fields, Caledonia nursery	£3,750
Oil by S L Kilpack La Coupeé, Sark	£3,360
Watercolour by H B Wimbush St Peter Port harbour, circa 1904	£2,000
Watercolour by E Cheesewright Peter and his boat	£1,500

1991

SIGNIFICANT PURCHASES

Oil by W A Toplis Goulliot rocks, Sark, exhibited in 1884	£7,500
Oil by J Peterson Guernsey brig <i>Laura</i>	£5,200
Oil by F J Waugh Sark, 1854	£5,150
Model boat by unknown maker <i>Isle of Sark</i>	£4,653
Distinguished Service Order medal Awarded to Lieutenant-Colonel A Chambers for his attempts to secure a meeting with General Von Schmettow, September 1944, whilst the Germans were occupying the Channel Islands	£4,470
Watercolour in the circle of W F Mitchell Three masted Canadian barque the <i>Bonne Mère</i> off St Peter Port (later discovered to be Guernsey boat <i>Kandian Chief</i>)	£2,012
Early Colt revolver with original box & Medals (3) of Captain Oswald Borland, RN & Photographs and naval service record	£2,000
Silver salver, London 1786 Inscription indicates that it was a gift from Admiral Sir & Lady James Saumarez to their godson Frederick Le Mesurier, dated 1820	£2,000
Watercolour by P J Naftel Bordeaux	£1,600
Watercolour by P J Naftel The Ochenstrasse near Lake Lucerne	£1,100

1992

SIGNIFICANT PURCHASES

Watercolour by P J Naftel Water Lane, St Martin's	£7,500
Osborne Letters (Further details below)	£6,705
Self portrait by M Peake	£6,705
Oil by J V de Fleury Bel Greve bay, looking North, 1866	£6,500
Creamware (9) by E Cohu Inscribed Elisee Cohu, late 18th century	£5,000
Watercolour by P J Naftel The timber yard, Pangbourne, 1868	£3,800
Watercolour by M Naftel Flower garden, 1886	£2,250
Watercolour by I O Naftel Portrait of Anna-Maria Horton with her son Sidney, Guernsey coastline background, 1866	£2,235

The Osborne letters comprise of an important series of letters, dating from 1642 to 1646, relating to the defence of Castle Cornet by Sir Peter Osborne during the Civil War. Certain of the more significant letters were offered for sale by public auction on 25 November 1992. The Letters form part of the Island Archives Service's collections.

The 19th century historian F B Tupper knew of the letters, but they had disappeared from sight earlier in the 20th century and consequently had not been listed in the Register of Archives maintained by the Royal Commission on Historic Manuscripts. The purchase consists of 13 letters and one other document, some of which are signed by Charles I, Charles II and Osborne.

These letters reveal the defence of Castle Cornet, which was the last of the Royalist strongholds to surrender. Its siege was one of the most remarkable episodes of the Civil War. Guernsey from the first espoused the cause of Parliament. But the Castle, was held for the King for almost nine years, only surrendering in December 1651. This remarkable feat was largely due to the stubborn determination of Sir Peter Osborne, the Royalist Lieutenant Governor, whose gallant resistance was crucial in the years 1642 to 1646.

1993

SIGNIFICANT PURCHASES

Bronze bust by A Rodin Victor Hugo, 1883. Foundry mark: Alexis Rudier, Fondeur Paris	£26,000
Terracotta monumental plaque by G Michel & A Dammouse of Sèvres Head of Victor Hugo with oak leaves	£9,175
Oil by T Whitcombe A lugger of Castle Cornet with ships of the line beyond, Guernsey, 1785	£5,811
Oil by unknown artist Portrait of Captain Le Couteur of Torteval, circa 1850	£5,500
Oil by W J Caparne Cradle rock and Peastacks	£5,465
Unknown artist Portrait of Thomas Guille	£2,500
Oil by unknown artist <i>The SS Stella</i>	£2,000
Silver George III salver Dorbrée/Le Mesurier arms, early 19th century	£1,412

1994

EXTRAORDINARY EXPENDITURE – GOSSELIN ‘VIEW OF ST PETER PORT’ £17,644

The Heritage Committee, with the consent of the Advisory and Finance Committee, purchased a pen and ink and watercolour painting by Joshua Gosselin (1739 to 1813) titled ‘View of St Peter Port’ (one and half foot by four foot). The painting was offered for sale by public auction on 14 April 1994.

Joshua Gosselin was a noted Islander of his day. He served as Greffier, was a Colonel in the Guernsey Militia and was a known botanist, artist and antiquarian. He lived in Springfield, Queen’s Road. The Committee owned only one small painting depicting a naval engagement before this purchase and a larger acquisition in 1999.

The ‘View of St Peter Port’ is an extremely important painting as it is a documentary record of St Peter Port in 1793. The painting depicts the harbour from Castle Cornet. The (Town) church of St Peter Port is visible to the left of the original harbour. Behind and to the right of the Church is Elizabeth College, founded by Queen Elizabeth in 1563.

SIGNIFICANT PURCHASES

Models by E Lawrence Associates	£12,780
F C Lukis, M A Lukis, Iron age warrior, Neolithic burial party, warrior burial party, Civil war cannon and soldiers	
Town church clock cage mechanism by Charles Penton of London	£11,691
Dismantled and refitted at former Town Prison in Castle Cornet, 1789 mechanism	
Guernsey painted chest	£9,000
on a stand with initials R B H, dated 1754	
Silver sugar bowl by G Henry, circa 1730	£4,470
Model stones (2) by Robert Farrow Workshops	£1,650
Prehistoric Gran’mère and 1700 Barrière of St Peter Port	
Painting on glass by unknown artist	£1,500
Brig <i>British Queen</i> , Victorian, 165 tons, built by Machon in 1839, floundered on rocks off Herm in 1855	
Militia Forage Cap	£516
Oil by R Opie	£280
Harold Davidson, known as Can-Can, a famous Guernsey character	

1995

SIGNIFICANT PURCHASES

Correspondence	£6,132
An important collection of original letters and other documents, concerning local affairs, shipping etc from the 18th and 19th centuries (forming part of the Island Archives Service collection)	
Watercolour by M Finucane	£5,000
Market Place, Guernsey	
Illustrations by Lukis	£4,000
Sketches in Natural History, Volumes I (Fishes & Shells) and II (Insects)	
Guernsey cabinetmaker's tool chest, 19th century	£4,000
Silver porringer by R Barbedor	£2,990
Initialed R B	
Watercolour by F W Sturge	£2,250
La Coupeé, 1896	
Picture by C Foss	£1,200
Surrealist Defences	
Plate	£934
Juliette Drouet (mistress of Victor Hugo) obtained the plate as the result of a wager. She wrote details of the wager on the reverse	

1996

SIGNIFICANT PURCHASES

Lithographs (23) by M Moss Loosely bound collection of topographical scenery of the islands Guernsey, Sark and Herm	£6,000
Oil by W T Dix Les Autelets rocks of Sark, exhibited in 1897	£6,000
Oil by A J Black In the track of the sun, Sark	£4,500
Oil by S L Kilpack Fort Grey (martello tower)	£2,500
Naval General Service Medal Belonging to rope maker Peter Sylvia, (1793 to 1840). Bars: Trafalgar (<i>HMS Royal Sovereign</i>) and Java (<i>HMS Bucephalus</i>) with notes taken from ships' musters	£1,500
Oil by J Tadevin Portrait of R M Ozanne, Barrack Master of Guernsey	£350

1997

SIGNIFICANT PURCHASES

Watercolours (2) by A S Bainbrigge	£3,220
Castle Cornet from the Breakwater	
The Harbour and Castle Cornet with the <i>Courier</i> in the foreground	
& Oils (2) by W B C	
The <i>SS Roebuck</i>	
The <i>SS Reindeer</i>	
Painting by M Peake	£2,500
Houses and Trees	

1998

SIGNIFICANT PURCHASES

Oil by W T Richards Petit Port bay	£32,500
Iron cannons (2) & (4) 32 pounder (one with trunnion) and 18 pounder, George III	£21,000
Album of paintings by Reverend J Hall Guernsey views for the philanthropist, 18th century	£17,250
Iron cannons (2) 18 pounder, George III	£6,000
The Durand Family Archive (Further details below)	£4,000
Model boat by Modelscape <i>SS Stella</i> (first payment)	£3,980
Guernsey Pewter – Woolmer Collection Flagon, baluster quart Flagon, baluster pint Plate by William de Jersey Flagon by Joseph Wingod	£3,648
Oil by A Helcke La Salerie battery from the White Rock, St Peter Port	£3,500
Enigma coding machine, World War II	£3,200
Wooden Guernsey chest	£2,950
Guernsey tram models and track	£2,000

The Durand Family Archive relates to an important clerical dynasty that served Guernsey for some two centuries. The Durand history can directly be traced from the birth of Jean Durand at Montpellier in 1620 up until 1945 when the last of the male line, Ralph Anthony Durand, died. The Collection contains fascinating documents, many of which are significant both locally and as part of the wider history of French and Dutch Protestantism. Documents in the collection include military commissions, naturalisation papers, wills, official, clerical and private correspondence and legal papers. There are about 400 items in all.

1999

SIGNIFICANT PURCHASES

Watercolour by P-A Renoir Bretagne - Guernsey	£36,156
Oil attributed to T Young View of St Peter Port	£17,397
Model boat by Modelscape <i>SS Stella</i> (final payment)	£7,970
Cannon carriages (8) by Swan Joinery For cannons bought in 1998 (first payment)	£6,800
Oil by H B Wimbush The West coast of Sark towards les Autelets	£5,000
Model historic figures (3) by Robert Farrow Workshops For the <i>Stella</i> exhibition	£4,850
Oil by P Le Vasseur Tree of life (first payment)	£4,500
Anti-tank gun German Pak 36	£3,500
Watercolour by I Naftel Portrait of Emily Jane Carey	£1,438
Illuminated presentation document Written in French. Relates to the donation of £500 by Sir William Collings, Jurat and Magistrate of the Royal Court, for the establishment of a charity for the Needy Poor of Guernsey, 1849. It is signed by the Bailiff Pierre Stafford Carey, Thomas Le Retilley and Edgar MacCulloch	£1,403
& Pastel and charcoal by G Holiday Portrait of the artist's wife Mina	
& Pencil sketch by F C Lukis Artillery Barracks from below Clarence Battery	
& Pencil, wash and ink sketch by J Taudevin Interior of Ebenezer Chapel	
Model Aircraft (5) by E Descarrier	£1,400
Morane-Saulnier Type L <i>Parasol</i> based on aircraft number 3253 flown by Flight Sub Lieutenant R J Warneford when he destroyed Zeppelin LZ37 on 6 June 1915, Naval One Squadron	
Sopwith Camel F1 based on aircraft number F6240, the type piloted in 1918 by 201 Squadron aces	
Sopwith Triplane based on aircraft number N5454, the type flown by Naval One Squadron in 1917	

Nieuport 11 Bebe Scout based on aircraft number 3982, the type flown by No 1 in 1916 Avro 504 based on aircraft number 179, the type flown by Naval One Squadron during raids on air sheds at Zeebrugge, February 1914	
Oil by S L Kilpack The Casquets lighthouse	£1,100
Ship's name board <i>HMS Charybdis</i>	£1,000
Documents from the late Edmund Andros (1637 to 1714) relating to Fief Saumarez (15th to 19th centuries) (forming part of the Island Archives Service collection)	£529
GOSSELIN COLLECTION	£98,629
<p>The Heritage Committee, with the consent of the Advisory and Finance Committee to part fund the purchase of the Collection from the Revenue Account, purchased forty-nine pictures, a sketch book, a portrait of Gosselin attributed to J R Smith and plates with original watercolours for publication by the Society of Antiquaries, London. For further details of Joshua Gosselin, see the note relating to the purchase of the pen and ink and watercolour painting in 1994 (page 11).</p> <p>The Gosselin Collection was offered for sale by public auction on 5 November 1999.</p> <p>The items included in the Gosselin Collection are listed below. The prices do not include the buyer's premium. All the paintings are watercolour unless otherwise stated.</p>	
Leather bound sketch book, containing eighty views Guernsey views include – Hougue à la Perre, Chateâu des Marais, Chateâu du Valle, Eglise de St Sampson, Chateâu de Rocquaine, St Martin, Bay of Petit Bo, Ruines de la Chapelle de Lihou. Sark Views include – La Cloche à Serk, L'Eglise à Serk	£7,600
Chateâu du Val, 1775 & St Sampson's Church & Castel Church, 1810 & Eglise de St Martin, 1775	£7,000
Map of Guernsey, from Mc Culloch's account & A figure with horses and cart & View of Moulin des Monts Hill	£7,000
View of the Encampment of Five Companies of the Royal Glasgow Volunteers on the Moulin des Monts, Guernsey, 1799 to 80? & Study of a Soldier of the North Regiment	£5,200

Study for a View of St Peter Port, Guernsey & Study for a View of St Peter Port, Guernsey & View of St Peter Port from Castle Cornet & South aspect of St Michel of the Vale & Chapelle de Ste Appoline à St Sauveur & St Sampson's, 1777 & Moulin des Monts hill, 1782	£5,000
Castle Cornet, Guernsey, 1779 & Castle Cornet, Guernsey, 1793	£4,500
The Forest (church), Guernsey, 1793 & Chateâu de Rocquaine, Guernsey, 1793	£4,500
Portrait of Joshua Gosselin attributed to John Raphael Smith (1752 to 1812) (Pastel)	£4,400
Castel Church, Guernsey, 1793 & Old Torteval Church, Guernsey, 1793	£3,600
Chateâu des Marais, Guernsey, 1793 & Rocks at L'Ancrese supposed to be Druidical Altars, 1793	£3,600
North East view of St Saviour's, Guernsey, 1787 & South West view of St Saviour's, Guernsey, 1787	£3,600
St Michael of the Vale, Guernsey, 1793 & St Andrew's Guernsey, 1793	£3,600
St Peter's Church, Guernsey, 1796 & St Sampson's Church, Guernsey, 1793	£3,600
View of the Piette, Guernsey, 1774 & Porte des Granges à Guernsey, 1798 & Hougue à la Perre, Guernsey, 1778	£3,600
La Chapelle de la Trinité à Guernsey & Temple among the Furze between the left of L'Ancrese Bay and the Vale Church in Guernsey, 1812	£2,700
Ruines de la Chapelle de Lihou, 1793 & La Chapelle de Ste Appoline à St Sauveur, Guernsey, 1793	£2,700
View behind Mr Budd's house at the Terre, Guernsey, 1772	£2,500
Seven plates and original water colours for the publication for the Society of Antiquaries, London, called ' An account of Druidical remains in Guernsey' & The elevations and details of a house	£2,100
Temple on a hill at the left of L'Ancrese at the Vale, Guernsey, 1811 & View near L'Ancrese Bay, Guernsey, 1781	£1,850

Duvaux at St Sampson's in Guernsey, 1810 & La Cloture, 1780 & Mare de Carteret	£1,800
View near the Grande Mieles, Guernsey, 1782 & North and South views of the Druidical Altar at the Catiaroc at St Saviour's, 1783	£1,350
A gentleman seated on the remains of the Temple at the Clos of the Vale: near Paradis, Guernsey, East North East view, 1793. Reverse annotated & View of the West South West of the Temple at the Clos of the Vale, called La Pierre du Dehus, Guernsey, 1793. Reverse annotated	£1,050
Two Gentlemen and a dog beneath a tree in parkland with a pencil sketch on reverse & View behind Mr Le Pelley's house in Serk, 1761	£1,000

APPENDIX V

STATES ADVISORY AND FINANCE COMMITTEE

EMERGENCY DISASTER RELIEF

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

10th December, 1999.

Sir,

EMERGENCY DISASTER RELIEF

On 15 July 1999 the States approved the recommendations in the Policy and Resource Planning Report, including the following with regard to Emergency Disaster Relief:

"That as regards emergency aid for disasters overseas:

- (i) to authorise the Advisory and Finance Committee, in consultation with the Overseas Aid Committee, to increase the budget of that latter Committee by a total of up to £200,000 in any one financial year for the purpose of providing aid in respect of specific emergency disasters;*
- (ii) to direct the Advisory and Finance Committee to inform the States on each use of the above delegated power by means of a report appended to a Billet d'Etat for submission at the next available States meeting."*

The Advisory and Finance Committee wishes to inform the States that on 17 November 1999 it considered a letter dated 9 November 1999 from the President, Overseas Aid Committee suggesting that that Committee's 1999 budget be increased by £50,000 for the purpose of contributing to the Disaster Emergencies Committee's Emergency Appeal in respect of the catastrophic effects of the recent cyclone in Orissa State, India. The Overseas Aid Committee explained that, whilst it had made grants in respect of projects in Orissa State amounting to £82,000 in the last five years, it considered that it would be entirely appropriate for the States of Guernsey to make a significant contribution under the terms of the above resolution.

The Advisory and Finance Committee agreed to the budget increase as requested.

I have the honour to request that you be good enough to include this Report as an Appendix to the Billet d'Etat for the States meeting for January 2000.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

