



# BILLET D'ÉTAT

WEDNESDAY, 27th JUNE, 2007

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2007

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<sup>a</sup> Accompanying Projet de Loi entitled “The Income Tax (Guernsey) (Amendment) Law, 2007”

<sup>b</sup> Accompanying Projets de Loi entitled “The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law, 2007” and “The Drug Trafficking (Bailiwick of Guernsey) (Amendment) Law, 2007”

# ***B I L L E T D ' É T A T***

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

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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 27<sup>th</sup> JUNE, 2007**, immediately after the Meeting of the States of Election already convened for that day, to consider the items contained in this Billet d'État which have been submitted for debate by the Policy Council.

G. R. ROWLAND  
Bailiff and Presiding Officer

The Royal Court House  
Guernsey  
8 June 2007

## **TREASURY AND RESOURCES DEPARTMENT**

### **TAX DEDUCTED UNDER THE EMPLOYEES TAX INSTALMENT (“ETI”) SCHEME: PROPOSAL TO ALTER THE BASIS ON WHICH SUCH TAX MAY BE OFFSET AGAINST INTERIM ASSESSMENTS**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

15<sup>th</sup> May 2007

Dear Sir

#### **Executive Summary**

This Report proposes alterations to that part of the Income Tax (Guernsey) Law 1975, as amended (“the Law”) that deals with the way that tax deducted under the ETI Scheme may be offset against an interim tax assessment made during the same year.

The proposal is that such tax should only be available to be offset if, and to the extent that, the income from which the tax has been deducted under the ETI Scheme is included in the interim assessment.

A similar revision is proposed in relation to the part of the Law that deals with the setting-off of tax credits attached to a dividend received from a company resident in Guernsey.

#### **Background**

Under section 73(2) (a) of the Law an interim assessment for any year of charge may be made at any time during the year of charge, on the estimated amount of income for the whole of that year, and the tax charged in consequence of an interim assessment is payable in the normal manner (which, broadly, is one half on 30 June and one half on 31 December in that year).

Under section 81A (3) of the Law, any tax deducted under the ETI Scheme during any year of charge can be applied towards the payment of any tax charged or chargeable for that year of charge (or any prior year of charge and any penalty payable by the same person).

The Guernsey Tax Tribunal (“the Tribunal”) recently dealt with an appeal against a late payment surcharge imposed under the provisions of section 199 of the Law, because tax that had been charged in an interim assessment had not been paid by the due date by the person assessed. The Tribunal held that, as the interim assessment included only income that had not already been taxed at source (i.e. it did not include the taxpayer’s employment income), under a strict interpretation of section 81A (3) of the Law the taxpayer concerned was entitled to offset tax he had paid through the ETI Scheme against the tax charged in the interim assessment. This had the effect of negating the purpose of the assessment (which was to require the payment of tax on income that the taxpayer would receive during the year and in respect of which tax was not being paid at source).

As a consequence, the Tribunal upheld the appeal against the late payment surcharge.

The Administrator of Income Tax (“the Administrator”) could address this issue by ensuring that all interim assessments include each taxpayer’s estimated income from all sources (including those sources of income in respect of which tax is already paid (whether this be by way of deduction of tax under the ETI Scheme or by some other method)) and leave it to the taxpayer, or their professional adviser, to make a request to the Administrator under section 82 of the Law for the Administrator to exercise his discretion to “suspend” part of the tax charged as this would be satisfied by tax already paid under the ETI Scheme etc.

The Administrator has advised the Department, however, that to effect such a change would have resource implications both within the Income Tax Office and also within the offices of accountants and other professional advisers (and would have a consequent effect on the fees payable by clients of accountants and advisers).

### **Conclusion**

The Department proposes that to protect the island’s revenues, without creating additional work within the Income Tax Office or for taxpayers and their advisers, section 81A (3) of the Law be revised to make it clear that tax deducted under the ETI Scheme may only be offset against tax charged in an interim assessment if, and to the extent that, the emoluments from which that tax has been deducted are included in the interim assessment.

The practical effect of this revision to the Law will be that tax deducted under the ETI Scheme will only be offset against the tax charged in the final assessment issued to a taxpayer for any year of charge (that is, the assessment in which the taxpayer’s total income from all sources is included).

A similar issue to that encountered in relation to tax deducted under the ETI Scheme (as set out above) potentially applies in connection with tax which has been, or which has been deemed to have been, deducted from a dividend paid by a company resident in Guernsey.

The Department proposes that the opportunity be taken to make a similar revision to section 61 of the Law, which would have the effect of ensuring that credit for the tax relating to a dividend would only be offset against tax charged in an interim assessment if and to the extent that the dividend has been included in the interim assessment.

The Treasury and Resources Department is concerned that a significant shortfall in the island's tax revenues will occur if the proposed change to the Law is not implemented immediately. In this regard it is proposed to apply section 1 of the Taxes & Duties (Provisional Effect) (Guernsey) Law 1992 which provides that, when approving a Projet de Loi which provides for, inter alia, the modification of any legislation relating to a tax, the States may, if they consider it expedient in the public interest so to do, by Resolution declare that the Projet de Loi shall have effect immediately, as if it were a law sanctioned by Her Majesty in Council and registered on the records of the island.

The Policy Council, with the concurrence of the Presiding Officer, has therefore agreed that this States Report and the draft Projet de Loi appear in the same Billet d'État on the grounds of urgency to protect the island's tax revenues.

### **Recommendations**

The Department recommends the States:

- (1) To approve the changes to sections 61 and 81A (3) of the Law, as set out in this Report.
- (2) To approve the Projet de Loi entitled "The Income Tax (Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council, praying for Her Royal Sanction thereto.
- (3) To declare, pursuant to section 1 of the Taxes & Duties (Provisional Effect) (Guernsey) Law 1992 that the said Projet de Loi shall have immediate effect as if it were a law sanctioned by Her Majesty in Council and registered on the records of the island of Guernsey.

Yours faithfully

L S Trott  
Minister

**(NB The Policy Council supports the proposals.)**

The States are asked to decide:-

I.- Whether, after consideration of the Report dated 15<sup>th</sup> May, 2007, of the Treasury and Resources Department, they are of the opinion:-

1. To approve the changes to sections 61 and 81A (3) of the Income Tax (Guernsey) Law 1975, as amended, as set out in that Report.
2. To approve the Projet de Loi entitled “The Income Tax (Guernsey) (Amendment) Law, 2007” and to authorise the Bailiff to present a most humble petition to Her Majesty in Council, praying for Her Royal Sanction thereto.
3. That, pursuant to section 1 of the Taxes & Duties (Provisional Effect) (Guernsey) Law 1992, the said Projet de Loi shall have immediate effect as if it were a law sanctioned by Her Majesty in Council and registered on the records of the island of Guernsey.

**HOME DEPARTMENT****AMENDMENTS TO PROCEEDS OF CRIME AND  
DRUG TRAFFICKING LEGISLATION**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

21<sup>st</sup> May 2007

Dear Sir

**Executive Summary**

The purpose of this report is to explain why the provisions contained within the draft Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law, 2007 and the draft Drug Trafficking (Bailiwick of Guernsey) (Amendment) Law, 2007, which are laid before the States, go further than the propositions set out in the Department's States Report dated 21<sup>st</sup> March 2007 and considered by the States at its meeting on 30<sup>th</sup> May 2007.

In his letter of 14<sup>th</sup> May 2007, which is set out in full below, HM Procureur explains the need for the additional provisions. The difficulties identified have arisen due to the existence of a dual régime contained within the provisions under the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law 1999 and the Drug Trafficking (Bailiwick of Guernsey) Law, 2000.

HM Procureur is recommending three amendments which were not referred to in the Department's earlier States Report, namely:

- To widen the definition of criminal conduct for the purposes of money laundering offences in the Proceeds of Crime Law so as to include drug trafficking.
- To restrict the provisions in each Law that enable a defendant to displace the assumption that he has benefited from criminal conduct, to prevent a defendant from relying on the fact that the assets in question came from a criminal source covered by the other Law.
- To amend the wording of both Laws has so as to eliminate any significant differences between them.

## **Introduction**

HM Procureur has written to the Department in the following terms:

*“The Bailiwick has two legislative regimes for dealing with the proceeds of crime, one dealing with the proceeds of drug related crime and the other with the proceeds of all other indictable offences. These regimes are contained in the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law 1999 (“the Proceeds of Crime Law”) and the Drug Trafficking (Bailiwick of Guernsey) Law, 2000 (“the Drug Trafficking Law”). Recent consultation with the Bailiwick’s law enforcement agencies, together with the assessment of existing legislation currently being carried out in St. James Chambers in preparation for next year’s evaluation by the International Monetary Fund, has revealed some difficulties with the existence of this dual regime itself and some potential discrepancies between the wording of the two Laws. Consequently I am of the view that in addition to the amendments to the two Laws that have already been proposed, some further amendments are necessary to address these specific matters.*

### **Background**

*Both Laws contain provisions that permit the Royal Court, after a person has been convicted, to order the confiscation of the proceeds of his crimes, together with ancillary powers dealing with matters such as the restraint and realisation of property. They also create money-laundering offences concerning, for example, the retention on another’s behalf of the proceeds of crime, and these offences are underpinned by investigative powers that deal with production orders and search and seizure. The two Laws have very similar (and in many parts, identical) wording.*

*The Laws were based, respectively, on the relevant provisions of the Criminal Justice Act 1988 and the Drug Trafficking Act 1994, and replicated the dual regime then in place in England and Wales. This dual regime had come about for historical reasons rather than as a matter of deliberate policy. Although, as here, it worked reasonably well, problems arose from the existence of two regimes from time to time. In 2002, Parliament abolished the dual regime and introduced the Proceeds of Crime Act that established a single legislative framework for all offences.*

### **Difficulties arising from the dual regime**

#### **(a) Money laundering offences**

*The principal difficulty here arises from the fact that the prosecution has to prove beyond reasonable doubt the existence of the crime that gave rise to the relevant funds, commonly referred to as the “predicate offence”. In some cases there may be strong evidence of general criminality that would be sufficient to*

*discharge that burden, but for the fact that the funds cannot be linked to a particular category of offence. For example, if there were evidence that a known criminal whose activities included drug trafficking and other crimes had placed large sums in an account in the Bailiwick, it might well be possible to prove to the court's satisfaction that a predicate offence had given rise to those funds, but not whether or not the predicate offence involved drug trafficking. Consequently, although it could be shown that the predicate offence fell either within the Drug Trafficking Law or the Proceeds of Crime Law it would not be possible to prove which, and so impossible to prove that either Law applied. A similar problem could arise where a person who was dealing with the funds for the criminal concerned believed that the funds were the proceeds of drug trafficking, when they were in fact the proceeds of a different crime. Again, it might not be possible to prove that either Law applied, despite strong evidence of criminality.*

*(b) Confiscation proceedings*

*Both Laws require the prosecution to prove that a convicted criminal has benefited from his crimes before a confiscation order can be made, but there is also a requirement that the court shall assume that he has so benefited unless the contrary is shown. In general terms, the effect of this is that unless he can prove to the contrary, any assets held by a defendant together with any gifts that have been made by him in the previous six years will be assumed to be the proceeds of criminal conduct (defined as excluding drug trafficking) under the Proceeds of Crime Law, or to be the proceeds of drug trafficking under the Drug Trafficking Law. The problem here is that a defendant can establish the contrary by showing that the assets are in fact the proceeds of drug trafficking in a Proceeds of Crime Law case, or that they are the proceeds of non-drug related crime in a Drug Trafficking Law case. There has been a previous instance of this in Guernsey, where a defendant escaped a confiscation order following a successful drug prosecution by showing that certain large sums in his possession were the proceeds of tax evasion (non-declaration of trading income) rather than drug trafficking.*

*(c) Discrepancies between the two Laws*

*There are several differences in wording between the two Laws that have arisen from their historical division, and while some of these differences are trivial, others are potentially significant. For example, under the Drug Trafficking Law the court may not make an order for the realisation of any restrained property unless an opportunity to make representations has been given to any person who may be affected by it. The equivalent section of the Proceeds of Crime Law does not require this. Other examples of significant differences are the power to hear an application for a realisation order *ex parte* in chambers under the Proceeds of Crime Law but not under the Drug Trafficking Law, and the exclusion of certain confidential material from the powers of search and seizure under the Drug Trafficking Law but not under the Proceeds of Crime Law.*

### **Recommendations**

*There would be obvious advantages in adopting the same course as that taken by Parliament, and putting in place one consolidating Law for all categories of offences. That is something that I anticipate recommending in the longer term. However, given the current level of demands on drafting resources and the need to undergo a thorough process of consultation, I consider there to be no realistic prospect of a new Law of this kind being introduced within the next year. In my opinion it would be unsatisfactory to leave the problems with the dual regime unaddressed in the short term, both from the point of view of enforcement and in respect of the forthcoming IMF evaluation. Consequently I recommend that the existing legislative framework be amended to deal with the problems arising from a dual regime that I have identified above, and to remove discrepancies in the wording of the two Laws.*

*The draft Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law and the draft Drug Trafficking (Bailiwick of Guernsey)(Amendment) Law contain amendments that are intended to address these issues as follows:*

- *The definition of criminal conduct is widened solely for the purposes of the money laundering offences in the Proceeds of Crime Law so as to include drug trafficking. This will mean that in cases where there is any doubt as to the nature of the predicate offence a prosecution for a case that might include drug trafficking can be brought under the Proceeds of Crime Law, but cases where there is strong evidence of a drug-related predicate offence can still be prosecuted under the Drug Trafficking Law.*
- *The provisions in each Law that enable a defendant to displace the assumption that he has benefited from criminal conduct are restricted, to prevent a defendant from relying on the fact that the assets in question came from a criminal source covered by the other Law. This will not prevent the defendant from proving that the relevant assets came from a legitimate source.*
- *The wording of both Laws has been changed where necessary to eliminate any significant differences between them.*

*I urge the Home Department to submit the contents of this letter to the States for consideration at the same meeting as will consider those two draft Laws.”*

### **Resources**

The Department believes that the proposals will have no impact on the Department’s resources beyond those set out in its States Report dated 21<sup>st</sup> March 2007.

**Conclusion**

The Department recommends the States:

To approve all the provisions of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law, 2007 and the Drug Trafficking (Bailiwick of Guernsey) (Amendment) Law, 2007.

The Policy Council, with the concurrence of the Presiding Officer, has agreed that this States Report and the draft Projets de Loi appear in the same Billet d'État on the grounds of urgency.

Yours faithfully

G H Mahy  
Minister

**(NB The Policy Council supports the proposals.)**

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

II.- Whether, after consideration of the Report dated 21<sup>st</sup> May, 2007, of the Home Department, they are of the opinion:-

1. That the legislation to amend the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 and the Drug Trafficking (Bailiwick of Guernsey) Law, 2000, proposed in Article XVIII of Billet d'État XIV of 2007, shall be extended to include the issues set out in that Report.
2. To approve the Projet de Loi entitled "The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.
3. To approve the Projet de Loi entitled "The Drug Trafficking (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

**PROJET DE LOI**

entitled

**THE CRIMINAL JUSTICE (INTERNATIONAL CO-OPERATION)  
(BAILIWICK OF GUERNSEY) (AMENDMENT) LAW, 2007**

The States are asked to decide:-

III.- Whether they are of the opinion to approve the Projet de Loi entitled "The Criminal Justice (International Co-operation) (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

**PROJET DE LOI**

entitled

**THE FORFEITURE OF MONEY, ETC IN CIVIL PROCEEDINGS  
(BAILIWICK OF GUERNSEY) LAW, 2007**

The States are asked to decide:-

IV.- Whether they are of the opinion to approve the Projet de Loi entitled "Forfeiture of Money, etc in Civil Proceedings (Bailiwick of Guernsey) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

## **POLICY COUNCIL**

### **ROYAL COURT REFORMS**

#### **Executive Summary**

This States Report recommends reform of the Royal Court to meet the demands of the administration of justice in the 21<sup>st</sup> century.

The Report proposes the enactment of legislation to create the office of Judge of the Royal Court; to make provision in respect of the tenure of Lieutenant Bailiffs; to increase the number of persons available to sit as Jurats; to amend the role of Jurats in civil trials; to require reasoned judgements in civil cases and administrative appeals; and to deal with a number of miscellaneous matters.

The Report reflects the outcome of lengthy discussions among the judiciary, involving the Law Officers. The proposals have been approved by the Jurats.

#### **Proposals from H.M. Procureur**

H.M. Procureur has reported to the Policy Council in the following terms:

##### **“Background**

1. The last major reforms of the Royal Court occurred between 1948 and 1950 when:–
  - (a) the Royal Court lost its legislative function to the States, except as to Orders of the Royal Court regulating matters of court practice and procedure; and
  - (b) the respective functions of the Bailiff and the Jurats in civil cases were redefined, the Bailiff becoming the sole judge of law and the Jurats' rôle being confined to determining factual issues.

One further significant development was the establishment in 1964 of the Guernsey Court of Appeal, which took over the jurisdiction of the Royal Court sitting as a *Cour des Jugements et Records*, comprised of at least 7 Jurats, in relation to civil appeals from the Royal Court sitting as a *Cour Ordinaire* (Ordinary Court) comprised of at least 2 Jurats. However, the Royal Court, sitting not as a *Cour des Jugements et Records* but *en Corps*, that is, as a Full Court, also comprised of at least 7 Jurats, retains an appellate jurisdiction in relation to certain administrative decisions of States Departments, in particular of the Housing Department under the Housing (Control of Occupation) (Guernsey) Law, 1994, as amended, and of the Environment Department under the Island Development (Guernsey) Law, 1966, as amended.

2. Whilst the organisation and functions of the Royal Court have not changed significantly since these reforms, the nature and extent of the matters of which it disposes have altered and extended significantly. The volume of all work, having significantly increased, has necessitated from time to time amending the Royal Court's procedures, but given the continuing pressures to dispose efficiently and swiftly of all matters coming before all Guernsey's courts, it is now considered that a more fundamental review is required.
3. This Report, which reflects the outcome of lengthy discussions amongst the judiciary, and involving the Law Officers and others, represents a significant reshaping of the Royal Court to meet the demands of the administration of justice in our community in the 21<sup>st</sup> century.

### **Judges of the Royal Court**

4. As mentioned above, the number and complexity of matters coming before the Royal Court has increased substantially in recent years. It is not necessary in this report precisely to identify why this should be so, although amongst the causes must be counted the emergence of judicial review as a remedy available locally; the enactment of a substantial amount of legislation conferring legally enforceable rights; the growth of the finance sector, which has engendered much commercial, trust and corporate contentious and non-contentious litigation; the greater amount of regulation, not only of businesses (particularly financial services) but of the community at large; and, of course, the increasing tendency of all societies to be litigious: and this without taking into account the anticipated workload as domestic courts have now been given power to adjudicate on the rights conferred by the ECHR. This increase has recently necessitated the appointment of Lieutenant Bailiff Finch as the first Judge of the Royal Court, he continuing to hold appointment not only as a Lieutenant Bailiff but also as Magistrate, but the office of Judge should be differentiated from that of Lieutenant Bailiff (see below at paragraph 7), and it is necessary that this new office of Judge should be statutorily recognised, importantly to provide that its holder has security of tenure in office. Consonant with this differentiation, Judge Finch is referred to as such, and not as Lieutenant Bailiff.
5. It is recommended that legislation be enacted by which the office of Judge of the Royal Court be created. The office holders will all be professional judges engaged full-time by salary to administer justice presiding in the Royal Court. Appointment of one or more suitably qualified persons to that office will be made by the Royal Court, and the office shall be subject to a retirement age of 65. Importantly, and to ensure judicial independence, a Judge shall not be removable from office except by Order in Council, which is the position with the Magistrate.

The qualification for appointment of a person as Judge should be that he or she:

- (a) has been in practice as an Advocate of the Royal Court of Guernsey, or of the Royal Court of Jersey, for not less than 10 years; or
- (b) has been in practice at the Bar of, or as a Solicitor in, England and Wales, Scotland or Northern Ireland for at least 10 years.

The Royal Court should have the power, in exceptional circumstances, to waive these ordinary periods of practice; and the States, by Ordinance, should have the power to amend the requisite qualifications, subject to prior consultation with the Royal Court.

- 6. A Judge of the Royal Court shall have the same judicial functions as the Bailiff, except that he shall not be a judge of the Guernsey Court of Appeal, and the legislation should provide that a Judge may, at the same time, be appointed as a Lieutenant Bailiff and also hold the office of Magistrate.

#### **Lieutenant Bailiffs**

- 7. Ever since the office of Bailiff was instituted, it has been the practice for the Bailiff to appoint one or more Lieutenant Bailiffs to take his place when he is not available to sit in the Royal Court. Originally Lieutenant Bailiffs were selected from the ranks of the senior Jurats, but in recent years it has been common for the Bailiff to appoint persons with legal qualifications, both from the ranks of retired members of the judiciary resident in Guernsey and from the English Bar, to deal *ad hoc* with cases at which either he or the Deputy Bailiff are not available to preside. Due to the growth in litigation, and the increasing appreciation that there are a small number of cases where it would not be appropriate that one of the resident, i.e. Guernsey-based, judges, should sit, Lieutenant Bailiffs from the mainland are regularly appointed and engaged.
- 8. The appointment of a Lieutenant Bailiff is made by the Bailiff, and is personal to that Bailiff, although as a matter of convention, the Bailiff will have consulted with the judiciary beforehand. Accordingly, when a Bailiff leaves office, all the Lieutenant Bailiffs appointed during his tenure automatically lose office. This does not present any problems in the normal course of events, because a new Bailiff is immediately sworn to replace a Bailiff who retires. However, in the event of a Bailiff dying unexpectedly in office, or being removed from office due, for example, to mental incapacity, there might be an 'interregnum' during which period all the Lieutenant Bailiffs appointed by the previous Bailiff would be prevented from fulfilling their functions, and until a new Bailiff were sworn, there would be no person empowered to re-appoint them, or to

appoint replacements. Now that the Lieutenant Bailiffs are playing an increasingly important part in the efficient administration of justice in Guernsey, particularly when their removal from office in such circumstances might mean the interruption of a lengthy or complex trial over which a Lieutenant Bailiff were presiding immediately prior to the termination of the Bailiff's (and therefore the Lieutenant Bailiff's) tenure of office, their going out of office unexpectedly is clearly unsatisfactory.

9. Although a *Juge Délégué*, customarily but not necessarily the senior Jurat, is appointed by the Jurats to perform the judicial functions of the Bailiff while that office is vacant, and in particular to swear in the new Bailiff, the powers of the *Juge Délégué* do not extend to appointing Lieutenant Bailiffs.
  
10. In order to remedy this unsatisfactory situation, it is proposed that the tenure of a Lieutenant Bailiff be statutorily extended beyond the expiry of the term of office of the appointing Bailiff. Legislation would provide that the term of office of the Lieutenant Bailiffs, including those of the senior Jurats who are customarily appointed as Lieutenant Bailiff *Suppléants*, and who preside over sittings of the Royal Court to deal with transactions in real property (colloquially called the conveyancing, or contracts, court), and other administrative matters such as liquor licence extensions, and whose terms of office as such will expire on a vacancy arising in the office of Bailiff, would not automatically terminate on the death of the Bailiff or otherwise during a vacancy in that office. In the case of those Lieutenant Bailiffs who are not *Suppléants* i.e. those not appointed from amongst the Jurats (being those hearing cases or available to do so), their terms of office would not terminate until the expiry of the period of 6 months from the date on which the death or vacancy occurred. In the case of the *Suppléants* i.e. those appointed from amongst the Jurats, their terms of office would expire immediately prior to the swearing-in of the new Bailiff. This proposal would enable the incoming Bailiff to identify in advance of his taking office those persons whom he would wish to appoint, or re-appoint, as Lieutenant Bailiffs (who would necessarily include those then engaged in specific court proceedings) and would also ensure that the administration of justice and, importantly, the business of the conveyancing court was not interrupted; and this would enable the newly sworn Bailiff to appoint Lieutenant Bailiffs *Suppléants* from amongst the Jurats, and swearing them into office immediately after he has been sworn into office, thereby continuing the current tradition. None of the foregoing would prevent the Bailiff from appointing additional Lieutenant Bailiffs from time to time. Finally, the legislation should provide that a Lieutenant Bailiff should only be removable from office before its expiry i.e. ordinarily the death or retirement of the Bailiff, by an Order in Council. This provision consonant with the position of the Magistrate, and proposed for the Judge of the Royal Court: see above at paragraph 5, is desirable to secure the

independence from the Bailiff of these important administrators of justice.

### **Jurats of the Royal Court**

11. Jurats of the Royal Court (*Jurés Justiciers de la Cour Royale*) are elected by the States of Election and hold office until the age of 70 years, although the term of office of an individual Jurat can be extended by a majority of the Bailiff and the Jurats if they consider it desirable that his or her tenure should continue for a period or periods not extending beyond the age of 75. There is a maximum of 12 Jurats in office at any one time, the number fixed for as long as the office of Jurat has existed, which extends back to the period during which the administration of justice devolved upon a local judiciary rather than itinerant Royal justices, as the result of the need for the English Crown to assert its authority in Guernsey.
12. It is important here to restate the contribution in the community of the Jurats for hundreds of years, not only to the administration of justice in Guernsey, but also to its governance and wellbeing. Election to the office of Jurat is the highest honour that may be bestowed upon a person residing in Guernsey. The Jurats are valued by the community for their steadfastness and probity, and they are held in universal high regard. Drawn, as the Jurats are, from all professions, occupations and backgrounds, and each being of an age and experience which make them such an effective and valuable component of our courts, their independence, impartiality and wisdom is acknowledged as being the touchstone of the administration of justice in Guernsey.
13. Just as the growth in the business of the Royal Court has placed greater demands on the Bailiff, the Deputy Bailiff and the Lieutenant Bailiffs, and more recently the newly appointed Judge of the Royal Court, the demands on the ancient, honourable and important office of Jurat have also increased. The Jurats assume distinct rôles in the judicial system:—
  - (a) Sitting *en Corps* as a Full Court (for which at least 7 Jurats are required), they fulfil the functions of the jury in a criminal trial. They are the sole judges of fact, and alone have to reach a conclusion as to whether or not they are sure of the guilt of the accused. At the present time, and as mentioned above, they also sit *en Corps* as a Full Court to determine the reasonableness of certain administrative decisions of various States Departments under legislation that gives aggrieved persons the right of appeal to the Royal Court.
  - (b) In a criminal trial, and unlike an English jury, in the event of the accused being convicted the Jurats retire with the presiding Bailiff and determine the sentence to be imposed. Although the

quality of the criminal investigation process, and the realistic advice given, in many cases results in accused persons admitting their guilt and benefiting from the lower sentences that thereupon ensue, there are an increasing number of cases where, quite properly, accused persons elect to test the evidence against them, and this can involve longer trials, with interruptions for the presiding Bailiff alone to consider points of law that arise during the trial. At the present time, up to 16 weeks per year are having to be reserved for Full Court business.

(c) In addition to their duties sitting in the Full Court, the year is divided into 4 quarters, and 3 Jurats find themselves sitting continuously for 3 months as Jurats of the Quarter. During this period they sit twice a week to discharge the business of the Conveyancing Court, followed by liquor licence extensions and various other administrative matters. They sit approximately every 3 weeks for the discharge of ordinary, for the most part non-contentious, civil business of the Court: liquor licences, guardianships, evictions, company liquidations and the like. In addition they may be required to sit on civil trials, wherein they are the sole arbiters of issues of fact. They also occasionally sit on criminal trials transferred to the Ordinary Court from the Courts of Alderney and Sark.

14. Whilst, in theory, it is possible for the Full Court to sit with 7 Jurats at the same time as the Ordinary Court is dealing with a civil trial (usually 3 Jurats), if there is a lengthy criminal matter, the practice has been that at least 9 Jurats sit in order to avoid aborting trials for reasons of illness or other unavoidable absence; the Full Court being unable to continue if the number of Jurats falls below 7. The result is that there can be difficulty in managing the business of all courts, particularly in fixing dates for civil trials.
15. A quite separate issue has arisen in connection with a problem that is not infrequently experienced in England and in Jersey (where jury trial, rather than trial by Jurats, is available for customary offence such as murder, manslaughter, arson, rape and the like) where a person has been convicted of a serious offence before the Royal Court, and the Court of Appeal allows an appeal against that conviction on the ground that there has been some misdirection by the trial judge when dealing with a point of law, or where he has admitted evidence that should have not been admitted. In Guernsey, unlike the position in England or Jersey where a new jury will be empanelled, at the present time, it is not possible for there to be a re-trial, as it is not appropriate for the Jurats who sat on the first trial to re-hear the case. The traditional, probably apocryphal, view has been that if the Guernsey Jurats were unable to sit on a matter, Jurats from Jersey might be brought in, but no record of this ever having occurred can be traced, nor can any authority for it be found. Whether or

not this view is right, nowadays, this would not be a satisfactory solution, for a number of reasons, and indeed it would not be lawful without legislation. It may also be impractical, as the Jersey Jurats are likewise extremely busy. It is also important that, if there is to be a re-trial, the panel sitting should be perceived as being a Guernsey panel, and comprised of persons held in the same respect as the panel that sat at the original trial. The second panel must be as respected and authoritative as the original panel to ensure that public perception of the criminal trial process is not diminished, and that the undoubted high regard in which criminal trial by our Jurats is maintained. The only way that this can be achieved is to augment the number of Jurats, so that if a case had to go back for a re-trial, there would be available a sufficient number of Jurats – at least 7 but preferably 9 – to sit at the re-trial. It has to be recognised that the cohesion of the Jurats’ bench must not be compromised, and neither must the quality of the candidates for that office.

16. There is another reason why the number of Jurats should be increased. If the Jurats have already sat to determine guilt in a criminal trial, e.g. fraud, they would, in certain circumstances, be precluded from sitting in any subsequent civil proceedings arising out of the fraud. This is clearly unsatisfactory, and could only be rectified by increasing the number of Jurats.
17. Two ways of increasing the number of persons available to sit as Jurats are proposed.
  - A Firstly, the number of permanent Jurats should be increased to 16. This would be implemented gradually, by individual elections over a period of time, in order to ensure that candidates of the right quality are proposed for election, rather than having several candidates of lesser quality elected all at once.
  - B 1. Secondly, a panel of *Juré Justicier Suppléants* should be introduced. Jurats between the ages of 65 and 72, who have served as a Jurat for not less than 5 years, would be able to retire but continue to serve as a *Juré Justicier Suppléant*, undertaking the functions of a Jurat without being committed to sitting to the same extent as identified in paragraph 13 above. The *Juré Justicier Suppléant* would be able to adjust his or her workload according to circumstances.
  2. Effectively, the present practice whereby a Jurat, with the approval of the other Jurats, may have his term of office extended after the ordinary retirement age of 70, so that he may continue to serve until 75, should be modified. At present, a Jurat desiring to resign before the age of 70 must petition Her Majesty in Council to be relieved of his duties. Fortunately, instances of this

happening are extremely rare. It is now proposed that a Jurat between the ages of 65 and 72 (the proposed reduced maximum age for retirement from ordinary services as a Jurat – see below), who has served as a Jurat for not less than 5 years, can retire from his normal duties (and, if he has not yet reached the age of 70, without petition) provided that he thereafter sits as a *Juré Justicier Suppléant*, until a maximum age of 75, provided his fellow Jurats approve. A Jurat seeking to retire before reaching the age of 70 who does not want to be appointed as a *Suppléant* would still be required to petition Her Majesty in Council, as at present. Further, a Jurat, as at present, would be able to retire on or at any time after reaching the age of 70, without petition, and choose not to be appointed (or reappointed) as a *Suppléant*.

3. Those Jurats who are on the bench when the new arrangements come into force would remain subject to the present maximum retiring age of 75, save that if any were to retire below the age of 75, they would be eligible to be appointed as a *Suppléant* if they so chose, again provided they had at least 5 years service, and, if above the age of 70, with the approval of the other Jurats.
4. Jurats appointed after the new arrangements come into force would be subject to an eventual maximum retirement age of 72, reduced from the present age of 75, but again, they would be eligible to serve as *Suppléants* until the age of 75 if they so chose, provided they had at least 5 years service, and the approval of the other Jurats.
5. The 5 year requirement referred to above for qualification as a *Suppléant* is recommended so as to prevent persons taking the option of becoming a *Suppléant* before they have gained the requisite experience by serving for a substantial period as a full-time Jurat.
6. A Jurat who retires, whether or not he has served as a *Suppléant*, would continue to be accorded the honour of Jurat, in accordance with the present custom.

The combination of *Suppléants*, and a gradually increasing – to 16 – number of Jurats, will, in particular, come to mean that the substantial injustice of a retrial not being possible because of a lack of Jurats should never arise.

### **Rôle of the Jurats in civil trials**

18. The system whereby the Bailiff is the sole judge of law and the Jurats are sole arbiters of fact has, in the past, worked very well, because Jurats,

being men and women elected for their standing in the community, bring a great amount of commonsense, local knowledge and civic experience to bear on issues of fact, particularly where a case has a local component. However, the presence of Jurats in civil proceedings as arbiters of fact necessarily involves a different approach to the litigation – by the parties and the presiding Bailiff, and so a more complex procedure, and it is considered that, in some limited cases, the disadvantages that this entails might outweigh the advantages of the system.

19. There is an increasing volume of civil cases where more complex legal issues are inextricably entangled with issues of fact. In such cases, the need to conduct the trial in such a way as to focus distinctly on issues of law and of fact (even though they may in reality be intermixed) in order that the Jurats can deal solely with questions of fact can, and does, considerably increase the complexity of the proceedings and the length of time taken to dispose of them. Most importantly this almost inevitably adds significantly to the costs of the parties to the proceedings. The presentation of the evidence by the parties is affected by the need to distinguish fact and law, and there is a necessity, which would not otherwise exist, for the Bailiff to sum up to the Jurats. Such cases often also involve parties from outside the Island, and so the special features of the local system, which is particularly advantageous in cases involving local issues and personalities, may be lost. Guernsey, apart from Jersey (where, as mentioned above, Jurats do not have to sit as criminal juries in all cases) is almost unique among common law systems in retaining for civil trials such a mixed tribunal of distinct judges of law and arbiters of fact. Regrettably, this can be regarded by the parties and their advisers, who in many such cases are from outside the Island, as anachronistic. This undoubtedly leads to some loss of confidence in the ability of the local legal system to deliver a modern judicial service, and this particularly so in complex commercial disputes.
  
20. In order to address the perceived difficulties, both of easing the burden of the workload on the Jurats and also to allay the concerns relating to complex civil cases mentioned in paragraph 19, it is proposed that, in civil cases only, the mandatory requirement that Jurats sit in all cases in which factual issues have to be determined be removed. Instead, the rule will be that the parties to the proceedings, if they are all in agreement, may elect, subject to the approval of the trial judge, that the judge – Bailiff, Deputy Bailiff, Judge of the Royal Court or Lieutenant Bailiff – alone should hear the case, and determine issues of fact. In the absence of agreement between the parties, the trial judge would also have a discretion to direct whether or not he should sit alone to hear a particular case, or whether the Jurats would also sit. It is possible that he would refrain from exercising his discretion where, for example, the credibility of witnesses in a local case is likely to be an issue, or where he is satisfied that there are serious factual issues in a local context to be

decided. But where all the parties agree that the Jurats will sit, the trial judge would be bound by that agreement. It is considered that removing the absolute requirement that Jurats sit in all civil cases, and by enabling those best acquainted with the case, i.e. the parties and the trial judge, to make the decision as to which would be the most appropriate, i.e. efficient and fair tribunal for the hearing, the more effective administration of justice in civil cases would result.

### **Reasoned judgments in civil cases and administrative appeals**

21. As has been seen in the previous section, in proceedings in the Royal Court the Bailiff (and references following to the Bailiff should be taken to refer to the presiding judge, be he or she the Bailiff or Deputy Bailiff, or Judge of the Royal Court or Lieutenant Bailiff) is the judge of issues of law and the Jurats are the arbiters of issues of fact. The Bailiff gives directions to the Jurats on the legal issues. The Jurats then retire to consider their conclusions on the facts, applying the legal principles upon which they have been directed, and return to give their decision in court. No explanation is given as to how they reach their conclusions.
22. Article 6 of the ECHR contains the guarantee of a fair trial. This has been interpreted as including a requirement for all courts to give reasons for their judgments sufficient to enable the parties to the case, and the public, to know how and why the judicial decision has been reached, and so, particularly, for an aggrieved party to decide whether there may be grounds to appeal against that decision. In a criminal trial, where the only issue before the Jurats for determination is the guilt or innocence of the accused, the reasons can fairly readily be deduced from the Bailiff's summing up and directions. However, in civil cases it is less easy to infer the reasoning from the Bailiff's summing up and directions, because the issues of fact are not usually so precise. Jurats are often required to determine issues in which the range of possible decisions is variable. This also applies to appeals against administrative decisions of States' Departments when the issue of reasonableness has to be determined.
23. The Guernsey Court of Appeal has in recent years and on more than one occasion emphasised the desirability of the Royal Court giving reasons for its decisions. These judgments, while acknowledging that such a course was not open to the Royal Court by virtue of the current law, stated that it would have been preferable in such cases for the Bailiff to have retired with the Jurats, and for a comprehensive and reasoned judgment on the law and facts to have been delivered following their deliberations.
24. It is therefore proposed that, in all civil hearings, and in public law appeals against administrative decisions, the Royal Court should

ordinarily give a reasoned judgement, i.e. a judgement including reasons for its decisions. However, reasons – or at least a fully reasoned judgement – need not be given in any case in which all the parties so agree, unless the Bailiff directs otherwise: for example, where the issue is plain and the reasons are self-evident from the decision. If that proposal is accepted it will be necessary to determine the form in which those reasons should be given. Where a single judge is sitting alone, or where several professional judges sit together, there is no difficulty in preparing a judgment setting out the conclusions of the judge(s), or the majority, as the case may be. However, where the Royal Court consists of the Bailiff, who is the sole judge of law, and the Jurats, who are the sole arbiters of fact, it is necessary to determine a procedure. It is therefore proposed that the Bailiff should retire together with the Jurats when they have to consider their verdict.

25. At a civil trial, although the facts remain exclusively a matter for the Jurats, where the Jurats are equally divided on their verdict the Bailiff shall have a casting vote, as he does at present, which will be a genuine casting vote as opposed to a vote determined according to whether a particular evidential burden of proof has been satisfied. In practice, split decisions will be avoided in any case where an unequal number of Jurats, i.e. 3 (as is almost invariable) are engaged. When the Jurats have reached their verdict the Bailiff will assist the Jurats in preparing the judgment setting out the reasons for their decision and incorporating those reasons in a coherent and comprehensive judgement. The resulting judgment will be a composite, setting out the facts either agreed or found by the Jurats, the law as directed by the Bailiff and applied to those facts, and the decisions of the Jurats. It may, of course, be that different Jurats will have different reasons for coming to their conclusion, and there may indeed be divisions of opinion as to the appropriate order to be made by the Royal Court. These would all have to be distilled into the Royal Court's collective judgment, which would, where there are differences of opinion, clearly identify which Jurats held one view and which Jurats held another view. An amendment to the existing legislation will be necessary to enable the Bailiff to retire with the Jurats for the purpose of assisting them in the formulation of their decision. It should be added that the foregoing substantially represents the practice in Jersey, and has there been found to work well.
  
26. It is therefore proposed that, in any civil case in which the Bailiff sits with Jurats, notwithstanding any enactment or rule of law to the contrary, the Bailiff shall not sum up, but he and the Jurats shall retire together and deliver the collective decision of the Royal Court to which the Bailiff shall contribute, but so that nothing shall
  - (i) limit or qualify the function of the Jurats to determine issues of fact; or

- (ii) restrict the right of any Jurat to deliver a dissenting decision as to the facts.

Any issue of law or procedure arising shall be determined, as at present, by the Bailiff.

- 27. Similarly, on the hearing of administrative appeals where the Jurats are charged with determining the issue of reasonableness, the Bailiff and the Jurats should retire together and deliver the collective judgment of the Royal Court. Any issue of law or procedure arising on an appeal would, as at present, continue to be determined by the Bailiff alone, but the Jurats would retain the function of determining whether or not the administrative decision being appealed against was reasonable or unreasonable. Again, it would be open to any of the Jurats to deliver a dissenting decision. All of these matters would be included in the Royal Court's collective judgment.
- 28. Finally, the legislation should reflect recent statutory developments in Guernsey, by which appeals from decisions of certain bodies and authorities are referred to the Royal Court constituted not by the Bailiff sitting with the Jurats, but with technical assessors where the factual issues are of a peculiarly complex and specialised nature. Examples include appeals under financial services regulatory legislation made by the Guernsey Financial Services Commission; appeals from decisions of the Office of Utility Regulation, and appeals from decisions of the Director of Environmental Health and Pollution Regulation. Such appeals will be rare, but a longstanding statutory precedent exists for composing the Royal Court in this way already exists, in the case of marine accidents in which the Royal Court, in determining issues arising as the result of shipping casualties and collisions, may sit comprised of the Bailiff and 2 Assessors, rather than the Jurats.

### **Miscellaneous**

#### ***H.M. Greffier, H.M. Sheriff and H.M. Sergeant***

- 29. By the terms of their instruments of appointment, H.M. Greffier, H.M. Sheriff and H.M. Sergeant are authorised to appoint one or more Deputies, having the same powers and to exercise the same functions as their respective appointors. However, upon a vacancy in any of these offices, any Deputies so appointed automatically go out of office. In the ordinary course this does not create a difficulty, because in the process of appointment following an anticipated retirement the prospective appointee will have identified those whom he or she would wish to be appointed as Deputies. However, if the vacancy in the office arises unexpectedly – for example death or sudden resignation – then the process of appointment of a successor will necessarily take some while,

and in the interim, there will be no Deputies to carry out the many functions attaching to these important offices. Accordingly it is recommended that, on any vacancy occurring in the offices of H.M. Greffier, H.M. Sheriff and H.M. Sergeant, any Deputies to those respective offices should not automatically lose office but should hold office until the successor has been sworn in by the Royal Court to fill the vacancy, whereupon the Deputies could be reappointed, or otherwise as the circumstances may require.

30. The work of H.M. Sheriff and H.M. Sergeant involves the issuing and service of process to secure the attendance of persons before the courts, the maintenance of good order during court sittings, and the enforcement of the court's directions, orders and awards. As in the case of the courts themselves, to which the service is closely affiliated, these aspects of the administration of justice need to be adequately funded by, and in that sense accountable to, the States. But those responsible for their delivery must be (and importantly must be seen to be) free from any political pressure which might (or might be perceived to) impair their ability to act at all times with complete impartiality and independence. In contractual terms H.M. Sheriff and H.M. Sergeant, even though nominally Crown servants, and whose functions as such are primarily connected with our courts and the administration of justice, are employed by the States, but they are, and always have been, part of the Royal Court, sworn thereby to well and faithfully discharge their duties, and they are answerable to the Royal Court for the manner in which they do so. These arrangements have worked quite satisfactorily to date, and experience of the new machinery of government has posed no threat to them. Pursuant to proposals approved by the States in October 2003 (on Article 12 of Billet d'État No. XXIV of 2003) the Policy Council is responsible for determining the remuneration and conditions of service of H.M. Sheriff and H.M. Sergeant, after consultation with H.M. Procureur. The new arrangements, however, together with the need to continually monitor and improve the transparency of our administration, make this an apposite time to set out the position in legislative form, and this Report so recommends.
31. Whilst the efficient provision of the core services mentioned above requires that a cohesive and flexible approach be adopted by H.M. Sheriff and H.M. Sergeant and their staff, the two offices are historically separate, and appointments to them are made in different ways. As to their functions, H.M. Sergeant is, strictly speaking, responsible for the issue and service of process and H.M. Sheriff (the senior office) for the execution of court orders. H.M. Sheriff was historically elected by the States of Election, until the power of appointment was vested in the Appointments Board in 1955, (at a time when the Prison Governor held the position concurrently), and eventually the Civil Service Board, subject to a saving protecting H.M. Sheriff from dismissal otherwise than

by Her Majesty, whereas H.M. Sergeant has traditionally been appointed by Warrant executed by the Lieutenant Governor. In practice, a composite service has been achieved through successive appointments of the holder of the office of H.M. Sergeant to be also H.M. Deputy Sheriff, and by the officers responsible to them being appointed and sworn in as both H.M. Deputy Sheriff and H.M. Deputy Sergeant. But the tradition of H.M. Sergeant's Warrant does make matters more complex (for example, it authorises H.M. Sergeant to appoint a specified number of Deputies, which has had to be formally amended, purely for that purpose when the need for an additional Deputy has been identified and approved); and there could potentially be some inconvenience should any H.M. Sergeant either prove totally unsatisfactory during what would ordinarily be a probationary period, or become less than wholly co-operative about performing H.M. Deputy Sheriff's functions which were not strictly covered by the Warrant.

32. Whilst stressing that these are not issues which have arisen in practice, this Report recommends, after consultation, and with the full agreement of the Lieutenant Governor and the Policy Council, that the practice whereby H.M. Sergeant is appointed by Warrant be now abandoned, with future appointments to that office being made in the same way as the more senior office of H.M. Sheriff, and the recommendation is that appointment in both cases should be by the Royal Court following consultation with the Policy Council. This Report further recommends, again with the full agreement of Lieutenant Governor and the Policy Council, that dismissal from the office of HM Sheriff or HM Sergeant should become the responsibility of the Royal Court, but again only after consultation with the Policy Council.
33. Finally, whilst not proposing the formal replacement of the two nominally distinct offices with a single new position – not least because, in addition to their core functions, H.M. Sheriff and H.M. Sergeant perform different duties of a ceremonial nature, this Report recommends the enactment of a clarificatory provision, to the effect that H.M. Sheriff may lawfully perform any function vested in H.M. Sergeant; that H.M. Sergeant, when so requested by H.M. Sheriff, may perform any function vested in H.M. Sheriff; and likewise for their respective Deputies; and this consonant with arrangements made under the Public Functions (Transfer and Performance) (Bailiwick of Guernsey) Law, 1991: and that any relevant enactment, custom or practice referring to HM Sheriff or HM Sergeant should be construed and applied accordingly.
34. Customarily, the Royal Court is comprised of the Bailiff sitting with or without Jurats, together with H.M. Greffier, and often in practice H.M. Sheriff or H.M. Sergeant, or one of their respective Deputies. Whilst the presence of either of the latter officers is not necessary, the presence of H.M. Greffier, or one of his Deputies, might be held to be a customary

requisite. There will be occasions – e.g. the granting by the Bailiff out of office hours of an injunction, in circumstances of immediacy or urgency, in which it would simply not be possible to arrange the attendance of H.M. Greffier or one of his Deputies; and accordingly it is proposed that the legislation should provide that, for the avoidance of doubt, the Royal Court may be properly constituted by the Bailiff sitting in the absence of H.M. Greffier or his Deputy. Of course this would not affect the ordinary administration of justice, and circumstances in which this would happen would be rare indeed.

### ***Contempts***

35. The Royal Court has an inherent power to punish contempts of court, and to enforce its orders. The precise extent of these powers has never been tested, and fortunately, orders of the Royal Court are but rarely breached or ignored. The legislation should provide that the States, by Ordinance, should have power to legislate extensively for contempts of the Royal Court in all its Divisions and of its officers, and for ensuring the due compliance with orders made in the exercise of both the Royal Court's criminal and civil jurisdictions.”

### **Resources**

The Policy Council does not consider that there will be any significant resource implications from the implementation of the proposals set out above.

### **Conclusions**

The Policy Council has been kept advised of the development of the proposals contained in H.M. Procuerur's report and is unanimous in its support for them. The Policy Council considers that the effective and timely administration of justice is of critical importance in building and protecting a safe, just and tolerant society for the people of the Bailiwick.

### **Recommendation**

The Policy Council recommends the States to enact legislation to implement the reform of the Royal Court as set out in this Report.

M W Torode  
Chief Minister

14<sup>th</sup> May 2007

**NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

V.- Whether, after consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council, they are of the opinion:-

1. To enact legislation to implement the reform of the Royal Court as set out in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

## **POLICY COUNCIL**

### **MAGISTRATE'S COURT REFORMS**

#### **Executive Summary**

This States Report recommends reform of the Magistrate's Court and its criminal and civil jurisdictions.

One effect of the proposed changes will be to reduce the Royal Court's caseload in both criminal and civil matters.

The Report also proposes that the Royal Court be given power, in respect of the Magistrate's Court, to make rules relating to committal proceedings in criminal trials and civil rules of procedure and to prescribe a limited scale of recoverable costs and fees. It also proposes a change in the constitution of the Royal Court when dealing with criminal cases transferred from Alderney or Sark.

The Report also proposes a number of miscellaneous changes relating to the operation of the Magistrate's Court.

The proposals have resulted from consideration by the Royal Court in consultation with HM Procureur.

#### **Proposals from H.M. Procureur**

H.M. Procureur has reported to the Policy Council in the following terms:

##### **“Origins of the Magistrate's Court**

1. Prior to 1925, Guernsey's Magistrate's Court did not exist. All criminal trials were dealt with by the Royal Court sitting as a Full Court composed of the Bailiff and not less than 7 Jurats, lesser offences being heard by the Royal Court sitting as an Ordinary Court composed of the Bailiff and from 2 to 4 Jurats. In civil matters, all claims were dealt with by the Royal Court sitting as an Ordinary Court. Objections to, and inconveniences attendant on, this exclusive jurisdiction of the Royal Court were the subject of various references to the States, and by the *Loi ayant rapport a l'Institution d'un Magistrat en Police Correctionnelle et pour le Recouvrement de Menues Dettes, 1925*, a Magistrate's Court was established whose jurisdiction was as follows:
  - (i) Summary trial of certain offences;

- (ii) Committal proceedings in respect of trials on indictment before the Royal Court sitting as a Full Court (i.e. with 7 or more Jurats);
  - (iii) Petty debt (“menue dette”) claims;
  - (iv) Inquests.
2. The *1925 Law* was subsequently amended, principally in relation to the Magistrate’s qualifications for appointment, and extending the Court’s jurisdiction and powers. Furthermore, separate legislation conferred a limited matrimonial jurisdiction in respect of separation and maintenance (for spouses and children), and in respect of illegitimate children.
  3. In March 1952, the States resolved that there should be a report from the Advisory Council as to what changes were desirable to the *1925 Law*. These States’ Resolutions find legislative expression in the *Magistrate’s Court (Guernsey) Law, 1954 (“the 1954 Law”)*, which, with amendments, constitutes the principal legislation regulating the present constitution, jurisdiction and operation of the Magistrate’s Court. For sake of completeness, it should be mentioned that the jurisdiction of the Magistrate’s Court was extended by the *Domestic Proceedings and Magistrate’s Court (Guernsey) Law, 1988* as regards financial provision for spouses and children, for custody of children, and for injunctions in respect of domestic violence.

### **Reform of the Magistrate’s Court**

4. Whilst the work of the Magistrate’s Court in all its aspects has increased in recent years, and continues to increase, the way in which the administration of criminal justice is evolving – partly in response to human rights considerations, partly in response to greater awareness of the need for legal representation, and partly in response to the greater complexities attendant upon the criminal trial process – has required a general review of the organisation of Guernsey’s courts engaged in criminal justice. As part of this review of the constitution and jurisdiction of the courts of Guernsey, the Royal Court in consultation with H.M. Procureur has been giving consideration to reforms of the Magistrate’s Court and the proposals for reform are set out in this Report. It is proposed, if the recommendations of this Report are approved, that the *1954 Law* be repealed, and replaced by a comprehensive legislative framework within which the Magistrate’s Court will continue to administer justice in both its criminal and civil aspects, as well as in its inquest jurisdiction.
5. The first issues to be considered relate to the title of the Magistrate’s Court in both its criminal and civil jurisdictions, and the title and

appointment of the judges of the court, whatever it is to be called, and provision for their security of tenure.

6. The Magistrate's Court is a summary court which, put loosely, means no more than that proceedings should be determined with relatively less formality than in the Royal Court, and expeditiously, efficiently and effectively.
7. The *1954 Law* provides that the Magistrate shall be appointed by the Royal Court. The qualifications for the appointment of a person as Magistrate are that that person be either a Guernsey or Jersey advocate, or professionally legally qualified (i.e. a member of the Bar or a Solicitor) in any part of the United Kingdom, in any such case of not less than 5 years standing. Also, the Royal Court may from time to time appoint persons as Assistant Magistrates, being either a person qualified for appointment as a Magistrate, or a Jurat, who shall have all the powers and may perform all the duties of the Magistrate. The Magistrate shall not be removable from office except by Order in Council, and shall retire from office on reaching 70 years of age, although he or she may continue in office with the approval of the Royal Court until the age of 75. Furthermore, the Deputy Bailiff may, and occasionally does, sit in the Magistrate's Court, and it is not proposed that this arrangement should change.
8. For many years, the Royal Court appointed stipendiary Magistrates, (successively Mr. H.J. Casey, Mr. F. Gahan, Q.C. and Dr. F. Coningsby) but on the retirement of the last named in 1969, Jurats were appointed as Acting Magistrates until 1983, when qualified lawyers were again appointed (successively Mr. A. Gillett and Mr. J.R. Finch, the latter presently also a Judge of the Royal Court). Recently, in order to assist in managing the heavy workload of the magistracy, and to ensure the provision of legally qualified persons sitting for all but the most straightforward guilty pleas, the Royal Court has appointed Ms. C. McMillan and Mr. P. Robey as Assistant Magistrates. Furthermore, in an increasingly litigious and human rights conscious environment, the Royal Court has had to recognise that there are limitations on the potential use of lay Jurats sitting as Acting Magistrates, particularly where the Deputy Greffier, acting as clerk, is also not legally qualified.
9. In England the title Magistrate is now reserved for those who are not legally qualified. In England qualified judges in the Magistrate's Court are called District Judges.
10. The Bailiff, after discussion with the magistracy, has proposed that the word Magistrate should be retained in the title of the Court, but that each of its office holders should be retitled Judges of the Magistrate's Court. However, the court, in its proposed to be extended criminal and civil

jurisdiction, will be and remain a summary court. The Magistrates will be referred to as Judges. A Jurat who sits as an Assistant Magistrate will retain his or her title of Jurat.

11. Whoever occupies the position of Judge needs to have proper security of tenure. Under the present legislation, only the Magistrate has such security, and others appointed as Assistant Magistrates are subject to removal by the Royal Court. This is unsatisfactory for the purposes of the administration of justice, where the judiciary must be free of any perception of holding tenure effectively during the pleasure of the appellate court i.e. the Royal Court, and accordingly it is proposed that any person appointed as Judge may only be removable by an Order in Council, and should hold office for a term ordinarily expiring at age 65, which accords with the age at which the Warrants of the Bailiff and Deputy-Bailiff ordinarily now expire. However, the Royal Court should have the power to extend their term of office up to the age of 70, but not beyond.
12. Finally as to its constitution, there is merit in retaining the ability of the Jurats to hear and determine routine matters, including road traffic prosecutions in which a guilty plea is tendered; granting adjournments; or sitting in a straightforward case where the Judges were unavailable to sit.

### **Criminal Jurisdiction**

13. Certain criminal offences are reserved exclusively for the Royal Court sitting as a Full Court, being treason, homicide, rape, robbery, piracy and perjury.
14. The criminal jurisdiction of the Magistrate's Court is set out in Section 10 of the *1954 Law*, as substituted by the *Magistrate's Court Miscellaneous Reforms (Guernsey) Law, 1996*.
15. No matter how serious the offence, all criminal matters will commence with a hearing in the Magistrate's Court. Whether or not the matter will be determined in the Magistrate's Court or in the Royal Court will depend upon the offence in question. There are broadly three types of offences:

those that are summary only, meaning that they must be tried in the Magistrate's Court;

those that are indictable only, meaning they must be tried in the Royal Court; and

those that may be tried either in the Magistrate's Court or the Royal Court.

16. The offences in Guernsey that are indictable only are those mentioned above, i.e. treason, homicide, rape, robbery, piracy and perjury, including any incitement, conspiracy or attempt to commit, or aiding and abetting the commission of, any of those offences. If a defendant faces an indictable only offence, then before it can be heard in the Royal Court the case must proceed to a committal hearing at which the Magistrate's Court will decide if there is a *prima facie* case to answer. Whether or not there is a *prima facie* case depends on whether the Magistrate's Court is of the opinion that the Royal Court, properly directed, could convict the defendant of the offence alleged. If it does so decide, the case will be committed to the Royal Court for trial, but if it decides not that is usually the end of the case.
17. There are a number of laws that create summary only offences. One such law is the *Summary Offences (Bailiwick of Guernsey) Law 1982*, which includes offences such as behaving in a disorderly manner, attending court in state of drunkenness and tampering with the moorings of a vessel. These offences carry a maximum of three months imprisonment and may only be determined in the Magistrate's Court. The range of offences covered by the *1982 Law* may be varied by Ordinance.
18. All other offences that do not come within either of those categories can be tried either in the Magistrate's Court or the Royal Court. Whether or not the trial of such an offence will be determined in the Magistrate's Court or the Royal Court will depend upon the following matters.
  - Firstly, the Law Officers have the right to elect a Royal Court trial. If this occurs then the case will proceed to a committal hearing where the Magistrate's Court will commit the case to the Royal Court for trial, if satisfied that there is *prima facie* case to answer.
  - Secondly, the Magistrate's Court itself has power to decline jurisdiction and to direct that the matter proceed to a committal hearing with a view to a Royal Court trial. Again the Magistrate's Court must be satisfied, before so committing, that there is a *prima facie* case to answer. The Magistrate's Court may decline jurisdiction if it decides its sentencing powers are insufficient to deal with the offence.
  - Thirdly, where the offence carries a potential term of more than three months imprisonment, the defendant has the right to elect trial in the Royal Court prior to his plea being taken. If the defendant does so elect, then the matter will proceed to a committal hearing where, if

the Magistrate's Court is satisfied there is a *prima facie* case to answer, the defendant will be committed for a Royal Court trial. However, if the defendant is charged with assault, there is an exception in that the defendant has no right to elect trial in the Royal Court, meaning only the Magistrate's Court or the Law Officers may make that decision.

19. All offences that fall to be determined in the Magistrate's Court can only be dealt with in accordance with the Court's sentencing powers. These are generally limited to a maximum of 12 months imprisonment and/or a fine not exceeding level 5 on the uniform scale. If the Magistrate's Court is of the view the offence should attract a sentence beyond those limits it will decline jurisdiction and direct a Royal Court trial.
20. The legislation that sets out the present maximum fines is the *Uniform Scale of Fines (Bailiwick of Guernsey) (Amendment) Ordinance 2006*, under which a level 1 fine is £500, a level 2 fine is £1,000, a level 3 fine is £2,000, a level 4 fine is £5,000, and a level 5 fine is £10,000.
21. Generally, no matter how many offences an accused may face, the total period of imprisonment that may be imposed on the same occasion by the Magistrate's Court must not exceed a total of 12 months. There are 3 exceptions to this general rule where the total period of imprisonment may exceed 12 months or where the fine for a single offence may be in excess of £10,000.
  - Firstly, if a defendant is imprisoned as a result of default on payment of a fine, the Magistrate's Court need not take account of that in determining sentence for the offences before it. This means the defendant might receive a sentence that leads to him serving in excess of 12 months when the period served in default of payment of the fine is included.
  - Secondly, under section 2 of the *Criminal Justice (Power to Suspend Sentences) (Bailiwick of Guernsey) Law, 1972* the Court can impose a sentence of beyond 12 months imprisonment if it is activating a previously suspended sentence of imprisonment. By way of example, if a period of 6 months imprisonment had been imposed but suspended and an offender had then committed a further offence during the period of the suspension then the Magistrate's Court would have the power to activate that 6 month sentence. In addition the Court could impose a maximum of 12 months for the further offence meaning a defendant, in this scenario, could receive a maximum of 18 months imprisonment.
  - Thirdly, the Magistrate's Court may have sentencing powers that are limited to, or in excess of, those generally applicable if the law

dealing with the punishment for the offence expressly provides for a higher or lesser maximum penalty. This thus overrides the general powers of punishment. Legislation that empowers the Magistrate's Court with a higher sentencing power is the *Fishery Limits Act, 1976*, as extended to the Bailiwick of Guernsey by the *Fishery Limits Act 1976 (Guernsey) Order 1989*. On conviction this allows the Magistrate's Court to impose a maximum fine of £50,000 upon the master of a vessel found to be fishing illegally within British fishing limits. Unless there is such a provision in the enactment the usual sentencing limits apply.

22. It should also be noted that whilst the Magistrate's Court can impose a maximum £10,000 fine for one offence the total fine imposed could be higher if there is more than one offence before the Court as the Court may aggregate the fines, provided it does not exceed the £10,000 limit for each offence.
23. In referring above to the criminal trial process, mention was made of committing an accused person for trial by the Royal Court. Committal proceedings are designed to ensure that there is sufficient *prima facie* evidence to justify a Royal Court trial on the criminal charges preferred. Committal proceedings, in exposing an accused person to an additional court process, are inevitably time-consuming and invariably involve advocates, so adding significantly to the costs (including legal aid) of administering criminal justice. It is proposed that the reforms of the *1954 Law* should embrace the power of the Royal Court to make rules enabling committal proceedings to be simplified, or even unnecessary in certain cases or circumstances. This will enable accused persons to come to trial more quickly, which all concerned must recognise as being wholly desirable.

### **Proposed Extension of Criminal Jurisdiction**

24. During the period 1954-2006 the Magistrate's Court's power to fine for a single offence has increased one hundredfold – from £100 to £10,000. Whilst part of this increase reflects inflation, particularly the substantial inflationary periods of the early 1970s and late 1980s, the increase also reflects the general tendency to confer an extended jurisdiction on the Magistrate's Court, reserving to the Royal Court for trial that more serious criminality requiring expression of the community's condemnation of such conduct through its most authoritative court. However, for the period 1954-2006, its power to sentence to imprisonment has only doubled (in the case of a single offence) or remained unchanged (in the case of multiple offences).
25. In recent years the casework of the Royal Court has increased in volume substantially. This may be explained partly by the fact that amounts of

drugs seizures continue to increase year on year. For example, the values of such seizures increased from £211,620 in 2000 to total £3,463,779 for the years 2003 to 2006 inclusive: averaging £865,945 per year. Drugs trafficking cases provide a significant amount of the Royal Court caseload. Reports prepared by the Probation Service for Royal Court cases have also greatly increased in number. The increase in the criminal workload of the Royal Court shows no sign of abating.

26. The amount of time that the Royal Court can spend on criminal casework is necessarily limited, because of its many other functions in the administration of justice, and also its functions as a conveyancing and licensing court. The consequence of an increasing criminal caseload is that delays in dealing with that caseload will increase, which will be highly prejudicial to the proper administration of justice in the Bailiwick. One solution is to increase the sentencing powers of the lower court, transferring a proportion of criminal casework currently heard by the Royal Court to the Magistrate's Court.
27. A convenient way of approaching the issue of increasing the Magistrate's Court's sentencing powers is, firstly to consider the possibility of doubling its powers of imprisonment, so that the maximum term would be 2 years for single offences, and 3 years for multiple offences. Applying the former to past sentences of the Royal Court, to ascertain the effect it would have had on its workload, discloses the following.
28. A review of the casework of the Royal Court from 1<sup>st</sup> January, 1994 to 31<sup>st</sup> December, 2006 can identify over that period, within specific categories, those cases attracting sentences of 2 years and under and those attracting sentences of over 2 years. Care must be taken, however, with regard to factors that would result in a direct extrapolation from past casework to future casework producing inaccuracies.
29. 1<sup>st</sup> January, 1994 - 31<sup>st</sup> December, 2006

<b>CATEGORY</b>	<b>SENTENCES OF 2 YEARS &amp; UNDER</b>	<b>SENTENCES OVER 2 YEARS</b>	<b>SUSPENDED SENTENCE/ PROBATION /BIND OVER</b>	<b>FINES</b>
Drugs	48	223	6	1
Violence	27	22	8	1
Offences against property*	46	31	12	1
Sexual offences	11	11	3	
Road traffic	2	2	1	1
Miscellaneous <sup>#</sup>	4		3	3
<b>TOTAL</b>	<b>138</b>	<b>289</b>	<b>33</b>	<b>7</b>

- \* This category now includes all offences that are contrary to the theft legislation
- # This category includes offences related to health and safety, perjury, firearms

### Notes

- A. The majority of the offences in the 2 years and under section pre-date the Royal Court's firmer stance on drug trafficking cases, which culminated in the *Richards* guidelines (April, 2002).
  - B. The effect of the guidelines laid down in the Royal Court case of *Carter* (Sept 2003), to the effect that persons inflicting wounds with weapons can anticipate a starting point of 4 years, has yet to be gauged, there having been relatively few cases of this nature.
  - C. There is a case for substantially increasing the powers of the Magistrate with regard to fines to enable him to hear serious health & safety cases, where a financial penalty (albeit substantial) is the likely outcome. The liberty of the individual is not at risk, and the Magistrate's Court already enjoys substantial fining powers for fishing infractions.
30. Even allowing for the above factors, it can be seen there is scope for reducing the Royal Court's caseload by doubling the Magistrate's Court's powers of imprisonment, i.e. to an maximum of 2 years for single offences; but extending that to 3 years in any case of multiple offences.
31. Concerns may be expressed at such an increase in the power of the Magistrate's Court to pass sentences of imprisonment of 2 or 3 years. However:-
- (a) The vast majority of trials in the Magistrate's Court will in future be heard by judges who are qualified lawyers. Jurats will sit as Assistant Magistrates very exceptionally, and then only on cases where no risk of a custodial sentence subsists.
  - (b) Experience shows that the Royal Court does not frequently overturn decisions in the Magistrate's Court, whether as to conviction or sentence.
  - (c) Relieving the pressure on the Royal Court in its first instance casework will enable it to expedite the hearing of appeals.
  - (d) It is likely that the case will come to trial much sooner than had it

been dealt with in the Royal Court. This is a very important consideration: the administration of justice is not well served by lengthy delays, particularly where the accused is in custody.

32. There is nowadays much greater legal input by the Law Officers' Chambers into the review and prosecution of cases before the Magistrate's Court, to ensure that the decision to prosecute is seen to be divorced from the investigation process, and to provide a review of the evidence and determination of the public interest which is independent of the investigatory body. This operates as a further safeguard against substantial sentences of imprisonment being imposed in cases that were not well founded, whether in terms of evidence or the public interest. In practice most prosecutions are now conducted by a member of the Law Officers' Chambers and the Police now only appear to prosecute guilty pleas, or routine not guilty pleas for road traffic or other minor offences.
33. The case for increasing the sentencing powers of the Magistrate's Court for single and multiple offences and for substantially increasing its powers to fine is, it is suggested, strong.
34. It is also recommended that, with the employment of a second full-time legally qualified and experienced judge, the engagement of the Magistrate's Court in confiscation proceedings is timely and would be a beneficial development. It is likely, for policy reasons, that the Law Officers will pursue criminal confiscation orders, even for relatively small amounts, on the basis that the existence of any order enables future attachment. This, coupled with the proposed review of Royal Court confiscation proceedings to enable the Bailiff to deal with these cases without the Jurats, or with a reduced number of Jurats, would mark a sensible development in what will undoubtedly become an increasingly active area of court work.
35. It will be noted (from paragraphs 16 et seq. above) that in any case in which there is a possibility of a sentence in excess of 3 months an accused has the right of election to be tried in the Royal Court. After consultation with the Bailiff, it is recommended that the minimum term of imprisonment provided for an offence which will carry with it the right to election to be tried in the Royal Court should be increased from one of more than 3 months to one of more than 6 months.

### **Civil Jurisdiction**

36. The civil jurisdiction of the Magistrate's Court (its Petty Debts jurisdiction) is to hear and determine any civil action
  - (i) for the recovery of debt, or

- (ii) for the recovery of damages, whether arising in contract or in tort, in either case where the amount claimed does not exceed £2,500. Its civil jurisdiction as established under the *1954 Law* was originally £50.
37. The operation of the Petty Debts Court has not changed in any material particular since 1954; defendants are summoned to appear by the prescribed 'blue form' summons, to which is attached either the account giving rise to the claim against the defendant, or the facts and matters alleged to give rise to the defendant's liability. The vast majority of cases dealt with by the Petty Debts Court are for outstanding bills, and include debts to the States comprising income tax, social security payments, States' housing rents, and the like.
38. The Petty Debts Court has come to provide a relatively cheap and efficient means of obtaining judgement in routine cases; plaintiffs frequently appear in person or, where the plaintiffs are States Departments or companies, by representatives, and informality attends the proceedings, but of course the ordinary rules of evidence apply. Only rarely do issues of law arise in the course of Petty Debt proceedings, and if a complex issue arises crucial to determination of the issue, the claim may be dealt with by the Royal Court.
39. It is recommended that the title of the Magistrate's Court should embrace its jurisdiction to hear and determine civil claims (presently its Petty Debts jurisdiction). Nowadays the use of the expression Petty Debts has a rather unfortunate pejorative feel, and Magistrate's Court better describes with what the court, in its extended jurisdiction, is concerned.
40. It is to be noted that the Petty Debts Court does not provide for recoverable costs to be awarded, except that a successful plaintiff may recover from the defendant the fees of H.M. Sergeant in issuing the summons (£25), and the Court and Greffe fees. However, this lack of recoverable costs can work injustice: for example, on a party who has a justified claim in which a genuine and relevant point of law arises, for which a lawyer should be retained; or on a party who may be unskilled at presenting a good case (though in such circumstances the Magistrate invariably helps that person). Where a plaintiff cannot recover even a reasonable proportion of the costs of engaging an advocate, real injustice may be perpetrated. In debt collection, no question of employment of an advocate ordinarily arises, but there will be cases in which, for a fair and proper hearing of the case, an advocate should be employed. Similar considerations arise in the case of a defendant (particularly to prevent his or her being harassed by an unscrupulous plaintiff) who is unable, in effect, to properly defend him or herself. The person best placed to determine whether legal costs should be awarded is, of course, the Magistrate dealing with the case.

41. The employment of professionally qualified and experienced judges enables the civil jurisdiction of the court to be reviewed, both as to the value placed on the limit of claims and also the subject matter of proceedings which may be dealt with by the Court. It is proposed that the maximum amount claimable in civil proceedings in the Magistrate's Court be increased to £10,000, or such other sum as the States may prescribe by Ordinance. This would remove from the Royal Court a significant number of routine debt claims, including those pursued by the States, for example for income tax, social security contributions, States housing rent arrears, and the like, and also relatively minor matters which could be disposed of more efficiently and speedily in the Magistrate's Court. It is also proposed that the civil jurisdiction of the Magistrate's Court may be extended by the States by Ordinance to particular types of civil claims.
42. However, an increase in the claims value of the Magistrate's Court requires two additional features to ensure a fair and effective administration of small claims, both of which should be in place if and when the civil jurisdiction is extended.

- Firstly, it will be desirable to provide for the Royal Court to make civil rules of procedure to be adopted in the Magistrate's Court. Such rules exist in respect of civil proceedings in the Royal Court – *the Royal Court Civil Rules, 1989*, and a simplified set of rules is envisaged for the Magistrate's Court to deal not only with the institution of proceedings but also with requiring the pleadings to be put in writing, and for the issues to be identified for the benefit of the Judge and the parties to the proceedings.
- Secondly, provision should be made for the Royal Court to prescribe a limited scale of recoverable costs and fees in the Magistrate's Court in order to ensure that parties to civil proceedings who genuinely need to engage the services of an advocate should not be inhibited from doing so, if their claim is legally sound, or otherwise that the circumstances justify the engagement of legal representation, and the taking of legal advice and employment of an advocate to conduct the proceedings.

Nothing in the foregoing is intended to depart from the general precept that the Magistrate's Court should continue to administer civil justice simply, swiftly and understandably, but at the same time acknowledging and correcting its limitations.

43. It is recommended above (para.41) that there should be provision to enable the States by Ordinance to not only vary the monetary limit of £10,000, but also to vary the types or classes of matters which may be

dealt with by the Magistrate's Court. For the avoidance of doubt the range of remedies available to the Magistrate's Court should be extended to include the granting of injunctions, and those other compensatory orders which may be made by the Royal Court, but only where the value of the subject matter of the claim is less than the amount claimable, i.e. £10,000. However, it is not proposed that the Magistrate's Court should have jurisdiction to hear and determine

- (a) claims for judicial review;
- (b) claims in respect of trusts;
- (c) claims for relief under companies, insolvency and regulatory legislation;

whatever the amounts in issue, because such cases are likely to involve complexities that should be reserved to the Royal Court. Furthermore, the Magistrate's Court should have the power, whatever the value of the subject matter, to refer a case to the Royal Court if it raises a point of law of general importance, or the Judge considers that, in all the circumstances, the case should be referred.

### **Criminal Matters arising in Alderney and Sark**

44. Under the present legislation, the Court of Alderney and the Court of the Seneschal of Sark each have a limited criminal jurisdiction. Where a person is charged with having committed in Alderney or Sark one of the serious offences mentioned in paragraphs 13 and 16 above, he or she is transferred to Guernsey and subject to committal by the Magistrate's Court to the Royal Court, as described above in paragraph 16. In other cases the Royal Court sitting as an Ordinary Court has jurisdiction to try other criminal offences transferred from the Court of Alderney or the Seneschal's Court. This review of the Magistrate's Court provides an opportunity to review the composition of the Royal Court dealing with cases arising in Alderney and Sark, and it is recommended that the Royal Court sitting as an Ordinary Court, in dealing with cases transferred from Alderney or Sark, should be validly constituted by the Bailiff sitting alone without the Jurats, as would the Judge in the Magistrate's Court. In such a case, an accused person would have the same right of election as a person originally charged in the Magistrate's Court, where the offence carries a potential term of imprisonment in excess of 6 months.

### **Miscellaneous**

#### ***Persons convicted in error – power to rectify***

45. Circumstances may arise – fortunately very rarely – where the Judge sitting in the Magistrate's Court might, in good faith but erroneously,

convict a person in error as to a matter of law e.g. where the Law or Ordinance under which that person was charged has been amended or repealed and the offence no longer exists; or sentence a person to a fine or term of imprisonment greater than that for which legislation provides. In such cases in which the person concerned will not have been in any way responsible for the error, and the decision of the Judge is invalid, it is not considered appropriate that he or she should have to resort to the cost of an appeal in order to put the matter right. Accordingly it is recommended that the Magistrate's Court may vary or rescind that sentence or order; and the power should extend to reversing a finding of guilty and to replacing a sentence or order which for any reason appears to be invalid, by another sentence which the Magistrate's Court has power to impose or make. Such provisions have operated beneficially in England under Section 142 of the *Magistrates Courts Act 1980*, as amended by Section 26 of the *Criminal Appeal Act 1995* and in the Isle of Man under its *Criminal Jurisdiction Act 1993*. The power should further extend to provide that, where a person is found guilty by the Judge in a case in which he had pleaded not guilty, or the Judge for whatever reason has proceeded in the offender's absence and it subsequently appears to the Judge that, in the interests of justice, the case should be heard again by a different Judge, the trial Judge may so direct.

***Presence of H.M. Greffier, etc.***

46. Section 8 of the *1954 Law* provides that Her Majesty's Greffier, Her Majesty's Sheriff and Her Majesty's Sergeant shall have the same functions in relation to sittings of the Magistrate's Court and the execution and enforcement of its judgements as they do in the Royal Court. This may be taken to mean that the Magistrate's Court requires the presence of at least H.M. Greffier (usually H.M. Deputy Greffier) for the sitting of the Magistrate's Court to be properly constituted. The legislation should provide that, for the avoidance of doubt, the Magistrate's Court may be properly constituted by the Judge sitting in the absence of any of these court officers, although in practice H.M. Greffier or his Deputy would ordinarily sit in a clerical capacity in the Magistrate's Court when exercising its criminal jurisdiction, together with a representative of H.M. Sheriff's office to collect fines.

***Limitation of liability of Judge and Officers***

47. The *1954 Law* does not provide for any exclusion or limitation of liability of the Magistrate in the exercise of his or her judicial functions and powers, although a degree of immunity probably exists as a matter of customary law. The Bailiff and other judges, and the Jurats, together with the Royal Court's officers, however, do have immunity from claims. Those who administer justice must be able to do so free from the possibility of claims by disappointed or aggrieved parties to litigation.

This position is uncertain, and so unsatisfactory, and accordingly it is recommended that the Judge and officers of the Magistrate's Court should be statutorily protected in the following way

- A. No claim should lie against the Judge, or any officer of the Magistrate's Court, in respect of any act or omission in the execution in good faith of their respective duties, and with respect to their conduct of any matter within their respective jurisdictions or offices.
- B. However, a claim will lie against the Judge or an officer in respect of any act or omission in the execution or purported execution of their respective duties if it is proved that he or she acted in bad faith.
- C. Except in any proceedings in which it is proved that the Judge or an officer acted in bad faith in respect of the matters giving rise to the proceedings, the Royal Court may not order the Judge or an officer to pay costs in any proceedings in respect of any act or omission in the execution or purported execution of their duties.
- D. No claim shall lie against the Judge or officer if, in the execution or purported execution of their respective duties, they exceed their respective jurisdiction or offices, unless it is proved that they proceeded in bad faith. So, for example, if a criminal case which is beyond the Judge's jurisdiction is, in good faith, heard and determined by him, or if the Judge inadvertently, but again in good faith, does not offer the right of election to trial by the Royal Court in a case in which it is available, the conviction or acquittal shall be liable to be set aside, but the Judge or officer shall be free from personal liability.

*Miscellaneous*

- 48. Finally, it is recommended that
  - A. the States should have power, by Ordinance, to amend the proposed legislation insofar as it covers the jurisdiction of the Magistrate's Court to hold inquests; and that by any such Ordinance the States may delegate to the Royal Court the exercise of such powers to the same extent: but so that nothing shall derogate from the powers, presently exercisable under Section 25 of the *1954 Law*, of the Royal Court to make rules to regulate matters of practice and procedure, and relating to costs: and
  - B. the States, by Ordinance, should have powers to legislate for

contempts of the Magistrate's Court (including its officers), and for ensuring the due compliance with orders made by it, in the exercise of both its criminal and civil jurisdictions. Because the Magistrate's Court is a creature of statute, its powers are generally constrained by the legislation by which it is created, save that in order to perform its functions, certain inherent powers may be assumed. To ensure the effective administration of justice, it would be desirable to extend the powers of the Magistrate's Court beyond those presently available to the Magistrate – principally for contempts of court in its face, i.e. occurring during proceedings, pursuant to Section 7 of the *Administration of Justice (Bailiwick of Guernsey) Law, 1991.*”

### **Resources**

The Policy Council does not consider that there will be any significant resource implications from the implementation of the proposals set out above.

### **Conclusions**

The Policy Council has been kept advised of the development of the proposals contained in H.M. Procuerur's report and is unanimous in its support for them. The Policy Council considers that the effective and timely administration of justice is of critical importance in building and protecting a safe, just and tolerant society for the people of the Bailiwick.

### **Recommendation**

The Policy Council recommends the States to repeal the Magistrate's Court (Guernsey) Law, 1954, as amended, and to replace it with a comprehensive legislative framework within which the Magistrate's Court will continue to administer summary justice in both its criminal and civil aspects, as well as in its inquest jurisdiction, such legislative framework to include the reforms set out in this Report.

M W Torode  
Chief Minister

14<sup>th</sup> May 2007

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

VI.- Whether, after consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council, they are of the opinion:-

1. To repeal the Magistrate's Court (Guernsey) Law, 1954, as amended, and to replace it with a comprehensive legislative framework within which the Magistrate's Court will continue to administer summary justice in both its criminal and civil aspects, as well as in its inquest jurisdiction, such legislative framework to include the reforms set out in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

## **POLICY COUNCIL**

### OVERSEAS AID COMMISSION: 2006 ANNUAL REPORT

#### **Executive Summary**

The Overseas Aid Commission's annual reports are usually published as an appendix to a Billet d'État. The Policy Council has, however, decided to submit the Commission's 2006 Annual Report to the States as a matter for debate.

#### **Background**

The States resolved on 11 March 2004 (Billet d'État III of 2004) to set up an Overseas Aid Commission

- To distribute monies voted by the States for overseas aid by making contributions by way of grants and emergency and disaster relief
- To develop programmes relating to the collection and distribution of funds involving the private and voluntary sectors

in accordance with policies set out by the Policy Council.

The Commission is required to submit an annual report to the Policy Council for presentation to the States.

The Policy Council arranged for the Commission's Annual Reports for 2004 and 2005 to be published as appendices to Billets d'État and intends that this will be its normal practice.

At the July 2006 States Meeting a motion to debate the 2005 Annual Report was brought by Deputy R R Matthews under Rule 21 of the Rules of Procedure of the States of Deliberation but was not successful.

Deputy R J Le Moignan recently called for a debate on Guernsey's overseas aid commitments and has met the Commission and explained that such a debate would enable the Commission to raise its profile, to gain support for increased funding by the States and to address concerns that grants were being given to countries that could better help themselves at the expense of more needy countries.

The Commission has advised the Policy Council that it would have no objection if the Council wished to include the 2006 Annual Report in the Billet d'État as a matter for debate.

The Policy Council has concluded that it would be beneficial to give the present States an opportunity to debate the work and achievements of the Overseas Aid Commission.

## **2006 Annual Report**

The Overseas Aid Commission's 2006 Annual Report is attached to this Report.

### ***Grant Aid***

In order to provide context the Policy Council also encloses an annex setting out the grant aid policies under which the Commission operates. These policies largely follow those operated by the former Overseas Aid Committee (which were included in Billet d'État III of 2004) with a number of minor amendments approved by the Policy Council on the recommendation of the Commission.

The Policy Council has considered the Commission's 2006 Annual Report and is very impressed with the scope of projects supported. The Policy Council is pleased to see how much good can be done with such small amounts of money.

The Policy Council has noted that, in 2006 the Commission made 80 grants, at an average of slightly under £22,000, from 174 applications – the Commission was able to approve less than one in two applications from the funds available. The Policy Council appreciates the very difficult task which the Commission faces in assessing these applications and deciding which are most deserving.

The Policy Council has also noted that 57% of the funds allocated in grants went to projects in Africa, which is clearly the region in most need of assistance. The Policy Council also understands the difficulty which the Commission faces in deciding whether to make grants to projects in countries which are enjoying significant economic growth but which have extremely deprived areas or groups greatly deserving of assistance.

Whilst it is important to note that the Commission does not provide any government-to-government assistance, the Policy Council appreciates the dilemma faced by the Commission in considering grant applications in respect of countries whose governments are oppressive or where there is conflict but which relate to extremely needy areas or groups. The Policy Council is aware that the Commission is extremely cautious in considering such applications and, if it is persuaded that a grant should be made, it will have firstly sought confirmation from the relevant agencies that, to the best of their ability, they will ensure that any grants that are made will go directly to the people in need.

The Policy Council does not envy the task which the Commission undertakes and commends the diligence with which its Members carry out their role.

### ***Emergency/Disaster Relief***

The Policy Council has noted that in 2006 the Commission did not use any of the £200,000 allocated for emergency/disaster relief. In accordance with the 2004 States

resolution the Policy Council has transferred this amount to the Commission's 2007 grant aid budget.

The Policy Council has recently been advised that the Commission has provided emergency/disaster relief amounting to £75,000 in respect of the deteriorating situation in Darfur which will be charged to the 2007 emergency/disaster relief budget.

### *The private and voluntary sectors*

The Policy Council understands that the Commission has been considering means of involving the private and voluntary sectors but has not made any significant progress.

### **States Funding of the Overseas Aid Commission**

In submitting the Overseas Aid Commission's 2006 Annual Report to the States the Policy Council wishes to take the opportunity to update the States on the funding which the States provides to the Commission.

The Policy Council includes contributions to overseas aid in its general revenue budget which is approved by the States as part of the annual budget.

The 2006 and 2007 budgets approved by the States increased the total available for grant aid by £120,000 in real terms compared with the previous year. The Policy Council will propose a similar increase in its 2008 budget.

The respective figures for Guernsey's contribution to overseas aid are as follows:-

Year	Grant aid	Emergency/ Disaster relief	Total
2005	£1,500,000	£200,000	£1,700,000
2006	£1,700,000	£200,000	£1,900,000
2007	£1,885,000	£200,000	£2,085,000
2008	£2,105,000	£200,000	£2,305,000

The Policy Council recognises that, as a highly developed territory with a high per capita GDP, Guernsey's contribution to aid overseas is still low by international standards. Currently, as a percentage of national income, Guernsey's contribution is about half that of Jersey; and about the same as the Isle of Man, which, however, aims to substantially increase its contribution, in stages, between now and 2013.

The Policy Council has advised the Commission that it retains the ambition to recommend further real term increases in overseas aid when funding becomes available.

### **Recommendations**

The Policy Council recommends the States

- (a) to note the Report; and
- (b) to note the Policy Council's ambition to recommend further real term increases when funding becomes available.

M W Torode  
Chief Minister

14<sup>th</sup> May 2007

## OVERSEAS AID COMMISSION

### Grant Aid Policy

The Commission's policy is to fund specific projects in accordance with the following criteria:-

- (a) the prime objective of each project must be to reduce human vulnerability;
- (b) projects must be in respect of locations in developing countries in Africa, the Indian sub-continent, Latin America and the Caribbean and Asia and the Pacific – the Commission does not fund projects in Eastern Europe;
- (c) priority is given to projects located in least developed countries as designated by the UN.
- (d) projects must meet basic human needs by helping communities achieve self-sufficiency and, to help achieve this objective, people in the communities where the project is located should be involved in the planning or implementation of the project;
- (e) projects are not for the provision of emergency disaster relief – projects which provide rehabilitation following a disaster may be funded;
- (f) projects should fall within the following categories:-
  - (i) **Women**
    - providing literacy for women is essential if communities are to benefit from education, health care and economic development;
    - providing economic development opportunities, such as employment and income generation projects, to women is crucial;
  - (ii) **Health/Water/Sanitation**
    - providing clean water and good sanitation is fundamental to the success of communities in poor countries;
    - providing primary health care within communities including both curative and preventative medicine and awareness raising covering such issues as HIV/AIDS, mother and child health, nutrition, health education, birth control and immunisation;

**(iii) Rural Development**

providing economic development opportunities, which tackle rural poverty and strengthen the rural economy and so curb migration to the cities, which is a major problem in many developing countries;

**(iv) Education/Training**

providing basic literacy skills, training of trainers, educational opportunities particularly for young adults, technical skills and training for employment opportunities;

**(v) Environment**

providing conservation and environmental rehabilitation programmes and training in improved agricultural techniques to counter problems caused by drought, flooding and deforestation leading to soil erosion and desertification;

- (g) grants will normally only be made in respect of projects submitted by non-governmental organisations (NGOs) including many well known charities – the Commission will occasionally respond to requests from local persons to support particular projects but it does not sponsor individuals or make donations nor does it give bilateral government-to-government aid or funding for conferences or seminars;
- (h) individual grants will not normally exceed £40,000;
- (i) grants do not meet the running costs of the NGOs; a small proportion of the grant may be allocated to help cover the administration costs involved in setting up/running a project on the ground; and
- (j) reports must be submitted to the Commission by the NGOs within six months of the grant having been made and on completion of each project;
- (k) in considering an application for a grant the Commission will wish to be satisfied as to the validity and capability of the organisation making the application, and that the proposed project meets the criteria set out above;
- (l) although several of the organisations with which the Commission deals are Christian-based, the Commission does not take this fact into account and aid is distributed irrespective of race or religion. The Commission would not make a grant to a project whose purpose was to advance the interests of a particular church or religion.

<b>OVERSEAS AID COMMISSION ANNUAL REPORT 2006</b>
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**In accordance with Resolution XVIII on Billet d'État III of 2004**

<b>Background</b>
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The Overseas Aid Commission was established by the above States Resolution to replace the Overseas Aid Committee, which was dissolved as part of the Machinery of Government changes.

***Constitution***

The constitution of the Commission is:

- A Chairman who shall be a member of the Policy Council (appointed by the Council)
- Six ordinary members who need not be sitting members of the States (elected by the States)

The Commission which was formed in 2004 and which will serve for four years comprises

Deputy Peter J Roffey, Chairman

Mrs José Day, Vice-Chairman

Mr Glyn Allen

Mr Paul Chambers

Alderney Representative Richard Cox

Mr Mike Dene MBE

Mr Ian MacRae

***Mandate***

The mandate of the Commission is:

- To distribute monies voted by the States for overseas aid making contributions by way of grants and emergency and disaster relief
- To develop programmes relating to the collection and distribution of funds involving the private and voluntary sectors

in accordance with policies set by the Policy Council, having regard to recommendations from the Commission.

***Annual Report***

The Commission is required to submit an annual report to the Policy Council.

<b>2006 Funding</b>
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The Commission was provided with States funding in 2006 as follows

- £1,700,000 in respect of grant aid
- £ 200,000 in respect of emergency and disasters relief

During the year the Commission received one refund, in respect of a grant made that year, to a project which was unable to be implemented, amounting to £35,754. This refund was added to the amount available for grant aid in 2006.

In addition to this, and in accordance with the March 2004 States resolution, the remaining £50,000 of the 2005 allocation in respect of emergency and disaster relief was also utilised for grant aid in 2006.

Expenditure on grant aid in 2006 totalled £1,747,559.

There was no expenditure on emergency and disaster relief in 2006. In accordance with the above States resolution, the £200,000 will be made available to the Commission for grant aid in 2007.

Details of the grants made during 2006 are enclosed together with a breakdown of the expenditure.

<b><i>Distribution of Funding 2006</i></b>
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**Africa**

<i>Agriculture/Fisheries</i>	<i>£128,724.00</i>
<i>Education</i>	<i>£258,761.00</i>
<i>Health</i>	<i>£438,243.00</i>
<i>Integrated Development</i>	<i>£166,811.00</i>

**Total Grant Aid Given to Africa****£992,539.00****Indian Sub-Continent**

<i>Agriculture/Fisheries</i>	<i>£58,001.00</i>
<i>Education</i>	<i>£64,104.00</i>
<i>Health</i>	<i>207,311.00</i>
<i>Integrated Development</i>	<i>£133,350.00</i>

**Total Grant Aid Given to Indian Sub-Continent****£462,766.00****Latin America & Caribbean**

<i>Agriculture/Fisheries</i>	<i>£70,296.00</i>
<i>Health</i>	<i>£24,153.00</i>

**Total Grant Aid Given to Latin America & Caribbean****£94,449.00****Other Asia & Pacific**

<i>Agriculture/Fisheries</i>	<i>£18,875.00</i>
<i>Education</i>	<i>£14,000.00</i>
<i>Health</i>	<i>£118,226.00</i>
<i>Integrated Development</i>	<i>£46,704.00</i>

**Total Grant Aid Given to Other Asia & Pacific****£197,805.00****Total Grant Aid Contribution to Aid Overseas****£1,747,559.00**

## **Agriculture/Fisheries**

### **BOLIVIA**

#### **Christian Aid**

#### **CIPCA Agricultural Project, Mojos Province, Beni**

**£35,046**

The Centra de Investigacion y Promocion del Campesinado (Centre for Research and Training of Peasants) was established in 1971. Its agricultural project aims to increase and support methods of sustainable agricultural production amongst Mojo's indigenous people, addressing the need for environmental protection and long term sustainability. Through supporting indigenous peoples' rights, CIPCA aims to empower the local population, most notably through their access to land, which forms the basis of their livelihood. The project aims to defend indigenous peasant livelihoods as viable alternatives, strengthen community organisations and encourage political participation by the indigenous beneficiaries. Its principal activities over the forthcoming year include: (1) Providing training for agricultural production activities with an emphasis on environmental sustainability and ecology, while supporting peasant and indigenous organisations; (2) Training and supporting indigenous communities in the legal aspects of land access; (3) Training both men and women to be leaders; (4) Raising awareness amongst indigenous communities of their fundamental rights as citizens. Some 824 families will benefit from agricultural, economic and production activities, and 800 people (at least 50% women) will be trained in government agrarian reform processes over the next year. Overall, 300 hectares (over 700 acres) of land will benefit from CIPCA's mixed, sustainable forest farming techniques over the next year, with a particular emphasis on the cultivation of cocoa. Funding is for a variety of agricultural inputs including the provision of fencing to demarcate land borders, crop diversification, planting of vegetable gardens, support to start producing secondary products such as chocolate paste from cocoa seeds, awareness raising etc.

### **HAITI**

#### **Oxfam**

#### **Improving Food Availability and Livelihoods for Rural Families, Limonade and Jacmel Districts**

**£25,000**

The project will regenerate economic activities for women and men in Limonade and Jacmel Districts, one of the poorest rural areas in Haiti, by supporting crop production, livestock rearing and improving access to local markets. Project activities will include; cassava flour production and marketing; manioc cultivation and marketing; and poultry and livestock farming and marketing. These project activities will ensure that families have the capability to generate their own income to feed and support their families over

the long term. The project will benefit 10,0000 people (2,000 farming families). Of these direct beneficiaries a large percentage of women headed households will be targeted to ensure that the most vulnerable rural households are supported. Haiti is the poorest country in the Western Hemisphere and food shortages are extremely widespread, especially in rural areas. The countryside is not able to support the rural population: farmers can't get a fair price when they do manage to produce a crop. The result has been a surge to the cities, which are crumbling under the weight of the sheer number of poor people who live in the many shantytowns and on the streets. Conditions are unhealthy; people live alongside open sewers in crowded, substandard housing. Current figures on poverty and food insecurity in Haiti are very alarming: some 3,800,000 people, or nearly half the total population, do not have enough income to feed their families. These people live in absolute poverty, in a situation of chronic food insecurity. Many people try to scrape a living through petty trade, but with so many people chasing so few resources an adequate diet is rare. Sickness and malnutrition levels in these poor communities are invariably high, and the usual diseases of poverty – respiratory and intestinal illnesses – are widespread.

## **INDIA**

### **HelpAge International**

#### **Providing Water and Food Security for Vulnerable Older People and their Families in the Thar Desert, Rajasthan**

**£37,461**

This project aims to reduce poverty in 12 villages in Jodhpur District, which is located in the Thar Desert in Rajasthan, by working through community groups of poor and vulnerable older people and their families to build community ponds (naadis) and khadins which help retain rainwater and improve agricultural production, even in extremely dry years. In this region living with limited access to water is a key problem contributing to poverty and poor health. Rainfall is limited and erratic and poor water retention in the soil limits agricultural production and the ability to support livestock. The costs of clean drinking water are prohibitive. Access to, and availability of, enough water for daily and agricultural/livestock use are constant problems. In addition, safe, drinkable groundwater is increasingly scarce due to the loss of natural watersheds, poor mining practices and unsustainable agricultural practices using groundwater based irrigation and more than half of the total groundwater is brackish, highly saline and unsuitable for drinking. Older people in the Thar Desert, especially older women, often live in extreme poverty and are excluded from community activities yet can contribute much by way of knowledge and experience if given the opportunities to do so. The project will provide: (1) Improved access to water for 10,000 community members and 40,000 livestock through two community ponds (naadis); (2) Increased food security through 100 traditional run-off based farming systems for agriculture (khadins) benefiting 100 households with poor, vulnerable older people and their families (800-1000 people); (3) Increased capacity of 120-150 vulnerable older people to effectively manage water harvesting structures. The project will also provide essential training. In parts of Jodhpur, there are no community sources of water, no schemes to bring water

from outside and drinkable groundwater is rare. Water needs to be collected from distances of between 3-40 kilometres and the burden of collecting waterfalls to women, who carry heavy pitchers of water on a daily basis in the dry heat. Water is also provided through private water tanks, or purchased from water carriers using tanks, camel carts or tractors. Water costs are extremely high, and consume a significant proportion of already limited income. This project will therefore address a great an urgent need.

## **INDIA**

### **Mavanhalla Youth and Tribal Welfare Association**

#### **Adivasi Organic Agriculture, Siriur and Mavanhalla**

**£20,540**

To support Mavanhalla Youth and Tribal Welfare Association (MWYA) in its overall strategy designed to empower poor Adivasi communities (tribal people, Scheduled Tribes) by addressing their basic rights and needs, in particular through the provision of an organic agriculture programme which will enable 300 Adivasi families in the villages of Suriur and Mavanhalla in the Nilgiris, to plant their lands with food crops (beans, chillies, garlic, capsicum and millet-type grains) for sale locally and for their own consumption. The programme will increase food security for these remote, neglected communities and generate regular income for approximately 1,200 individuals and, crucially, it will also enable the Adivasis to maintain control over lands which are otherwise vulnerable to appropriation for less environmentally sustainable usage. Adivasi communities continue in extreme poverty with no regular source of income and little or no food security. In collaboration with MYWA, the Government has already provided solar-powered protective fencing. The programme is assured good quality seeds at a subsidised rate through Tamil Nadu Horticulture Department. This will be done at local markets using a recently-introduced Government Scheme that enables growers to obtain the best price by selling direct. Short-term storage is available locally at village level, longer term at MYWA office. Funding is for land preparation and purchase of seeds. The aim is for the programme later be replicated in a remaining 10 villages in the area, benefiting a further 3,400 families, approximately 13,600 people.

## **LAO PEOPLE'S DEMOCRATIC REPUBLIC**

### **Y Care International**

#### **Agriculture and Sustainable Livelihoods Development, Luangprabang, Vientiane and Sawannakhet**

**£6,445**

This project aims to increase the economic opportunities and improve the nutrition of young Laotians in Luangprabang, Vientiane and Sawannakhet, through building skills and knowledge in the production, processing and marketing of local, healthy, organic

food products. Many rural inhabitants in Laos suffer from malnutrition. The programme will improve the nutritional status of the families and communities involved by teaching how to grow nutritious vegetables and fruit in a cost effective manner, for which there is a growing demand. Income generated by the students will also serve to improve this status for themselves and their families. Project participants include teachers from vocational education schools and primary schools who have the potential to be local resource persons within their own schools. Including key members of farmers and women's groups should ensure that the skills and knowledge gained during the programme reaches further than the original project beneficiaries. Follow-up of the first year students has shown that all the groups continued to practice producing the products after the training, and were able to open small shops at their respective schools and villages. The shops have so far proved quite successful and have produced a small profit, which has enabled the students to purchase new equipment, supplies and ingredients. By earning more income locally to help support their family, the young people involved in the project should start to have alternatives to migrating from their respective communities to find jobs in Thailand, where as illegal immigrants they face significant difficulties. Project activities will include: (1) Training for 120 students in agricultural development and food processing, from how to develop a vegetable garden, to cooking classes to learn the different techniques in preparing a range of foodstuffs suitable to market; (2) Provision of seeds, farming and food equipment for small scale agricultural and food processing initiatives; (3) Training in marketing and small business management, including product packaging, accounting, cost calculation and financial management; (4) Education on the links between food, nutrition and the environment; (5) Follow-up visits by trainers to programme graduates' home environments to offer further support and advice.

## **LIBERIA**

### **ActionAid**

#### **Food and Livelihood Security, Gbarpolu and Grand Cape Mount Counties**

**£24,624**

This project will support the resettlement and reintegration of 400 war-affected families by revitalising local agricultural practices and increasing food and livelihood security. The project will be implemented in Gbarpolu and Grand Cape Mount Counties, where 80% of the population currently depends on food aid. Agriculture is a way of life for 70% of Liberia's population. During the pre-war period, agriculture contributed over 50% of GDP. However nearly 15 years of civil war devastated the country's food and crop production capacity and left farmers and their families with no livelihood at all. The project will increase food crop production capacity by providing tools, seeds and planting materials to farm families. Beneficiaries will be trained to set up seed banks in the community and to multiply production of seed rice, cassava, sweet potato and groundnuts. Education and training will be provided in local food processing, crop preservation, nutrition awareness and hygiene. Beneficiaries will also receive full training in crop productivity-enhancement methods and techniques. This project will increase the availability and accessibility of food for approximately 2,400 beneficiaries.

Revitalising agriculture will improve trade and contribute to community reconstruction and development. The project will especially benefit women farmers as their education and training will improve the nutritional status of their families and raise their household incomes.

## **NICARAGUA**

### **Peace and Hope Trust**

#### **Rice Mill Programme, La Barra de Rio Grande de Matagalpa, Autonomista Atlantico Sur Region**

**£10,250**

Further to the Commission's grant in 2005 for a solar-powered charging station to benefit La Barra de Rio Grande de Matagalpa and surrounding communities, the aim of this project is to continue to serve the poorest people of Nicaragua, in particular through the provision of a rice mill in La Barra, Autonomista Atlantico Sur Region, to serve as a sustainable means of income generation. The communities of the Moskito Shore have traditionally relied almost entirely on fishing to provide food and a small means of income. Demands of conservation have resulted in regular moratoriums that, whilst necessary, have caused hardship for these communities, highlighting the need for economic diversification. In the past a small income from fishing has enabled the purchase of rice and beans, the staple diet of Nicaragua. The rice mill will enable villagers to produce rice themselves, with surplus crops being sold at market. Most villagers have some land on which rice could be planted. Small amounts have been grown over the last three years and the village councils are now keen to increase production. The project will firstly involve the purchase of a rice mill and drying machine. The second stage will be the construction of a mill house and the purchase of a canoe and engine for transporting rice to market. Villages will harvest their own rice and then bring it to the service facility. The rice will be dried to extend its shelf life, enabling rice to be milled to meet the current demand, not just in high season. In most cases dried rice will be milled immediately. Villages will give the Peace and Hope Trust (PHT) a percentage of the total rice they have milled as payment for the service. Income generated in this way by PHT will be used for maintenance of the facility and to employ a full time technician to handle the drying and milling. This project is in keeping with PHT's approach to development in promoting self-sufficiency whilst meeting the needs of Nicaragua's rural poor. It will enable villagers to provide food for their families and reduce their vulnerability to an unstable fishing industry. The villages on the Atlantic Coast are representative of some of Nicaragua's poorest people groups situated in remote rural communities. Every household (approximately 90) at La Barra, the central village, will be able to benefit from the facility as well as many more from surrounding communities.

## **PHILIPPINES**

### **One World Action**

#### **Community-based Sustainable Fish Production Project, Mindanao**

**£12,430**

This project will establish 25 floating artificial reefs for the exclusive use of poor fishing communities in Mindanao, an island region suffering from 30 years of conflict brought about by landlessness and poverty, increasing both food security and income for 825 fishermen – and indirectly to 3,297 households. A total of 14 of the Philippines' 20 poorest provinces are in Mindanao. Poverty is particularly acute in remote coastal villages where this project is situated. The floating reefs will enable them to increase their catch sustainably and eliminate illegal fishing practices. The project has the full backing of local government. Under a food security programme, the catch will be made available to local consumers at subsidised prices, and a proportion sold outside the municipality. The profit will be recycled into the programme. After 9 months, another 25 floating reefs will be constructed using these profits. The reefs will be established within the 15km boundary of municipal waters; illegal and commercial fishing in this zone will be policed by the "Fisherfolk Federation", an alliance of fishing communities. The project will therefore also preserve 90,000 hectares of marine and coastal resources. A full training programme will provide beneficiaries with the skills they need to manage the project. This training is vital since the fisherfolk maintain, operate and establish the reefs thereby making themselves co-owners of the project. Funding is for the provision of construction costs of 25 floating reefs, the purchase of one service boat and engine, maintenance and training costs.

## **SUDAN**

### **CARE International UK**

#### **Haffir Construction & Community Training, West Kordofan**

**£39,000**

This project will enable approximately 8,000 households, 48,000 people, to increase their agricultural and livestock production by constructing 4 Haffirs (traditional water reservoirs). The 4 Haffirs will be built by members of the most vulnerable households from local communities in this drought stricken area. Much of the construction work will be done by women. Food will also be distributed to households involved in building the Haffirs. Members of the local community will form Haffir Water Committees (HWC) and will be trained to manage and maintain the Haffirs. They will also be trained on health and hygiene issues and how to share this knowledge with their communities. For many in Kordofan, clean, potable, water is more than 10km away – which is ten times the distance recommended by the World Health Organisation. Around 75 % of the population in North and West Kordofan has little or no access to clean water. Haffirs critically provide households with clean water for people and their animals. CARE has already helped communities to construct more than 150 Haffirs

over the last 10 years, with proven improvements to livelihoods and wellbeing. The construction of the Haffirs will be coordinated with the UN's World Food Programme which is supplying food in exchange for communities' construction work. This addresses the short-term need for food among the most vulnerable households, while building a reservoir that will reduce the effect of future drought. Combined with agricultural and seed training (funded by other donors), this will also reduce the long-term need for food aid among this vulnerable population.

## **SUDAN**

### **FARM-Africa**

#### **Southern Sudan Livelihoods Recovery and Development Project, Northern Bahr al Ghazal State**

**£18,000**

The aim is to supply 1,500 vulnerable households (around 9,000 people) with vegetable seeds, ox ploughs and hoes and help 5 redundant blacksmiths to restart their businesses in the counties of Twic and Gogrial West in Northern Bahr al Ghazal State. With relevant training, these activities will enable families to immediately start farming and rebuilding their livelihoods. Approximately 9,000 people will benefit from these activities and the project will particularly focus on vulnerable households such as those headed by women, widows and returnees. The target group comprises poor farmers and herders in Southern Sudan and will enable them to rebuild their farming livelihoods, which have been devastated by the long civil war in the country. Northern Bahr al Ghazal State is on the border between the North and the South of Sudan. As such, it was heavily affected by aerial bombing raids, ground attacks and raiding throughout the 21-year civil war. There is virtually no infrastructure and no social services in the area whatsoever and agricultural practices remain old-fashioned, labour intensive and highly vulnerable to the droughts and floods that regularly affect the area. Southern Sudan is rich in natural resources but farming skills and experience have been undermined by the civil war and many people have been displaced from their homes. With the advent of peace, it is expected that many displaced people will return; most will arrive without seeds, tools or livestock and no experience of local farming. FARM-Africa will undertake a rehabilitation project, aiming to rebuild and develop the rural livelihoods of vulnerable farmers and herders in Northern Bahr al Ghazal State. FARM-Africa will set up a team and: install water points, supply dairy goats, seeds and tools on credit, establish farmers' participatory research and revitalise the inactive local community animal health services. In the short-term, farmers will gain nutritional benefits from crops and be better able to feed their families. In the long-term, farmers will be able to build up assets, invest in their farming and so have something to fall back on should a drought or flood occur and reduce their dependence on food aid. Funding is for the provision of vegetable seeds, ox ploughs, hoes and blacksmith equipment.

**UGANDA****The UWESO UK Trust****Integrated Development Project for Poor Household Farmers and Orphans and Vulnerable Children, Ssembabule District****£30,000**

The aim of the project is to train communities in the Ssembabule District, and directly provide inputs e.g. crop seeds and seedlings to 500 poor households farmers each supporting 6 – 10 children – orphans and vulnerable children, to make changes in environment management systems leading to their farms becoming sustainable in terms of fertility and much more productive in terms of food and income. This will involve establishing 3 nurseries and 10 demonstration woodlots. The Extension Workers will set-up demonstration farms which they will use for training. UWESO has found from past experience that the best way to encourage the beneficiaries to change their working pattern over a long period of time is to give practical demonstration. For example, farmers are initially very sceptical of new agricultural practices (sustainable farming methods) until they actually see positive results in practice. One of the reasons for having farmers as Extension Workers, using farms for demonstration, is that it will lead to longer-term change in attitude. Similarly the aim of setting up environmental demonstration is to teach by practice. The situation analysis was as a result of the concerns expressed by poor household farmers in Ssembabule District. The area experiences erratic and low rainfall and severe drought either annually or every few years. Over-grazing has reduced plant vigour and the carrying capacity of the land – leading ultimately to depleted ground cover; invasion of dense, unpalatable and often thorny bush and gully erosion. These factors have caused rapid topsoil loss. In addition to this, the District has the highest number of orphans. The response to the increased burden of caring for more children has been to exploit the environment by cutting down the trees without replanting and reducing the range of crops to those with high energy value for low labour input. Yields have declined and pests and disease have increased. The project will therefore provide sustainable farming practices which will not only benefit the environment upon which farming depends, but will also provide the beneficiaries with more nutritious meals and increased income as a result of better farming methods and crop diversification.

## **Education**

### **DEMOCRATIC REPUBLIC OF CONGO**

#### **ActionAid**

#### **Community-based Education Centre for Disadvantaged Children, North Kivu Province**

**£23,200**

This project will design, construct and manage, one community-based education centre in Nyiragongo and Masisi Districts, North Kivu Province, for out of school children, youths and young mothers. Disadvantaged groups will be targeted in particular such as street children, demobilised child soldiers, HIV/AIDS orphans, girls and abandoned children. Many schools in North Kivu Province became inaccessible due to fighting. Despite efforts to re-establish a formal education structure in the country, children with special needs are not sufficiently catered for. This project's education centre will provide special learning aids to ensure that disadvantaged children will be able to receive an education. This project will establish an education centre encompassing four blocks, which will include the main classrooms, office, teachers' room, library, book/materials store and a stone fence to enclose the area. Each block will cater for up to 40 children per year (160 in total per year) and will encourage girls in particular to enrol. Also, 24 teachers from the local community will receive intensive training. Women and children are particularly disadvantaged in North Kivu Province; the war has resulted in a high number of widows and single mothers, orphans and abandoned children. Many women have been raped and have subsequently been rejected by their families. In addition to the other stated beneficiaries, the project will also benefit women by encouraging 24 of them to train as Community Teachers and thereby increasing their confidence and promoting their role in the community. It is planned that this education centre will become a formal public school in time as the education system in the country continues to improve. Beneficiaries will learn literacy and numeric skills, and youths and young mothers will be taught technical skills such as tailoring, shoe making and electronics.

### **ETHIOPIA**

#### **ActionAid**

#### **Education Centres for Children in Assosa Zone**

**£39,510**

This project will construct 13 education centres in the rural Assosa Zone, to ensure that local children will be able to receive an education. The majority of the population in the Zone are unable to send their children to school due to remoteness of existing schools, lack of awareness about the importance of education, farming or other income providing activities and economic problems. As a result of these problems the literacy level in the Zone stands at less than 10% and children are denied their basic rights to an education. ActionAid Ethiopia (AAE) will respond by establishing non-formal Access (Alternative Cost-effective Centres of Education in the School System) centres, which

will be managed by the communities themselves. These centres will provide education to the children in the Zone with a flexible approach that fits around their household and farming duties and a calendar that is adjusted to the agricultural seasons. The establishment of the Access centres will involve the construction of 13 Access centres, training of 26 facilitators, establishing and training of 13 Access Centre Facilitation Committees (ACFC), providing basic teaching and learning materials and conducting refresher training courses for the facilitators every quarter. With the provision of 13 Access Centres in place, at least 1,300 children will be able to attend the Centres in the first year alone. Their ages vary depending on the needs of the area, but the average age of the children attending the Centres is 5 to 6 years minimum, and 10 years of age maximum. They will learn basic literacy and numeric skills and will be encouraged to go on to join formal Government-run primary schools; children who have attended 3 years at an Access Centre can graduate into the Second Cycle (Grades 5-8) of a formal primary school, where schooling is provided free of charge. ACFC will use successful graduates as a motivator for future generations of students.

## **INDONESIA**

### **Save the Children Fund (UK)**

#### **School Infrastructure Improvement: Contributing to Quality Basic Education for Marginalised Children, Bacan Island**

**£14,000**

The aim of the project is to improve the physical conditions of schools on Bacan Island, in South Halmahera District, North Maluku Province, to make them safer places for children and teachers. The project will also equip schools with basic facilities and learning and development tools in order to provide a conducive learning environment for children attending school and to attract those who are currently out of school. It will directly benefit more than 2,000 children, in addition to their families and communities. The project activities are: (1) Infrastructure improvement of 10 schools; (2) Constructing science labs in two schools and providing basic equipment; (3) The purchase and equipping of one mobile library with books to cater for ten schools (library on a bus for schools in remote areas). Many schools are currently in a bad state of disrepair, due to damage incurred during the 1999-2001 conflict or due to a lack of local funds for maintenance. Some schools are in urgent need of basic facilities such as toilets, roofs and drinking water. Children are studying in schools which could physically harm them as there is possibility of roofs falling in. Others need rehabilitation to meet the standards essential for improving children's access to quality education. Save the Children UK's (SCF) experience indicates that the schools have no facilities for conducting even small experiments mentioned in the Science syllabus. The construction of science labs in two schools will help address this need. Currently the only way of learning in schools in Bacan is limited to textbooks, which are also seldom available. There is not a single library on Bacan Island, let alone one at the schools. As it is not possible to provide every school with a library, the project will also provide a mobile library, which will visit schools once every ten days for children to borrow books. It is more cost effective and would benefit 2,000 children right away and the same number every year. SCF will implement project activities through participatory

processes, with communities and school management committees as the main stakeholders. Each school committee will assess the needs of the school and prepare a mini-proposal for school improvement. SCF will administer the expenses and closely monitor the quality of work and use of funds. Funding excludes the mobile library element.

## **KENYA**

### **East and Southern Africa Volunteer Scheme**

#### **Re-building and Extending of Kilo Nursery School, Rift Valley Province**

**£8,058**

To provide a substantial stone building measuring 18.2m x 6.0m comprising two classrooms and an office plus a storage room for equipment, and activity areas for children aged 3 – 6 years at Kilo Nursery School, Rift Valley Province. The rooms will have concrete floors and plaster and paint finished walls. This will replace an existing mud building in very bad condition which is situated close to a borehole generator and therefore subject to noise and diesel fumes. During rainy seasons parts of the classrooms cannot be used as the roof and walls leak. Four classes totalling approximately 160 children per day attend nursery school for either mornings or afternoons only. The nursery school is in close proximity to Kilo Primary School built by this agency in 1997. The project will enable the nursery school pupils and staff to have a safe and comfortable environment to work in and allow more activities to be undertaken in the classroom regardless of weather conditions. Kilo Nursery School has been in existence for fifteen years and is a valued facility. Although primary school education in Kenya is now free there is a small charge of 500 Kenya Shillings per term (approximately £4.00) for nursery education to pay for teachers' salaries. Most parents in the community try to send their children to nursery school as a necessary preliminary stage of their education. The project will introduce a manageable charge of 20 Kenya Shillings per family per term (approximately 0.16p) to cover future maintenance costs. The catchment area of the school serves 3,000 homesteads within a four-kilometre radius. The average extended family includes at least four children of school age; the families within reasonable walking distance will aspire to send their young children to nursery school. Currently 160 children attending the school for two years will be the immediate beneficiaries, with similar intake numbers on alternate years.

## **KENYA**

### **WASOT-UK INTERNATIONAL**

#### **Child Education Support and Development Through School Feeding Programme, Western Kenya**

**£17,050**

WASOT-UK INTERNATIONAL, through their partner organisation OGRA Foundation, aims to tackle the problem of the high dropout rate in school attendance in Ramula Division, Western Nyanza, an area with a high AIDS/HIV prevalence rate, and increase access, retention and completion rates of HIV/AIDS affected children in

schools in Western Kenya through an innovative project called 'School Feeding Programme'. Areas that are most affected by HIV/AIDS have also experienced the biggest dropout rate in school attendance in sub Saharan Africa. This is partly due to the fact that orphans are left to look after their siblings and thus leave school altogether. In the area of Ramula, this problem coupled with poverty has resulted in dwindling school numbers with some school left with less than 50 pupils. The situation is so bad in some schools that the government has in the recent past threatened to close some schools due to the low turn out. These orphans are already going without food for days, have no access to health and in the majority of cases roaming the streets. Within the group there are bright and able students who, if given adequate resources and stability, can do well and achieve their potential and possibly go on to further education. This will include in addition strategies to increase resources from within and outside the target communities to meet the children's needs on a continuous basis. The project will also increase the capacity of the rural communities to provide basic and psychosocial needs of HIV/AIDS affected children and care givers in community surrounding schools collaboratively and in partnership with the local church and community groups. The project will support 50 orphans at the onset and this number is expected to rise to 100 by the end of the year. The project will provide three meals a day to the orphans at school to enable them to stay at school and not drop out. In addition, the project will in the evenings feed the orphans and their siblings to stop the vicious cycle of the orphans leaving school to go and work. Funding is for the construction of a feeding hall and kitchen, a storeroom and clinic room, an administration office, a sanitation component (four pit latrines and septic tank, a refuse incinerator and bore hole), and furniture.

## **KENYA**

### **WASOT-UK INTERNATIONAL**

#### **Establishment of a Vocational Technical College for HIV/AIDS Orphans and Children in Need, Nyando District**

**£17,550**

To construct a Vocational Technical College in Rabuor Division, Nyando District, Western Kenya, to address the problem of large numbers of teenagers roaming the streets and villages in the area who cannot find jobs and compete within the job market. Whilst the new Government of Kenya has recently introduced free education for all primary school pupils within the country, which has resulted in more pupils attending school in areas where previously cost had been a barrier for parents, the Government however fell short of recognising the vast majority of young people in their teens, mostly orphans, who have not received any formal education and/or dropped out due to lack of fees and/or family circumstances. WASOT-UK INTERNATIONAL is working with its partner organisation, OGRA Foundation, which is striving to train these young people in various vocational trades and disciplines to enable them compete within the job market and to look after their siblings orphaned through HIV/AIDS. The construction of a Vocational Technical College offering vocational courses such as: carpentry, motor mechanic, tailoring and dressmaking, masonry and welding, will address this need. The College will offer higher national diploma certificates to

HIV/AIDS orphans working together with the local educational authorities. This College will be able to produce young people who are better equipped to take on various 'trades' and earn a living independently and make informed choices regarding their health needs. The land has been donated by the community elder, and the Government has undertaken to provide teaching staff for the College. There are currently 3,000 HIV/AIDS orphans region. The College will cater for up to 60 students every 18 months, enrolling boys and girls in equal numbers. Funding is for the construction of a block of five workshops, incorporating library and seminar room provision, a kitchen and small office block, a borehole, latrines and septic tank.

## **LIBERIA**

### **Reform Corporation**

#### **Ex-child-Soldiers ICT Project, Monrovia**

**£11,250**

To alleviate and eradicate poverty amongst former Liberian ex-child soldiers. This is an ICT Literacy Project designed in partnership with the University of Liberia and the Youth Empowerment and Advocacy Project (YEAP) of Liberia. It is anticipated that over 9,000 young people will benefit directly from this project in the first year. With a multiplier effect, this number is doubled in the subsequent years. Reform Corporation will provide 30 sets of computer equipment, sea freight and packaging, which costs have been sourced elsewhere. Project funding therefore is for the balance of project costs, i.e. rent and staff in Liberia for one year, production of information and education materials, travel costs for staff and volunteers etc. Topics that will be covered include: (1) Internet and Microsoft Word for Windows – Beginners, Improvers, Intermediate & Advanced Courses available up to Office XP2000 version; (2) Microsoft Excel for Windows – Beginners, Improvers, Intermediate and Advanced courses available for Office 2000; (3) Microsoft PowerPoint for Windows – Beginners, Improvers, Intermediate & Advanced Courses available up to Office 2000 version; (4) Introduction to Microsoft Windows XP2000; (5) Microsoft Access for Windows - Beginners, Improvers, Intermediate programme up to Office 2000 version and the Internet; (6) Basic literacy (English). At the end of the one year, YEAP will take over full management of the equipment and courses; participants who reached key stages of competence will be awarded credits units that are recognised by the Liberian educational establishments and count towards credit points for further education either with the University or other institutions. Participants may also use the skills for direct employment and or further skills development. In Liberia nearly everybody under the age of 36 is illiterate due to 15 years of civil war. Beneficiaries of this project are the ex-combatants and ex-child soldiers. This project will provide development assistance at grass roots and support the Rehabilitation and Reintegration programmes that are being led by the UN as part of the general aim to alleviate and eradicate poverty amongst these Liberian ex-child soldiers. As at 15 Feb 2005, 8,523 boys and 2,440 girls have disarmed and demobilised in the area.

**NEPAL****PLAN International UK****Educational Support for Children with Disabilities, Makwanpur District****£24,730**

This project will construct a primary school and hostel with five classrooms, six boarding rooms, a kitchen, a dining room and a playground with a protective compound wall in Makwanpur District, on the land currently allocated to the Shanti Bahira Tatha Sustha Srawan Abashiya Primary School. Throughout the District, the Primary School is the only boarding school exclusively for children with disabilities. It is in such a state of decay that it cannot be repaired, and is therefore an actual hazard for those who presently attend. In addition to its current state, the existing school is severely lacking in resources for those with disability. However, Two specialised teachers and a caretaker have been allocated to the School by the Government but currently only 50 children with hearing disabilities are receiving some attention in the school. While attempts have been made to organise classes for the children with other disabilities, the current lack of infrastructure and specialised supplies means that children are not receiving adequate support. Potable water and appropriate sanitary facilities will be installed in the new school. The existing Parent Teacher Association will be provided with training in administration, and management of the parental contribution fund. A School Management Committee (SMC) will be established and trained in project management to oversee the implementation of this project, and school administration for the long term running of the school. As a part of the project children's groups will be set-up which will allow children participation throughout the construction process and in the long-term running of the school. The creation of an environment that is healthy and conducive for learning and playing will directly benefit up to 150 children each year. Makwanpur District has a very scattered population and 2,500 out of a total population of 170,000 have some kind of disability. Because of the physical geography of the district, and the spread out population, travel is difficult, making live-in facilities a necessity.

**NEPAL****Save the Children Fund (UK)****Improving the Infrastructure of Primary Schools and Quality Education Project, Achham and Bajura Districts****£39,374**

The aim of this project is to extend and complement the work in Nepal already funded by the former Overseas Aid Committee (three previous grants) and the overseas Aid Commission (one previous grant) and focus on improving learning environments for very poor children, in particular to meet the urgent need of schools in a further two remote rural areas (Achham and Bajura Districts) and to continue working in Doti District, to accommodate high enrolment in primary grades one to five and to reduce the drop-out rate of children. This will be done by: Contributing to improved physical

infrastructures in 45 schools (repair and maintenance of school buildings, construction of extra classrooms and toilets, provision of classroom furniture and blackboards etc) to accommodate the high enrolment of children in primary grades; (2) Improving the teaching and learning environment in primary grades through the provision of textbooks, small libraries, extra teaching and learning materials and sports equipment; (3) Training teachers in child friendly and participatory teaching and learning methods. At least 60,000 rural children aged from six to 12 years will directly benefit from the project, with many more people in the local communities benefiting from the impact of a strengthened and improved education system. The work of this project is particularly important as a result of damage inflicted on the school. The schools will be constructed with the participation of local communities, who will take ownership of the schools and manage them with support from Save the Children and the Nepalese Government.

## **NIGERIA**

### **Reform Corporation**

#### **Education: Eziobodo Library Project, Nkanu-East, Enugu State**

**£10,200**

This is a strategic project aimed at making reading and educational materials available to thousands of school children in an area that has schools and colleges but no access to library, educational materials or funding to buy them. The project will be based at the premises of St Mary's Catholic Primary and Secondary Schools, Eziobodo, Oruku, Nkanu-East in Enugu State and will serve over 20,000 pupils, students and adult learners in the area. Reform Corporation has been working with the BBC World Class in twinning UK schools and African schools in this project and has gained the support of seventeen UK schools in raising the educational materials required for this project. USAID has provided some funding for the erection of school accommodation, part of which can be used as a library. Funding is for the completion of the library, the sea freight costs of the books and educational materials in storage in the UK, and the cost of clearing and transportation of the books at the local destination. Together with this newly-built school accommodation funded by USAID, this project will also assist St Mary's Secondary School to qualify and attain an 'Examination Centre' status. With this status it will no longer be necessary for students to travel several miles to other examination centres in order to take their certificate examinations. There are five other schools and 3 colleges near St Mary's Schools that will benefit from this facility directly. Other schools with a total population of over 40,000 are outside six miles radius but can access this facility with reduced difficulty. The aim of the project is to support the achievement of the Millennium Development Goals, in particular to support the achievement of universal primary education. Reform Corporation undertakes this by working at providing an education resource centre that is accessible and affordable to local children and adults in the area. The specific aims of the project are: (1) To ensure that all boys and girls in the area reduce the risk of not completing their full course of schooling due to lack of expensive educational materials; (2) To eliminate gender disparity in primary and secondary education at all levels in the area; (3) To eliminate some of the main reasons for child labour in the area; (4) To address some of the root

causes of extreme poverty and hunger; (5) To promote greater community cohesion and rural development.

## **SIERRA LEONE**

### **Voluntary Service Overseas (VSO)**

#### **Tonkolili Education and Livelihoods Project, Tonkolili District**

**£24,738**

The aim is to provide basic educational facilities and job skills training to disadvantaged children and young people in the rural Yoni Chiefdom, in Tonkolili District. This will be achieved by (1) Equipping Matati-Mile 91 Primary School with classrooms, lavatories, a well and water pump, furniture and learning materials; and (2) By training young people used during the war for forced labour and sex in tailoring and carpentry, and giving them the tools and skills to start their own businesses. The building work on the School will add to the school's overall sustainability as the Sierra Leonean Ministry of Education, Science and Technology has already agreed to give the School "approved" status, but currently does not have the funds to resource it. The unemployment rate in Sierra Leone is estimated at around 70%, and the situation is worst for the uneducated youth who form the majority of the country's population. By enabling 50 young people to be trained, a pool of skilled young people will be formed who will not only be able to support themselves and their families but will also be able to offer informal training and apprenticeship to those who come after. Training and equipment will help the transfer of trade skills to other community members, thus increasing sustainability. The start-up kits provided for graduates will be utilized to generate increased income and savings to sustain and possibly diversify the project. The skills acquired from the training will serve as their major sources of income, providing 85-90% of their livelihood support. Young people are vital to maintaining peace in Sierra Leone. Most were involved personally in the conflict, and many received no education or training during the war. Now they make up a large proportion of Sierra Leone's illiterate and unemployed. Unless this is addressed, peace may not be maintained. The direct beneficiaries will include an estimated 3,000 children over the life of the school, who will gain decent school facilities, and 50 young people who will be given training. Indirect beneficiaries include 720 family members of the children, who will benefit from increased future income, and at least 3,500 family and community members of the 50 young people who will benefit from increased income and access to cheap, locally produced goods.

## **SOMALIA**

### **Save the Children Fund (UK)**

#### **Improving Community Learning Centres for Pastoralist Children, Togdheer Region**

**£30,000**

This project aims to provide access to quality and cost-effective basic education opportunities to 80% of out-of-school children in the 16 communities in Togdheer

Region, Somaliland, who have had no access to basic education. Somalia is one of the poorest countries in the world. The following activities will be undertaken by the project: (1) The installation of low-cost and replicable community learning centres which are suitable to the local communities and circumstances in 16 rural Somaliland communities. These will include latrines and water catchment points. The strategy is to install suitable structures that fit into the way of life of the communities and are constructed using mainly local resources and skills; (2) The community members will be involved in a major way by contributing their resources – land, labour, material, time etc. Existing community structures such as community houses and Koranic schools will be used as necessary; (3) Experience has shown that low cost, community-owned school improvement initiatives are appropriate strategies in many poor countries. School improvement does not necessarily involve the construction of high cost cement and concrete buildings. Rather it involves generating creative, locally relevant and community implemented and owned low cost ideas for improving classrooms and the school environment. The primary target groups of the project are children of pastoral and agro-pastoral backgrounds, girls, working children, children from minority groups, returnees and Internally Displaced People (IDP) of Togdheer Region. The project will benefit 1,200 school-aged children who will attend the community learning centres. Funding is for the construction of 16 low-cost classrooms, water points (roof catchments) for the classrooms and the construction of 16 pit latrines for the classrooms.

## **TOGO**

### **PLAN International UK**

#### **Primary School Construction, Sotouboua**

**£25,000**

This project will construct a primary school with three large classrooms, an office and a storeroom at Langabou Zongo Primary School in Sotouboua, currently hosting 358 pupils (172 girls and 186 boys). The Primary school complex is made up of 10 thatched wooden structures, without any sanitation facilities or potable water. Learning under these conditions becomes a daily challenge for the young students who are exposed to wind and weather. As a result, quality of education is poor, children lose interest in school and parents are not inclined to prioritise their children's education, believing they can learn more by working with them in traditional activities. A further problem at the school is diarrhoea which is rampant in the boys and girls as they are obliged to use the open for their personal needs and consume unsafe water from the surroundings of the school. High incidence of disease contributes to school dropout and low success rates of children at the School. The school will work in a shift system in order that all children can attend lessons in improved surroundings. A well will be constructed to provide potable water to the school and the local population. Latrines will be installed which will be designated separately for boys and girls. The community members will elect a Water Management Committee to manage the well and to be trained in its administration and maintenance. A Parent Teacher Association (PTA) will be set-up and trained, along with children's groups to ensure full local involvement in the

project. The PTA will hold open days with the community to encourage parent integration with the school. Teachers will be provided with training and learning materials. School children and PTA members will be trained in healthy hygiene practices and to share their learning with their friends and family. The provision of an improved School for the children of Langabou Zongo will initially directly benefit 358 children and more in the future.

## **UGANDA**

### **Advantage Africa**

#### **Bajjo-Bombo Education Project, Luwero District**

**£19,690**

The project aims to provide a primary school education to 300 vulnerable children between the ages of 6-14 in Bajjo-Bombo in Luwero District, Uganda, through building, furnishing and equipping a new primary school with eight classrooms. Although most of these children are looked after by single parents, the school will be open to everyone and therefore benefit children from all families in the area. Many of these children walk up to ten miles each day to and from the nearest government school, in addition to doing all their household chores. This is particularly hard for the youngest children - the new school will enable them to channel more time and energy into their schoolwork and productive activities at home. The project will also address the negative community attitude towards single parents including community-based advocacy to ensure that the rights and needs of single parents are respected and met like those of others. Project activities will include; (1) Recruiting qualified teachers and training those with lower grades to improve their teaching skills; (2) Training to enable school staff and parents/guardians in the skills required to care for and work with children with special needs, including orphans and disabled children; (3) Holding public meetings, open days and discussions with parents/guardians (including the many single parents in the community), churches and other community members to ensure their commitment to, and involvement in the management of the new school; (4) Integrating the local administration in the management of the school, securing government support and starting an income generating enterprise that will ensure the school's long term sustainability. Advantage Africa's partner organisation in this project is the Single Parents Association of Uganda (SPAU). Its practical work aims to improve the welfare of poor and marginalised single parents and their families through counselling and training services, income generating activities and advocacy to advance their rights. More than 70% of SPAU's 1,000 members are women, many are HIV positive, and all face the 'double disadvantage' of poverty combined with stigma. SPAU has an active group of members in Bajjo-Bombo who have initiated this project.

**UGANDA****Christ Our Hope Orphanage Centre****Establishment of Conducive Learning Environment to HIV/AIDS Orphaned Children, Wakiso District****£8,387**

Further to the former Overseas Aid Committee's grant in 2002 for a 4-classroom block and vocational training block at Christ Our Hope Orphanage Centre (COHOC), and in 2004 a maize mill plus additional agricultural land and vehicle etc. for project sustainability, the aim of this project is to further assist economic and social development in Temangelo Parish, Mumyuka Sub-County, Wakiso District (formerly Mpigi District), a semi-illiterate community, through providing support to many orphans and less privileged children from very poor families (currently 649 children), in this instance through the provision of an administration block, latrines for boys and girls, a dining hall where the children will be able to eat as opposed to currently eating under trees and verandas, the procurement of a generator, 300 text books, 100 desks, twenty tables and chairs for the teachers and, additionally, 10 manual sewing machines, assorted carpentry tools and 6 plastic tanks for water catchment along the building when it rains for safe clean water. This area where COHOC is situated has very little access to safe clean water. However, most springs are now protected by the local NGO Voluntary Action for Development (a programme assisted by Commission earlier in 2005). Once the buildings have been constructed and the additional tools for the technical/vocational division purchased, the items produced by this division will be sold and the profits will assist running costs, provide allowances etc., and will provide for other overheads in order to assist the sustainability of the programme. In addition, more paying children (who are not orphaned) will be admitted with a small charge which will be accounted as the Centre's income, which income will in turn play a major part towards the Centre's sustainability. This project will benefit initially 649 children who are mainly orphans, but since COHOC is an educational institution, many more children will benefit from these provisions in the future.

**UGANDA****One World Foundation Africa****Educational Support for Vulnerable Children, Kiboga District****£24,128**

The aim is to increase the accessibility and improve the quality of primary education for 600 orphans and vulnerable children (OVC's) in 44 primary schools in the Bukomero Sub County of Kiboga District as well as benefiting all of the 15,900 children attending the schools that will receive scholastic resources, in particular those at the 23 schools that are to receive fresh water tanks. Kiboga is a rural district in the formerly infamous Luwero Triangle which suffered a devastating guerrilla war that raged in the area between 1980 and 1986. Large numbers of people were killed and the rest were either

internally displaced or had to flee, and all bases for their livelihood security were looted/destroyed. The area had the highest school drop out rates among girls accompanied by unplanned pregnancies, which results in early and forced marriages. As a result there is a high illiteracy rate among women, and a high incidence of HIV/AIDS. One World Foundation Africa intends to promote a child-friendly, healthy learning environment and increase the access of children to safe drinking water to decrease school drop out rates and absenteeism. One World Foundation Africa has been supporting OVC's in the area since 2003, providing free school meals. However, in a number of these schools there is a lack of safe drinking water causing ill health and an added burden to children who are forced to walk long distances for water. Of the 44 primary schools, 23 will receive water tanks, all will receive textbooks and sports equipment and 400 school desks will be provided. In collaboration with extension workers the project will train and support the families of 150 orphans and vulnerable children that are in greatest need, in income-generating activities, providing seeds and planting materials to improve the sustenance and welfare of these children.

## **Health**

### **AFGHANISTAN**

#### **ActionAid**

#### **Training Community Health Workers, Balkh Province**

**£24,767**

This project will train 46 Community Health Workers (CHWs) in the Chintal District of Balkh Province in order to meet the health needs of the District. Access to health services is extremely difficult for people who live in Balkh Province due to long distances or lack of transportation costs. In many areas local traditions state that male staff cannot examine women; the shortage of female health workers therefore means that many women in the area have no access to health care at all. The CHWs will be trained to cover child healthcare, nutrition, reproductive healthcare, care for common diseases and referral of complicated diseases as well as community support. A gender balance of CHWs is essential to promote women's rights in the community and to increase the number of women that can receive health care. ActionAid Afghanistan (AAA) will therefore ensure that at least 21 CHWs are women. Each CHW will be responsible for 100-150 families (approximately 1,500 people); the total number of beneficiaries receiving locally available healthcare is therefore expected to be 69,000 people. The harsh physical environment has suffered greatly from 20 years of war. The destruction of natural resources coupled with a devastating regional drought has compounded the crisis eventually exhausting the coping mechanisms of many ordinary Afghans, forcing them to leave their homes in search of food and water. As a result the local communities have had extremely limited access to the most basic services such as food, water, healthcare and education. Women are one of the most disadvantaged groups in Afghanistan, with little access to, or control over, decision-making or basic rights. Additional vulnerable groups include returning refugees, internally displaced persons and the disabled. This project will benefit all disadvantaged groups in the area but will have a particular impact on women by recruiting female CHWs, ensuring women have access vital healthcare services, especially during childbirth, and through the project raising the status of women in the community. This project will therefore address one of the most basic needs of the community and will assist with the ongoing regeneration of the area.

### **AFGHANISTAN**

#### **HealthProm**

#### **Clinical Training in Management of Obstetric Emergencies and Newborn Care, Balkh Province**

**£8,035**

The aim of the project is to reduce mortality and illness of mothers and babies during and shortly after childbirth in Balkh Province. A large number of women at the hospital in Mazar-i-Sharif, capital of Balkh Province, suffer from shock arising from

haemorrhage during or after childbirth, and some die from it. This component is for approximately half of a larger project consisting of the following activities: (1) Practical training for two weeks: a) by obstetric anaesthetist for obstetricians in management of acute, life-threatening conditions, eg resuscitation of women in shock and for obstetricians and anaesthetists in basic principles and practices for low-risk methods of anaesthesia b) by midwife for obstetricians and midwives in management of the last stage of labour - to prevent postpartum haemorrhage - and in care of newborn babies to prevent infant deaths; (2) Providing the enough equipment and supplies to make use of the training and show what changes can be achieved at low cost; (3) Assessment of further needs of the Maternity Department of Mazar Central Hospital and one outlying district hospital; (4) Advocacy for improvement of maternity services through further training and sustaining supply of essential equipment and supplies; (5) Evaluation visit by two of team three months later, which will reinforce teaching as necessary. Funding is for the provision of equipment and supplies, and advocacy for the improvement of maternity services through further training and sustaining supply of essential equipment, supplies etc. Advocacy will be at Government level and via the radio and press. This project will benefit initially the 3,600 women who give birth in the Hospital annually, a small proportion of the women who need obstetric care in a country of 28.7 million, but the aim is to benefit indirectly a much larger number of women by setting and publicising standards of care for complications of childbirth, to be included prominently within contracts nationally. The supplies element will particularly benefit the c. 15% (around 550 women) who suffer complications of labour. The project is based on the greatest opportunity for influencing policy and practice arising from providing training at a central venue, where the benefits can best be seen and publicised

## **AFGHANISTAN**

### **Medecins du Monde UK**

#### **Support to two Mother and Child Clinics, Kabul**

**£25,000**

The overall aim of the project is to contribute to reduced maternal and child mortality and morbidity in Districts 3 and 5, two vulnerable districts of Kabul city, through supporting two Mother and Child Health Clinics (MCH), namely Mirwais Maidan and Khushalmeena. The specific objectives are: (1) To maintain access to basic health services for women and children; (2) To improve quality of health services in the two supported MCH clinics; (3) To optimize the transition phase and prepare a smooth and sustainable handover process. The activities to be undertaken will include: (a) Organising and supervising medical services delivered to the beneficiaries in the two MCH clinics: paediatric and gynaecological consultations, antenatal and postnatal consultations, family planning consultations, immunisation and laboratory services; (b) Providing administrative, logistic and technical support services necessary to complement and allow delivery of above-mentioned medical services: building maintenance, medical refresher courses for the staff of the clinics, supply of medical equipment, materials and drugs, provision of incentives to the staff of the clinics, data collection and analysis for epidemiological surveillance and monitoring, coordination with other stakeholders: Ministry of Public Health (MOPH), donors, UN agencies, local

and international NGOs; (c) Pursuing the handover process to MOPH in close collaboration with UNICEF and JAICA. Since the fall of the Taliban at the end of 2001, over 2.5 million Afghans have returned to Afghanistan. Another million are expected to return throughout 2005 and 2006. As a consequence, the population of Kabul has increased from 1.7 million in 2000 up to 3 million in 2003 (source UNDP 2004) and is probably not far from reaching 3.4 million (+50% increase) by 2005-2006. In the meantime, the infrastructure, health services and sanitation has not been extended to face such an increase. Through the MCH clinics, Medecins du Monde and its local partner MOPH intends to strengthen the public health system, especially as regards provision of services to the most vulnerable groups: namely, women and children who live in deprived areas of the capital city. The overall project aims to benefit 212,383 women and children. Funding is for the provision of 23% of overall project costs.

## **ANGOLA**

### **LEPRA (The British Leprosy Relief Association)**

#### **Construction of Palaver Huts for Sheltered Patient Waiting Area, Training and Health Promotion Activities in Lunda Sul Province**

**£12,000**

Further to previous grants in 2004 and 2005, the aim is to further assist LEPRA's overall aim of supporting the tuberculosis (TB) and leprosy control programme. During 2006 support will be extended to Lunda Sul Province. A diamond producing province, mining companies, the main employers, do not invest in social projects and LEPRA is the only health NGO present. The local government has been actively re-staffing and rehabilitating health infrastructures, but capacity to implement national programmes needs considerable strengthening. Health centres lack waiting room facilities for patients, venues where training, meetings and awareness raising activities for patients, staff and community members can take place. This means that these activities take place out in the open under trees, a practice not culturally accepted by communities or considered unprofessional by health staff making it difficult to mobilise these groups for programme activities. The project aim in 2006 is to build 4 palaver huts (jangos) in the four municipalities making up the province – Saurimo, Muconda, Dala, Cacolo - each with capacity for a minimum of 30 patients or trainees. The project will also strengthen and expand the Tuberculosis and Leprosy programme from Saurimo to the other 3 municipalities by providing training, facilitating provincial and municipal supervisions, equipping laboratories, ensuring drugs and consumables are available and proper monitoring systems in place. Additionally, it will ensure that services for Sexually Transmitted Infections (STI) and HIV/AIDS are available by managing and training counsellors for the Voluntary Testing and Counselling Centre in Saurimo. Finally, it will also provide materials for the Information, Education and Communication activities to create awareness about leprosy, tuberculosis, HIV/AIDS and STI and inform the population about the availability of these services. The Jangos will have a multi-purpose use serving not only as patients' waiting rooms but also as a venue for training, meetings with community leaders, distribution of TB and leprosy drugs and other programme activities. They will be built next to the health centres providing a link between (1) the TB and Leprosy services and the general health staff and; (2) TB and

HIV/AIDS/STI and the general health services and the communities. As such they will serve an interface for the TB and Leprosy team to develop links with the communities and extend TB and Leprosy screening to patients (especially women and children), consulting other health services (e.g. ante-natal and mother-child health services) and a venue for LEPROA, the health directorate or other organisations to raise awareness and refer patients to these services or to hold other meetings.

## **CAMBODIA**

### **Cambodia Trust**

#### **Rehabilitation for Landmine Survivors and Other Disadvantaged Disabled People, Sihanoukville and Kompong Chhnang**

**£15,442**

Further to the Overseas Aid Commission's grant in 2005, the aim of the project is to further increase self-sufficiency and reduce poverty amongst disadvantaged disabled people such as landmine survivors and people affected by polio, clubfoot and cerebral palsy; particularly women and children. The project is based in two rehabilitation centres in Kompong Chhnang and Sihanoukville, which serve the surrounding areas. The Sihanoukville rehabilitation centre also serves the neighbouring province of Kampot. Cambodia has one of the largest disabled populations in the world, including 40,000 landmine survivors and 50,000 people affected by polio. Shunned by society and denied access to education and employment opportunities, disabled people remain trapped in the cycle of poverty. This project restores mobility and provides the chance of self-sufficiency, enabling disabled people to play an equal part in society. By providing physical rehabilitation such as artificial limbs and orthopaedic braces, the project improves mobility and enables beneficiaries to participate in education, employment and community life. Physical rehabilitation is provided in conjunction with community-based rehabilitation, to enable children to attend school; to enable disabled adults to set up small businesses; to support the establishment of self-help community groups; and to raise awareness of disabled people's rights. Around 8,000 disabled people will benefit from this project, with their families, communities and Cambodian society as a whole, benefiting indirectly. Funding is for the provision of production costs less donated materials.

## **CAMBODIA**

### **IMPACT Foundation**

#### **Prevention and Treatment of Needless Disability, Kandal and Battambang Provinces**

**£18,309**

The aim is to prevent disability caused by micronutrient malnutrition and lack of knowledge or health services, coupled with ear surgical services to treat the high incidence of hearing loss and ear disease, in Kandal and Battambang Provinces. Currently, most healthcare activity in the Country focuses on 'child survival strategies' or the damage to victims caused by landmines, to the detriment of other forms of

disability, which are rife but could be treated or prevented by cost-effective and sustainable interventions such as home gardening to provide nutritious sources of food. In Cambodia there is great need for ear surgery to treat the high incidence of hearing loss and it is intended to enable regular treatment 'camps' to be held at a hospital in Battambang, which has pledged the use of space and other facilities. The project will also include a referral programme for identifying people in need of treatment and delivering appropriate care. This initiative is to purchase equipment for ear surgery, consumables to prevent micronutrient malnutrition, and health education materials, and to establish home vegetable gardens. In the first year it is anticipated that 180 people will benefit directly through ear surgery, and 3,000 households (approximately 15,000 people) will benefit directly from home gardens and iodised salt. Around 3,000 children will receive supplements and de-worming tablets as a short-term treatment, and 24 villages of Kandal Province (30,048 people) will benefit indirectly through improved knowledge and services. Funding is for the provision of the ear-surgery equipment, health education materials, the establishment of home vegetable gardens, de-worming and micronutrient supplements, and iodised salt.

## **CAMEROON**

### **Sight Savers International**

#### **River Blindness Prevention through Community Directed Treatment with Ivermectin (CDTI), South West Province**

**£20,289**

The overall aim of this project is to eliminate onchocerciasis as a serious hindrance to socioeconomic development and as a disease of public health importance, covering the population of Ist Sub Division, South West Province, estimated at 710,050 inhabitants. Onchocerciasis (a.k.a. 'river blindness') is a parasitic infection, spread by flies that live in fast flowing rivers, which, over years of exposure, leads to irreversible blindness. The consequences of blindness for the individual and their family, and the wider community, can be devastating, with the onset of blindness (depending on the levels of infection, generally from the early 30s) occurring at the point at which individuals are at their most economically active and having to support families. To achieve effective treatment and prevention of the disease, coverage rates have to be sustained at least 65% of the effected population (around 400,000 people). In 2004 this project had a coverage rate of 71%. The increase or at least maintenance of this coverage rate will progressively lead to achieving the aim of the project. The CDTI programme places great emphasis on the involvement of beneficiary communities because the goal of the programme is to break the cycle of infection. This requires the population to receive repeated treatments over a number of years, to break the life-cycle of the parasite, although the benefits for the individual are almost immediate (treatment stops any further optical damage, if it has begun, as well as the chronic itchiness and skin damage which precedes the blinding effects). Hence the programme operates through a 'community-directed' structure, whereby the community nominates a 'Community Directed Distributor' (CDD) who is responsible for the collection and distribution of the drugs from the local health post, and reporting to the Ministry of Public Health personnel who supervise them. This will be achieved through the following major

activities: (1) Workshop in integration of eye care activities into CDTI provincial and district team; (2) Training of health centre staff and Community Directed Distributors in integration of eye care activities into CDTI; (3) Sensitisation and health education on continuing treatment in spite of reduction in clinical symptoms; (4) Delivery and distribution of Mectizan (Ivermectin) and drugs for side effects; (5) Supervision and management of side effects.

## **EIGHT COUNTRIES**

### **Motivation Charitable Trust**

#### **Providing Appropriate Wheelchairs in Africa: Ethiopia, Kenya, Namibia, Nigeria, Tanzania, Uganda, Zambia & Zimbabwe**

**£23,943**

The project will increase the capacity of local Wheelchair Financing Committees in the countries of Ethiopia, Kenya, Namibia, Nigeria, Tanzania, Uganda, Zambia and Zimbabwe, to purchase appropriate, locally-made mobility aids for disabled people who have no other means of securing them. This will increase the quality of life of some of the poorest people with mobility disabilities by improving independence, opportunity and social integration. A minimum of 160 wheelchairs will be built from locally available materials by professionally qualified Wheelchair Technologists to designs developed to cope with the rough rural environment and harsh conditions in eight countries of Africa. Beneficiaries will be means-tested to determine their ability to contribute to the cost of their wheelchair, and a minimum contribution will be required. A Wheelchair Financing Committee in each country will administer Wheelchair Funds which will serve the most-economically disadvantaged mobility-disabled people using 14 wheelchair services throughout the 8 countries identified. 160 disabled people will directly benefit from the fund. Indirect beneficiaries of the project will be 25 Wheelchair Technologists, (the majority of whom are disabled themselves, and all are pioneers in this new profession) who will see the income and sustainability of their workshops increase, as well as grass-root Disabled People's Organisations (DPOs) who will benefit from the increased mobility and improved health an appropriate wheelchair will mean for their members. One of the major benefits of this project to disabled people in Africa is the suitability of the wheelchair design to the physical environment. The majority of wheelchair users in developing countries rely on donated wheelchairs from Western countries that are totally unsuitable for their disability, lifestyle and environment. Donated chairs can rarely be adjusted to fit the individual, yet an ill-fitting wheelchair, particularly when it is provided without a pressure relief cushion, leaves disabled people vulnerable to potentially fatal health complications. Disabled people and their families are the poorest of the poor due to a combination of prejudice and a lack of education and employment opportunities, yet they tend to have additional living costs, such as for assistive equipment and transport. Disabled women in particular face a double prejudice.

## **ETHIOPIA/MOZAMBIQUE/TANZANIA/ZAMBIA**

### **Habitat for Humanity Great Britain (HFH)**

#### **Protection Against Malaria for Poor Rural Families, Four Countries in Sub-Saharan Africa.**

**£18,500**

The aim of the project is to reduce the incidence of malaria for 3,000 families (around 9,000 women and children) living in poverty in Ethiopia various locations in Mozambique, Tanzania and Zambia by providing health education and re-treatable mosquito bed nets. Habitat for Humanity (HFH) low-income homeowners across Sub-Saharan Africa have requested HFH to protect their families from malaria. Through HFH's long-term commitment to low-income communities in helping them build safe, decent and affordable homes, it can provide an ideal infrastructure for continued health education and the provision and long-term (up to 7 years) maintenance of bed nets. HFH aims to provide malaria prevention education and insecticide-treated mosquito bed nets and maintenance to around 9,000 of its beneficiaries in the most highly affected Sub-Saharan countries. After the first year, families will be asked to contribute to the project by purchasing insecticide for re-treatment. It is expected that families, having learned about malaria prevention and having experienced the benefits of treated bed nets, will be willing to make the low-cost contribution of 50 pence every six months. Local Management Committees will be encouraged to continue to make bulk purchases of insecticide and offer the protection via the HFH office in order to reduce costs further. The bed nets provided in the project benefit families for on average seven years, even if re-treatment is not completed as often as recommended for maximum protection. In the past some NGO's have distributed mosquito bed nets free without monitoring or follow-up, which has in the past led poor families to quickly realize that they have a saleable asset. NGO's have also tried to sell the nets at a subsidy. However, poor families often do not see the advantage of paying for a net that has a potential future benefit compared to paying for their immediate needs of food and shelter. HFH's long-term commitment to communities, via Management Committees is an ideal structure for the provision and long-term maintenance of bed nets. Malaria prevention messages and reminders for re-treatment will be regularly posted with HFH communication in the communities and announced during HFH homeowner meetings.

## **HAITI**

### **Concern Worldwide**

#### **Water for the Island of Gonâve**

**£24,153**

The overall goal of the project is to reduce the prevalence of waterborne disease on the island of La Gonâve, a desperately dry place, by sustainably improving access to potable water. Families in La Gonâve are in desperate need of clean water supplies. For these people a sip of water could be lethal. But when one is thirsty and the only

water available is riddled with disease and contaminated with bacteria, there is no choice. Unfortunately clean water is not available in La Gonâve and incidents of diarrhoeal disease are high. To achieve this overall goal support will be given to Asosyasyon Animate Payizan in La Gonâve (AAPLAG which is a local NGO) and to 3 village committees in order to: protect 10 springs; construct 2 new community cisterns; rehabilitate 16 existing cisterns. This initiative will provide over 9,000 individuals with direct access to safe water sources. Project activities will also contribute to improving the bacteriological quality of the island's drinking water by making chlorine solution and slow sand filters readily available to the population in a sustainable way. Concern Worldwide will provide water management training to 43 local committees (5-10 members each) that manage the cisterns, hand-dug wells and the springs. These local committees will eventually be responsible for the protection, treatment and equitable use of the Island's water sources.

## **INDIA**

### **Arpana Charitable Trust (UK)**

#### **Creating an Orthopaedic Department at Arpana Hospital, Karnal District, Haryana State**

**£38,161**

To create at Arpana Hospital, Karnal District, Haryana State, urgently-needed, prompt and efficient orthopaedic and surgical facilities with the ability to perform emergency, trauma and corrective surgery, for a largely rural target population of 1.5 million people in around 500 villages. (For Arpana's blindness project the catchment area extends to 1,000 villages). The Civil Hospital in Karnal is severely overburdened and its infrastructure is unable to meet with the demand. Emergency and accident victims have to be referred to Chandigarh PGI Rohtak Medical College or Delhi, all of which can take up to a day to reach. This often results in irreversible damage or loss of life. The project will therefore enable Arpana Hospital to provide much-needed services for the surrounding rural communities. Those who can contribute to the cost of their treatment are charged according to their means or otherwise treated free. The project will form an integral part of Arpana's three-tier health system provision consisting of: (a) the 135-bedded Arpana Hospital/Referral Training Base; (b) mobile clinics serving around 30 villages in Karnal District; (c) an intensive primary health care and development programme serving approximately 30 villages in Karnal District. The Referral Base Hospital is a recognised part of the overall health system in the area, with extensive training programmes for village workers, paramedics, hospital technicians, nurses etc. The emphasis is on primary health care through an extensive outreach to the outlying villages and target population. The area has a very high incidence of diabetes and lipid disorders, resulting in an abundance of peripheral vascular disease which if not treated can result in gangrene, amputation or death. Another condition which is very disabling and, with probably the highest incidence in the world, is urinary tract stones. Arpana offers local access to a haven of professional, competent and affordable services, with a focus on the dignity and well-being of the patient. The project will create an urgently needed facility for people who would otherwise remain untreated, enduring profound

disability and pain. People with physical disability, in this area of high unemployment, decline into a spiral of poverty and malnutrition. The project will save lives and bring people back as productive members of their community.

## **INDIA**

### **Child in Need Institute (CINI) UK**

#### **Establishing a Sustainable Support Service to Improve Mother and Child Health, West Bengal**

**£9,504**

To provide the people of Diamond Harbour Block II Khorda Gram Panchayat, in the disadvantaged Sunderbans region of India, which has one of the highest rates of child malnutrition and maternal mortality in the world, with a sustainable support service for mothers and their babies through a network of women's self-help groups. With guidance from the project team, women from the self-help groups will visit families to ensure expectant mothers get adequate nutrition, access antenatal care and deliver safely with trained birth attendants. Visits after the birth will encourage exclusive breastfeeding to six months, immunisation and improved hygiene and sanitation to prevent infections. Chronic malnutrition among many women in India can make breast-feeding difficult, but CINI has had considerable success in enabling women experiencing problems to breast feed to six months with the help of dietary advice and emotional support. After this period, they will promote the use of appropriate supplementary foods and will monitor babies' health and weight to the age of two - the most critical period for child development. It is expected that around 300 women will to give birth to babies during the grant period. The health of both the mothers and their babies will be monitored. At least 60 women from the women's self help groups, 10 traditional birth attendants or rural health practitioners, 20 members of the local self government and 15 peer-educators will receive training on relevant issues. So at least 705 "named" people will benefit directly from the project during the grant period though in addition improved understanding of nutrition and health issues will benefit the wider community (total population 15,000). Funding is to cover the cost of capacity building, health awareness events, health and nutrition data collection and analysis and the salaries of the project team. It is envisaged that the self help groups will be in a position to run the project themselves after the end of the grant period.

## **INDIA**

### **Disability and Development Partners**

#### **Rehabilitation Aids Workshop Upgrading, Bangalore, Karnataka State**

**£22,936**

The aim is to support the Rehabilitation Aids Workshop by Women with Disability (RAWWD) in Bangalore, Karnataka State, to upgrade the physical premises of and equip a workshop which supplies low-cost rehabilitation aids of excellent quality to a

wide client base of poorer people in Bangalore, especially women and children. The workshop, the only one of its kind in the whole of India, is staffed exclusively by women and, of the ten currently employed, seven have mobility impairments and one learning difficulties. RAWWD also seeks to foster an inclusive working environment and so future plans include providing training and employment opportunities for all women, including the marginalised poor, although the focus will always remain on disabled women, whom it gives the chance to earn an income and live an independent life with dignity. Disability and Development Partners (DDP) wishes to help RAWWD to remodel and upgrade their premises and to equip the premises with the materials, tools and machinery needed to supply all kinds of orthotics and prosthetic devices. DDP wishes additionally to provide two motorbikes, one of which adapted for use by a disabled person, so that aids and appliances can be taken to clients who cannot get to the workshop. Support for staff salaries is also required in order to offset the inevitable shortfall in income that RAWWD will suffer while its premises are being worked on and re-equipped. RAWWD was established in 1997 by Mobility India, a long-term DDP partner, and produces artificial limbs, walking aids, splints, callipers/braces and boots, leather straps, steel moulds and other components. These aids and appliances are profoundly liberating for disabled people, allowing them to participate in normal family and community life, and offering a greater chance for fulfilment. RAWWD currently operates from two cramped rooms provided free of charge by Cheshire Homes and uses outdated and dilapidated machinery and equipment. Not only are health and safety of great concern but also RAWWD is severely constrained in its activities and scope for growth. Since 1997, RAWWD has employed and trained many women as technicians and assisted over 12,000 disabled women, men and children to become mobile, averaging over 1,500 a year.

## **INDIA**

### **Interlock**

#### **The Provision of a Maternity Centre in Pathardi, Ahmednagar District, Maharashtra State**

**£24,250**

The overall aim is to improve the maternal and general health conditions of the disadvantaged people of Pathardi, a town in Ahmednagar District, Maharashtra State, a drought area where there are no industries or railway and the chief source of income is agriculture. There are no local medical facilities that reach out to the very poor, especially maternity, and health awareness education is non-existent. This project aims to: (i) provide good obstetric service in a rural drought area where no reliable service exists. Such a centre here will save precious time and money in transporting the patients. Most emergency obstetric cases could be efficiently managed here; (ii) provide basic health care, especially to the poor, needy, aged and infirm, irrespective of caste, religion or status; (iii) provide basic antenatal and child health care at the centre, as well as to the 140 villages around Pathardi town; (iv) give health education and health awareness, especially about HIV/AIDS; (v) provide an ongoing income by providing accommodation for paying guests. The total targeted population of 70,000

will benefit from this project, and in the long term, by the provision of an income generated by visiting guests, the medical facilities will be maintained and extended. This project will fund the expense of the extension of a labour room, the provision of the basic equipment required including a suction machine, emergency power supply, water storage unit, at least 3 delivery beds, approximately 20 antenatal and postnatal ward beds, linen, mattresses, mackintoshes, utility articles, staff quarters for a watchman, driver, nurse and doctor, and in addition, guest support accommodation in order to provide sustainability for the project through the receipt of income which will maintain, and extend, the medical facilities.

## **INDIA**

### **LEPRA (The British Leprosy Relief Association)**

#### **Empowering People with Lymphatic Filariasis Related Disabilities, Orissa State**

**£17,420**

This initiative aims to help marginalised people affected by Lymphatic Filariasis (LF) exercise the right to live without discrimination in society, the right to a livelihood and the right to full access to health treatment by reducing the stigma associated with the disease. Lymphatic Filariasis is an infectious disease transmitted by mosquitoes and is the world's second largest cause of permanently disabling disease. The disease produces grotesque physical deformities. Equally devastating are the psychological stigma and adverse social consequences caused by this debilitating and disfiguring disease. The project will be achieved through the organisation of 12 Self Support Groups of people affected by LF, 8 in Puri and 4 in Ganjam Districts, by the end of the year. Each Self-Support Group will have a maximum of 16 members. The three main activities of the project will be: (1) Fight social exclusion: Awareness raising in the communities to eliminate stigma, but also encouragement of Self Support Groups (SSG). The Self Support Groups will be a key strategy and the programme will enhance the ability of beneficiaries to understand and access not only health services but also other social and economic resources they need. (2) Access basic health services: The disabling effects of the disease are not reversible. Those affected need life long care. The project will build the capacity of Government health staff to address the needs of this particular group of people. Nonetheless a lot can be done by people affected to avoid worsening their disabilities through self-care, and training will be provided in such techniques. (3) Livelihood opportunities for those most in need: Develop an income-generation scheme through the Self-Support Groups for landless families and those most in need infected and affected by LF, to address deepening poverty in the area. This project is highly cost-effective, because it will be implemented under a community based rehabilitation approach as well as building the capacity of the government health staff. Another element of the cost effectiveness of the project is the scheme which will support livelihood opportunities for those most in need through a revolving fund improving their income generation and living conditions. Funding is for the provision of four motorcycles, a revolving fund with training, and training of Government health staff.

**INDIA****The Leprosy Mission****Upgrading of Vadathorasalur Hospital, Villupuram District, Tamil Nadu.****£25,368**

To provide outpatient facilities, additional beds and medical equipment to Vadathorasalur Hospital, Villupuram District, Tamil Nadu, to enable the former leprosy hospital to serve the whole community as a Community General Hospital. The Hospital currently has 100 beds and has been serving leprosy-affected patients since 1925 treating leprosy ulcers, reactions and neuritis and other ailments using medication and reconstructive surgery. It is supported by a Laboratory, Physiotherapy Unit, Pharmacy and nursing care. Following the Government of Tamil Nadu's decision to integrate leprosy services with general health care services the hospital has now become a Community Hospital catering for the general health needs of the community and receives patients from a 100-mile radius. The hospital is now serving thousands more general health care patients, undertaking delivery and maternity care as well as tubectomies. To adequately cater for their needs, and not turn patients away, additional furniture is required in the Out Patients Department as well as 15 new hospital beds. The hospital has appointed an Ophthalmologist and also plans to appoint specialists in General Surgery and Junior Doctors to provide additional community hospital services. In order to be able to cope with growing patient demand the hospital urgently needs to invest in additional medical equipment including: an X ray machine, emergency care equipment, surgical equipment, a semi auto analyzer and an autoclave unit.

**KENYA****International Childcare Trust****Birunda Water Project, Trans Nzoia****£9,617**

The aim of this project is to alleviate some of the pressing health problems in the village of Birunda, which are compounded by a lack of clean potable water. This project will install an 8-inch borehole to the depth of 110 meters with a diesel-operated pump, which will benefit the entire local population. The pump will feed four overhead tanks; two for Birunda Children's Centre, one for the Birunda Health Clinic (awaiting funding for construction) and one for local irrigation in the dry season. The Children's Centre is run by International Childcare Trust's Kenyan partner, Njia Panda Ya Tumaini (NYPT). NYPT will implement the Birunda Water Project (BWP), which will include a community awareness raising component that will address such topics as how to: boil water before use; properly store and carry clean water; and maintain the hygiene of containers. BWP will directly benefit the local population of 20,000 people including Kitale street children, slum dwellers and other destitute people. The local residents currently rely on a single protected spring, fitted with a hand pump, which usually dries up in the dry season. Due to the background and educational status of the majority of

Birunda's population, provision of potable water alone is not enough to ensure that they change their habits. Three one-day workshops will be held with selected members of the community; (the majority will be women though some influential men will also be invited). Each workshop will be attended by 20 people, (totalling 60 people), who will be instructed by Ministry of Health Public Health Advisors on the importance of proper care and hygiene when handling and storing water and offered practical and affordable solutions. The facilitator will be paid and transport provided. Materials will include flip charts, marker pens, tape, and, notebooks, handouts, pens, files, etc. Participants will also be provided with morning and afternoon tea and a full lunch. For NPYT, the main problem that BWP will address is the immediate, dire need for water at the Children's Centre and Clinic.

## **KENYA**

### **Wishing for a Well Appeal**

#### **Construction of an Earth Catchment Dam, Manzui, Kyuso District**

**£15,000**

The construction of an earth catchment dam to serve the village of Manzui in Kyuso District in the Eastern Province, a very arid and famine stricken area inhabited by the Akamba tribe. Around 1,000 people from Manzui Village area will benefit, plus far more from the surrounding areas.

## **LAO PEOPLE'S DEMOCRATIC REPUBLIC**

### **Health Unlimited**

#### **Developing Primary Health Care for Indigenous Women and Children, Attapeu Province**

**£24,395**

The purpose of the project is to increase access to quality basic health services for indigenous women and children in the districts of Phouvong, Sanexai and Saysettha, Attapeu Province, and increase awareness and participation in illness prevention. Attapeu is one of the most remote provinces, and is more underserved than most other areas of Laos, a Country that has been plagued with instability and civil war and is one of the poorest and least developed countries in South East Asia. It is a predominately rural society where most people are subsistence farmers. There are five key activities and expected results: (1) Increased involvement of indigenous women to prevent and manage their own and their children's health problems; (2) High quality and culturally appropriate village health education and promotion established; (3) Capable and effective gender and child- focused village health protection networks established; (4) Availability of quality women and child village health services; (5) Improved documentation of lesson learning and experiences to lobby decision makers and advocate for improved health services for indigenous populations. It is envisioned that through this five-year project ultimately 51,445 indigenous people in 3 the target

districts, especially 9,045 women, will experience illness less frequently, and if there is illness, access to quality health care services will be much higher. The overall objective of this project is to improve the health and empower indigenous women and children in the border communities of Southern Laos. Children have low survival rates, and malnutrition and illness are the norm. A new road connecting the province to Vietnam will increase exposure to HIV and malaria. Women in isolated parts of Attapeu live in deep poverty, and have extremely high death and illness rates. Funding is for the provision of 26% part funding of year one with the European Commission, i.e. staff and local travel costs, equipment, implementing community plans, training activities, local office/running costs, and regional monitoring costs.

## **MALAWI**

### **United Nations Children's Fund (UNICEF)**

#### **Magic Roundabout Pumps for Schools, Twelve Districts**

**£39,756**

The overall aim is to address the serious challenges faced by the rural population of Malawi in terms of health and social development due to lack of safe water supply and inadequate sanitation and hygiene education. Some 266,000 households (1 million people) are without access to safe water because of inoperable boreholes in 12 Districts: Blantyre, Chitipa, Dowa, Kasungu, Likoma, Lilongwe, Mangochi, Mchinji, Mwanza, Mzimba, Nkhata Bay and Salima. In particular this project aims to increase local capacity to provide water and sanitation coverage through building Magic Roundabout Pumps on existing boreholes in schools in these 12 Districts. Specifically, this component of the overall project will enable 7 schools to be fitted with a Magic Roundabout Pump, benefiting approximately 7,000 children as well as about 100 teachers. Magic Roundabout Pumps are ideal for schools. Fitted with a merry-go-round, they not only offer recreation for the students, but also lift water to the overhead tanks for storage. The tanks can supply piped water in enough quantities to meet the entire needs of the school, including the supply of water to teachers' houses, sustaining school vegetable gardens and providing water needed for sanitation facilities. The water tanks will be fitted with advertising billboards thus raising revenue to cover repairs and maintenance costs, and local NGO staff will be trained in the installation, repair and maintenance and will be provided with a package of spare parts and tools. In addition, the piped water to teachers' houses will be an ongoing recruitment incentive. This will make the schools more attractive to teachers and pupils and thus ensure improved attendance and a better environment for learning. The communities around the schools will also benefit as the children will be better educated in sanitation and hygiene practices and take this knowledge home with them. Improved water and sanitation will ultimately help reduce the risk of disease and reduce the amount of time spent by girls, women, poor and vulnerable households collecting water, giving children more time to focus on their education. Funding is for the 7 pumps and associated infrastructure.

## **MOZAMBIQUE**

### **Water Aid**

#### **Provision of Safe Water, Sanitation and Hygiene Education to Poor Rural Communities, Niassa Province.**

**£20,498**

The aim of the project is to improve the health and quality of life for people in some of the poorest rural communities in Niassa Province, through increasing their access to safe water and sanitation, and developing their knowledge of safe hygiene practices. It is estimated that approximately 3,200 women, men and children will benefit from this project. It will develop the capacity of community-based organisations and train local people in the maintenance and management of the new water and sanitation facilities, ensuring the long-term sustainability of the project work. In order to achieve these objectives, the initiative will involve a water supply and sanitation programme, with hygiene education, as follows: Water Supply and Sanitation - (1) The construction of 2 new wells, to provide sources of safe water. Communities will be offered a choice of two water-extraction technologies for these new wells, an Afridev hand pump or a rope pump, with local people deciding which is most suitable for their needs; (2) The restoration of 6 wells to full working order, to increase the supply of safe water; (3) The deepening of 6 wells to ensure adequate supplies of water all year; (4) The construction of 119 latrines, with households choosing from either a Fossa Alterna EcoSan latrine (which provides safe and sanitary storage of human sewage, and its conversion and re-use as a rich fertiliser) or a standard pit latrine; (5) The training of 8 water and sanitation committees in operation and maintenance skills. Hygiene Education - this involves the provision of a programme of hygiene education to reach all project beneficiaries, ensuring that people understand the links between unsafe hygiene practices and disease, and the importance of practising safe hygiene behaviour, such as washing hands after using a latrine or keeping water storage pots covered when they are not in use. Funding is for the provision of 14% of total project costs.

## **NEPAL**

### **Appropriate Technology Asia**

#### **Community Health Project, Surkhet District**

**£20,279**

The overall aim of this project is to improve the health of 4,650 people living in the Surkhet District of Mid West Nepal, a high-altitude region. Secondary beneficiaries are approximately 8,454 people in the surrounding communities. The specific aim is to improve the training of medical personnel and healthcare practices for over 13,000 poor and marginalised people living in the project area. This programme is specifically directed at women, through advice and counselling in gender-related issues, and treatment of women's reproductive illnesses. The programme is a holistic approach to women's health, acknowledging the many factors which effect health – cultural, social,

biological - as well as looking for root causes, not just treating symptoms. The centres also provide information on women's rights and facilitate discussions on violence against women. Health care is particularly important in this high altitude region. The under-5 mortality rate is very high, and recent studies have also shown that only 1 in 3 children reach the age of 6 years old. This situation is exacerbated and made more difficult because women do not have access to information or advice which directly affects their family – children in particular and so are reluctant to immunise or seek medical advice. Poor health and lack of information and advice also places additional workload burdens on women as the prime carers of the sick. Access to advice and information and availability of safe drinking water to alleviate illness due to unsafe water will assist in the remedy of this problem. The primary stakeholders are the 4,650 community members of Surkhet District, especially the socially excluded (women and occupational castes). Particularly disadvantaged individuals from areas so far neglected by other organisations active in the district will be selected. The project will involve: (1) The establishment and operation of 6 women's health centres; (2) The operation of 1 women's health camp for treatment of 1,500 women with gynaecological problems; (3) The provision of 1 safe drinking water supply for 875 people; (4) The training of 12 female health workers able to operate the women's health centres; (4) The training of 120 women in gender issues, including preventative health, HIV/AIDS, STDs, domestic violence and women's rights; (6) The provision of basic health and first aid treatment and facilities for 13,104 people. The funds will provide the infrastructure, training and support needed to undertake this project.

## **NEPAL**

### **World Vision UK**

#### **Primary Health Care, Sunsari and Morang Districts**

**£24,998**

To address the lack of basic health care in Sunsari and Morang Districts in the South East of Nepal, through the construction and rehabilitation of health posts and sub-health posts alongside the provision of essential medical equipment and basic medicines. The absence of appropriate health care institutions and equipment in many villages has led Government health workers posted at these sites to often be absent, leaving the poorest villagers with no affordable health care. The construction and rehabilitation of health posts and sub-health posts in the region will help address this problem. The project will also seek to strengthen the management of these health posts and will facilitate community linkages to ensure that essential medicines are available at each centre in the future. The integration of the project activities into World Vision Nepal multi-sectoral programmes in Sunsari and Morang Districts will facilitate a sustainable approach to Primary Health Care in these rural areas. The project aims to provide primary health care services for 60,000 members of rural communities in these two Districts. The activities will include: (1) The construction of 4 health posts; (2) The renovation of 4 sub-health posts; (3) The provision of medical equipment for 1 Primary Health Care centre (PHC), 2 health posts and 5 sub health posts; (4) The Training for management committees for full stewardship of their health posts; (5) The creation of a community

revolving fund for ensuring operation and maintenance of the respective health facilities. Funding is for the provision of 42% of total costs in conjunction with the Nepali Government and the local population (I.e. through the provision of labour). The project will target minority tribal groups such as the Sattar, Tharu, Rajbanshi, Mushar and Majhis who make up the population of Sunsari and Morang Districts. These groups are vulnerable due to their low socio-economic status. Due to internal conflict in Nepal there are many people will also be benefit from the project. The project will enhance local community infrastructure to promote the access of health care for all sectors of the population, particularly women and children who are often more susceptible of disease.

## **NIGER**

### **PLAN International UK**

#### **Water Systems, Tillaberry Region**

**£25,000**

To provide a significant reduction in incidence of water-borne diseases, especially among children, In Goulbal and Goureybio villages, Tillabery Region, where access to potable water systems is particularly crucial, one of the poorest in the country, through the drilling of two boreholes, using metal pipes and equipped with a hand pump. The project will enable women and children to have more time for income generating activities, and school respectively. Community members will provide in-kind contributions in the form of unskilled labour and local supplies – gravel, sand and rock. Water and Sanitation Committees will be elected and trained to repair and maintain village water boreholes, and respond to the water sanitation issues raised by the community and to settle disputes. Community volunteers who are already working with, and trained by Plan will be involved in running awareness-raising activities to promote good hygiene practices amongst the local community. Government Hygiene Workers will support these volunteers, ensure awareness raising and prevention and treatment of water-borne diseases. The project will directly benefit 1,684 villagers of Tillabery (1,162 from Goulbal and 522 from Goureybio) by providing access to a near-by clean drinking water point. Water is extremely scarce in Niger, with 75% of the country firmly in the grip of the Sahara desert. More than 50% of Niger's population lack access to clean drinking water and only 20% have adequate sanitation. The extreme climate causes the water table to be very low. only 14% of the households have access to water which is from open wells. Research samples of the open wells in Tillabery found that the water had extremely high levels of organic contamination (Escherichia Coli – a waterborne bacterial infection) and consequently posed a risk to public health. Children are especially susceptible to these illnesses and this contributes to the high levels of child and infant mortality. Water sources are also located far away from homes and long hours spent in queues at water points takes time away from women and children's' many tasks including children attending school. In addition, the limited access has lead to frustrations and disputes at water points. This project will address these health and other issues.

## **PAPUA NEW GUINEA**

### **Voluntary Service Overseas (VSO)**

#### **Wheelchair Provision in the Provinces of Morobe, East Sepik and East New Britain, Western Highlands and National Capital District**

**£25,173**

The aim is to provide 350 “Worldmade” wheelchairs suitable for the rural terrain of Papua New Guinea (PNG), in the Provinces of Morobe, East Sepik and East New Britain, Western Highlands and National Capital District. Most disabled people in PNG live in rural areas. Due to their remote location and the intense stigma associated with disability, they tend to be the most disadvantaged – the poorest of the poor. The only wheelchairs currently available in PNG have consistently broken down, because they are Western-made and not designed for rough terrain or for the different physique of Papua New Guineans. Broken down wheelchairs can take years to replace, which is devastating to the user. The estimated lifespan of a Motivation “Worldmade” wheelchair in a rural environment is five years, compared with an average of one year for the conventional wheelchairs. This is a joint project with Motivation, and will be backed up by separate work to establish at least five sustainable wheelchair service centres, able to provide support and training to wheelchair users. Direct beneficiaries will include 350 disabled people, who will receive an appropriate wheelchair. Indirect beneficiaries will include the families, caregivers, and communities of those with a disability who will benefit from reduced stigma and the contributions that active disabled people can make. In the long term, disabled people will be more visible and active in their communities, and inspire more positive perceptions of disabled people in PNG and of their direct family, leading in turn to a virtuous circle where more people are accepted and valued as equal members of society.

## **SIERRA LEONE**

### **ActionAid**

#### **Water and Sanitation Support: Primary Schools, Peripheral Health Units and Catchment Communities, Eastern Province**

**£25,000**

The project will establish a community-based water management system for primary schools, Peripheral Health Units (PHUs) and catchment communities in Gaurama Kono and Nimikoro Chiefdoms, Kono District, in Eastern Province. Community members including school children and teachers use existing streams and creeks as water sources for drinking and bathing, and use the immediate bushes as latrines. As a result there are high incidences of water-borne diseases such as bloody diarrhoea, typhoid and vomiting. Women and girls travel long distances to fetch water, which leaves very little time available for the girls to attend school. The existing water and sanitation facilities are dilapidated and unprotected: over 90% of the communities have no sanitary facilities at all. The 10 years of civil war has had a devastating effect on Kono District. Most communities where diamonds were previously mined were laid waste and effectively

destroyed. Rebels occupied all 14 chiefdoms of Kono District for over 5 years. Almost all of these chiefdoms were excavated leaving behind very deep trenches of mined out pits. Water facilities quickly became dilapidated and streams and creeks became severely polluted. This posed a serious threat to the health of the communities and had a negative effect on the local environment. This project will construct four large diameter hand-dug wells fitted with hand pumps, 20 household latrines and two institutional latrines in the catchment area. The project will also provide four primary schools, PHUs and two communities in the specified catchment area with training in improved sanitation and hygiene practices. Beneficiaries will be able to recognize the relationship between unsafe water, poor sanitation and ill health. The effects of the project include a reduction in water-borne diseases, improved sanitation and hygiene practices in the community and changes in healthy behavioural practices. The general health of the community will increase, as will the amount of time that children are able to spend in school. The total beneficiaries will be at least 3,500 community members.

## **SUDAN**

### **CAFOD**

#### **HIV/AIDS Awareness Raising, Training and Support for Displaced Communities, Khartoum**

**£15,225**

The aim of this project is to enable women and young people living in displaced communities around Khartoum to protect themselves against HIV infection and to help people affected by HIV/AIDS to live positively. The civil war has resulted in the displacement of large numbers of people from southern Sudan to camps around Khartoum. The exact number is not known, but it is thought that there are at least 1.5 million living in the squatter areas on the periphery of the city. Many of these vulnerable households are headed by women who typically have little choice but to turn to activities that put them at risk. This project aims to train community members as HIV/AIDS educators and counsellors; to empower women and young people to take more control of their sexual relationships; to provide practical assistance, advice and emotional support to people living with HIV/AIDS and their families; and to encourage the establishment of income-generating activities for widows and orphans. There are up to 5,600 beneficiaries of HIV/AIDS education through community outreach activities; about 500 HIV/AIDS-affected recipients of counselling; and up to 400 recipients of home-based care. Funding is for the provision of communications costs, training of trainers, exchange visits and home-based care.

## **SUDAN**

### **HelpAge International**

#### **Improving Health Care Facilities, Equatoria State**

**£24,750**

To improve primary health care services for war-affected communities in Southern Sudan through rehabilitation of three primary health care centres in Equatoria State.

Three clinics will be rehabilitated to Ministry of Health/international standards. HelpAge international (HAI) has been working with the Ministry of Health in the three-targeted areas and has rehabilitated the basic structures and has been revitalising community health promotion. However, it is not possible for the clinics to be fully functional until they have a functioning water supply, latrines, incinerators and basic equipment and furniture. HAI will work with the Ministry of Health and the local communities to complete the rehabilitation and basic equipping of these health centres. The activities will be as follows: (1) Rehabilitation of water supplies: This technical work will be contracted out. HAI will then train clinic staff as well as members of the Older People's Committee (OPC) in hand pump maintenance; (2) Construction of six VIP latrines: Two latrines will be constructed in each clinic. The community will contribute through digging the pits. A sensitisation campaign will take place to encourage monitoring of the latrine usage by community members; (3) Provision of essential clinic equipment: It is MoH policy that each clinic has 10 chairs, 6 waiting benches, 2 cupboards (with locks), 2 examination tables, 2 screens, 2 stretchers and 6 gowns. A locally made incinerator will also be built in each compound. The project will directly benefit 16,000 people, with 50,000 people benefiting indirectly. These numbers are expected to increase during the project period due to the return and resettlement of IDPs and refugees.

## **TANZANIA**

### **Mission Aviation Fellowship UK (MAF)**

#### **Mother-and-child Clinic Medical Safaris, Usungu Plains**

**£40,560**

To provide regular mother-and-child clinics in a remote and rural region of Tanzania. In particular the area covered will be Mbeya in the Usungu Plains region, Chimala, Luhanga and Namangwa, which without MAF service would have no regular medical provision. MAF will operate a regular medical safari flying in teams of healthcare professionals (normally comprises nurses and on occasion a doctor) to several villages in the Mbeya region with MAF's plane and pilot accompanying the team for up to three days at a time. Several thousand people are reached and many of the problems treated, often related to malnutrition, include diarrhoea, malaria and tuberculosis. The emphasis is on mother and child healthcare, which involves prenatal care, child immunisation, regular baby weighing and health education. It is expected that nearly 6,000 children will be seen and 3,000 vaccinations made during 2007. In addition, 1,500 pregnant women will also be provided for. As well as the clinics, MAF operates an emergency evacuation service, flying out sick patients to the nearest hospital. In 2004, this potentially life-saving service was needed 17 times.

## TANZANIA

### Oxfam

#### **Clean Water for Pre-Primary and Primary School Children and Teachers, Shinyanga and Ngorongoro Regions**

**£25,915**

The project will provide free, clean water to schools in the regions of Shinyanga and Ngorongoro by building and installing tanks to collect rainwater in primary and pre-primary schools in the area. Project activities include: building 14 rain water collection tanks of 30,000 litre capacity; installing the tanks in 14 schools; training and support for maintenance of rain water tanks; and health and hygiene promotion. This simple device will protect children from disease and promote education. The project will benefit approximately 8,400 children (600 children per school) and approximately 100 teachers. Education in Tanzania is free for all primary school children, yet for many thousands, school is not accessible due to a shortage of qualified teachers, dilapidated classrooms and a lack of clean water and sanitation facilities. The regions of Shinyanga and Ngorongoro are two of the most educationally deprived parts of Tanzania. Shinyanga has the lowest Primary School Leaving Exam pass rate in the country of less than 20%. Since the Government made primary education free, schools have seen their intakes rise dramatically. Oxfam is currently working with schools in both areas to improve teaching standards and the quality of education as well as increasing child retention rates. Whilst working with the schools, teachers, parents and pupils have all highlighted the importance of providing water for drinking and washing. Shinyanga and Ngorongoro are drought-prone regions. A lack of water in schools has a three-fold impact. Dehydration affects concentration levels, affecting learning ability. Children spend valuable hours walking to collect water from the nearest well or water point. Water is also critical for good sanitation and reducing the threat of disease.

## UGANDA

### Christian Engineers in Development

#### **Rural Water Supplies for Women: Kagherwe Gravity Pipeline Water Supply, Kesese District**

**£24,666**

The aim of the project is to assist the rural community in the Sub-county of Bukozo in Kasese District, to help themselves overcome some of the causes of their poverty which stem in part, from ill health, inadequate sanitation, inadequate knowledge of health and hygiene issues, and low productivity. A major contribution towards achieving this objective is the provision of a clean water supply, improved sanitation and health and hygiene education. The rural community live on ridge tops in the southern foothills of the Rwenzori Mountains, where the existing water sources, which lie in the valley bottoms, are heavily polluted and cause the women and children who have to fetch this poor quality water considerable hardship. Women and children particularly girls are the

most disadvantaged in the community. It is they who have to spend long periods daily fetching water of poor quality, it is they who bear the brunt of family illness and loss of vitality. Girls are often restricted in school attendance. Poor health in a community retards development activity. There is a high incidence of HIV/AIDS infection in the area and, whilst the programme does not seek to tackle the problem directly, the health and hygiene education component will focus on the issue. Less exposure to water-borne infections will also reduce the vulnerability of those affected by HIV/AIDS. The project will enable the community to construct a gravity water supply capable of meeting the domestic needs of up to 3,450 people. A clean water supply coupled with improved sanitation, health and hygiene education will lead to a healthier community where women, freed from the time-consuming activity of fetching polluted drinking water, will be able to pursue productive income-generating activities and girls will be free to attend school. Increased vitality will lead to increased productivity; harnessing self-reliance will lead to greater empowerment of the people. Funding is for the provision of Part II of the project consisting of 7.2 km of gravity pipeline, one 22.5 cu. m storage tank, three 10 cu. m. tanks and 21 public stand pipes. In addition it will cover approximately half the training, sanitation and supervision costs.

## **UGANDA**

### **SCIAF**

#### **Buwunga Community Action Against Malaria, Masaka District**

**£15,673**

This project aims for sustainable reduction in the current high incidence of malaria – the leading cause of child mortality - for 3,239 vulnerable families (16,434 people) in the lakeside communities of Ssenyanga Parish, Buwunga sub-county, Masaka District, by providing each family with two mosquito nets. A total of 6,478 mosquito nets will be provided. These will be purchased and distributed by the Kitovu Community Based Health Care programme, which already promotes village based primary health care in this and other rural communities of Masaka district, south western Uganda, and will provide preparatory training on correct use of nets, and subsequent assessment of impact 6 months later (anticipated 80% reduction in cases of malaria, based on reports of community health volunteers' home visits and local health unit records). Preparatory education on the causes and prevention of malaria, including the proper use of nets, will maximise the effectiveness of this initiative. A reduction in malaria cases among children will enable them to attend school more regularly and have the strength to concentrate on lessons, with clear benefits for their educational progress and future prospects. Less sickness will also enable adults to work more productively in the predominant subsistence agriculture and hence increase yields, family nutrition and income. For women in particular, the time now spent in caring for sick children and relatives can be used for more productive activities, especially growing food. Families will also have reduced expenditure on medicines. All these changes will be of lasting benefit.

**UGANDA****The British Red Cross Society****Sanitation Project, Apac and Katakwi Districts****£38,198**

Implemented through the Uganda Red Cross Society (URCS), the project will use a community-based approach in Katakwi and Apac Districts to construct 200 latrines (2 rooms in each block with hand-washing stand, and will serve 10 families) which will benefit a total of 2,000 families (or approximately 10,000 individuals) and provide key messages on hygiene and sanitation through awareness-raising sessions and the distribution of leaflets and posters. The URCS unit costs approximately £130 per block and is one-third of the cost of the metal mobile latrine construction favoured by other organisations in northern Uganda. The Districts of Apac and Katakwi have over 500,000 internally displaced people (IDPs). The ongoing conflict in Uganda between the Government's armed forces and the Lords Resistance Army (LRA) continues to have disastrous effects on the health and social welfare of the people of northern and eastern Uganda, and has resulted in the displacement of over 1.6 million people over the last two decades. The URCS is respected by both the Government and the LRA for its neutral and impartial provision of assistance in northern Uganda and is able to access camps in remote and rural areas where access for other organisations may be limited. Within these camps, the URCS is focusing its attention on helping the most vulnerable groups, including women and child-headed households to meet their basic needs. Poor water and sanitation is a critical issue that must be addressed in order to reduce the incidence of water-borne disease. The community is fully involved in the identification of the problem, ownership and the building of the latrines and hygiene education. The digging of the pits, construction of the walls and roof will be carried out by a contractor. The contractor 'employs' women and men from within the camp to fetch water and roofing materials and to dig the pits for a pre-agreed incentive. The hygiene education sessions involve the provision of training by the URCS to 30 leaders, 30 women and 30 youth in each camp, followed by a joint "mass sensitisation" exercise in the camp and the distribution of posters and leaflets containing key messages in both written and pictorial form.

**VIETNAM****An Vien Village Charitable Trust****An Vien Village Fresh Water Project, Hung Yen Province****£1,500**

To address the dire need for fresh water in An Vien Village, Hung Yen Province, in particular to provide 137 families (822 people) each with a well in order to provide them with a supply of clean water. The wells will be drilled around 50 to 70 metres deep, lined with a plastic tube, and each will be fitted with a hand pump. An Vien is a small community, the village and the surrounding area has a population of

approximately 4,500 people who are dispersed over several square miles of rural country side. The population is made up mostly of rice farmers who barely survive from what they can grow from the land. Consequently their standard of living is appallingly low and is constantly governed by the price of whatever they can get for their produce and because of the continual ravages of the elements and pests on their harvests. Although the village is in dire need of several basic services, the greatest need of all is to have a regular supply of good clean fresh water for all the inhabitants of the village and surrounding area. This need has been singled out and identified by the village authorities who have asked The Trust for urgent assistance with this project. By dispersing the wells over the wider area there is much less risk of contaminated surface water affecting the individual supply.

## **ZAMBIA**

### **TB Alert**

#### **Training to Provide Anti-Retro Viral Treatment for Patients with HIV After Being Cured of TB, Chazanga and Ngwerere Districts**

**£19,123**

Further to previous grants in 2003 and 2005, the aim is to increase the capacity of the Bwafano Home-based Care Organisation to integrate Anti Retro Viral Treatment (ART) with the supervision of TB treatment and other home-based care provided by Bwafano's volunteers in their local Districts of Chazanga and Ngwerere. In particular the project will train 3 staff in Voluntary Counselling and Testing (VCT), so that patients who initially access the service with other infections (mostly TB) understand the value of knowing their HIV status. At least 1,000 patients will be offered VCT. In the past many patients refused testing because no treatment was available, and being labelled HIV positive would bring stigma, discrimination and loss of hope. But now HIV drugs are becoming available, more patients are keen to know their status and qualify for treatment. In addition the project will train 150 home-based care workers (already active in caring for patients with TB/HIV and providing treatment supervision for TB drugs), to enable them to provide Anti-Retro Viral Treatment (ART) support for patients who are HIV positive, ensuring the drugs are taken regularly and helping patients stay healthy. Contrary to public misconception, people do not die of "AIDS". Their immune system is suppressed due to the HIV virus – but it is another disease or condition (an "AIDS defining illness") that kills them. In Africa people living with HIV often die of curable conditions and diseases, the most common of which is tuberculosis. Someone who is HIV positive will respond very well to TB treatment and HIV replication, which is increased during the active phase of TB, returns to baseline (i.e. pre "AIDS" levels) after successful TB therapy – meaning the person does not die of "AIDS" (i.e. TB) and may live several years longer. Sadly, often people who could get antiretrovirals to keep their HIV under control (and thus decades more of life) are not actually diagnosed as HIV positive until they get TB. Because TB kills very quickly in someone who is HIV positive they could die of it before they get the drugs they need to stave off keep their HIV under control. So it is absolutely vital that people with HIV are first given access to TB treatment, giving them several years more of life,

and preventing them spreading TB to other members of the community (who also may be high risk due to their HIV status).

## **ZAMBIA**

### **World Vision UK**

#### **Rural Health Centre Construction, Eastern Province**

**£24,530**

The aim of the project is to help improve the health of 15,000 villagers living in and around Sasu village, (a community 15km from the nearest medical facilities at Chikuse Rural Health Centre), in the area of Nyamphande, Petauke District, Eastern Province. World Vision is undertaking a long term Area Development Programme in Nyamphande. This aim will be achieved through the construction of a small Rural Health Centre, with a maternity wing, which will benefit communities through the reduction of preventable diseases leading to increased life expectancy due to reduced mortality rates. In addition to providing basic healthcare, the Rural Health Centre will annually provide the following services: (1) Immunisation for all children under one (approximately 300); (2) Immunisation for all children between the ages of 1 and 5 years (approximately 1,600); (3) A gynaecological service for all women of child-bearing age (approximately 1,600); and (4) Pre and post natal care during pregnancies (approximately 380). The Centre will include the provision of ventilated improved pit latrines and one staff house. Furniture will also be provided. When completed the Rural Health Centre will be handed over to the Ministry of Health and the local community. The Government will employ the clinical staff and nurses to run the health post and provide all drugs for immunisations. During the wet season November-March the villagers living in Sasu and surrounding communities experience difficulties in travelling all but short distances. The roads become impassable and streams have a tendency to flood. Taking children or sick relatives to a distant medical centre, the nearest being Chikuse 15 km away, is one of the challenges facing most households. Women and children are especially disadvantaged, as they mostly do not have the means to travel out of their immediate area. Pregnant women find it difficult to attend antenatal clinic due to the long distance. This extends even to when giving birth as most women give birth to babies in their homes due to long distance to the clinic, leading to the high maternal and child death rates Zambia experiences. The social and commercial improvements resulting from this infrastructure development will further provide hope amongst what was, until very recently, a very marginalised section of society.

## **Integrated Development**

### **CAMBODIA**

#### **Mines Advisory Group (MAG)**

##### **Humanitarian Mine Action, Countrywide**

**£27,703**

The aim of the project is to significantly strengthen the capacity of the Mines Advisory Group (MAG) to remove and destroy landmines and unexploded ordnance (UXO) throughout Cambodia through the procurement and deployment of capital assets. Over 40% of Cambodia's population suffers from the impact and dangers of landmines, UXO, remnants of war and the legacy of conflict. UXO and landmines threaten life and limb, reduce economic opportunities and restrict social development. MAG works with communities that are directly affected by the legacy of conflict and whose lives are threatened by the presence of mines and UXO. In summary, funding will allow MAG to: (1) assist in improving mine clearance team productivity through the procurement of one second-hand locally procured truck with crane to support the mobilisation of the locally made Tempest scrub cutter; (2) assist in ensuring maximum clearance capacity through the procurement of 3 metal detectors, vital for all manual clearance work; (3) assist the MAG Community Liaison (CL) capacity through support of 5 mopeds for field travel. This in turn will: (a) reduce the risk of death and injury from landmines to the people of Cambodia; (b) allow safe access to land previously contaminated by landmines, for agriculture and other purposes; (c) allow land to be used for community buildings, such as schools, clinics and pagodas; (d) allow community development initiatives by other NGOs to take place. Funding is for the procurement of one second-hand truck and crane, five mopeds, four detectors, and mine detector spares, to counteract a programme shortfall in these essential items.

### **DEMOCRATIC REPUBLIC OF CONGO**

#### **Mines Advisory Group (MAG)**

##### **Humanitarian Mine Action Support, Katanga and Equateur Provinces**

**£25,049**

To enable the Mines Advisory Group (MAG) to safely continue its high impact Humanitarian Mine Action (HMA) work in remote locations in the Katanga and Equateur Provinces in particular, and throughout Country, through the procurement of high quality radio and satellite communications equipment and means of transportation. To achieve maximum impact, MAG is concentrating its efforts on the most highly mine/UXO contaminated provinces, Katanga and Equateur, and within these Provinces, on areas of high return or where humanitarian NGOs are in need of HMA in order to safely carry out their activities. The Democratic Republic of the Congo (DRC) is one of the world's poorest countries. During a series of armed conflicts that divided the DRC between 1996 and 2003, large parts of the Country suffered from fierce fighting between Government forces, rebel factions and external militaries. An estimated 3.8 million are believed to have died, and up to three million others were displaced and had

to seek refuge elsewhere in the Country or abroad. Weapons, ammunition and other unexploded ordnance (UXO) were left behind by combatants in a conflict characterised by frequently shifting frontlines and “guerrilla style” warfare continue to constitute a serious threat not only to resident populations, returnees and humanitarian organisations but also to the ongoing peaceful transition process in the DRC. MAG has been working in the DRC since July 2004, and is currently the only NGO specialising in HMA in the Country. In summary the project will: (1) Reduce the risk of death and injury from UXO to communities in the DRC through clearance and awareness-raising activities, thereby reducing human vulnerability; (2) Allow safe access to agricultural land, health centres, water sources, schools and places of worship, leading communities ultimately to self-sufficiency; (3) Facilitate the work of other humanitarian and development NGOs, allowing them to bring assistance to those in greatest need; (4) Contribute to the collection of reliable data on mines and other UXO in the Country, thus contributing to the development of a national mine action strategy and facilitating long-term rehabilitation programmes.

## **GHANA**

### **Opportunity International UK**

#### **Empowering Women to Overcome Poverty, Bolgatanga District**

**£20,000**

To build upon the support given in 2000 by the former Overseas Aid Committee to Opportunity’s partner in Ghana, Sinapi Aba Trust (SAT), in particular, this project will support the continued expansion of SAT in Bolgatanga, Northern Ghana, one of the poorest regions in the nation, to enable it to develop its programme focused on reaching the poorest entrepreneurs in the Country. Specifically, it will enable 150 people to create (and sustain) employment and generate income through the provision of credit, savings and small-business training services so that its clients: (1) Are able to provide regular income for their families and improve their quality of life; (2) Gain self-confidence and self-esteem through attaining self-sufficiency; (3) Establish and develop community structures. The grant will support five Trust banks in Bolgatanga, with an average of 30 members per Trust Bank. With around 5 dependants per member, this will support approximately 750 indirect beneficiaries, a total of 900 people. Since 2000, SAT has gone from strength to strength and today has a strong and growing programme across Ghana, with around 53,000 clients, over 92% of whom are poor urban women, most of whom operate marginal enterprises in the informal sector.

## **INDIA**

### **Action Village India**

#### **Economic and Social Empowerment of Marginalised Women, Tiruvallur District, Tamil Nadu**

**£20,214**

The aim of this project is to improve economic, health and social status of poorest, marginalised women in Minjur and Sholavaram Blocks of Tiruvallur District in

northern Tamil Nadu. Despite its proximity to Chennai (formerly Madras), rural Tiruvallur is one of the least developed parts of Tamil Nadu. Dalits form 25% of the population; almost twice the national average and around one third of the population are landless and depend on agricultural labouring for their livelihood. But due to mechanisation, particularly harvesting machines and the salination of underground water in coastal areas, demand for labour is decreasing, so men tend to look for work elsewhere, leaving women, children and elderly behind. CRUSADE encourages and leads women to form Self Help Groups (SHGs). They receive training in starting small businesses, managing their family's health, literacy and participation in local democracy. CRUSADE aims to increase participation of women by 30% in the phase 2006-07 from 5,460 members in 2005-06 to nearly 7,000 members. These women will increasingly take over the responsibility of coordinating other SHGs, manage finances, participate in local democracy and overcome poverty. During the year 2004-05, 93 new SHGs were formed, bringing the total to 433 groups in 144 villages at the end of the year, with 6,924 members, 60% of whom are dalits. Learning from the experience so far, the programme will prioritise four issues: (1) Ensuring participation of and benefits to the poorest women; (2) An enhanced women's literacy programme; (3) A much strengthened health awareness and health referral programme; (4) Greater involvement by women in the local village councils (panchayats). Funding is for local administration and running costs for phase 2006-07 of the project.

## **INDIA**

### **Goodwill Children's Homes**

#### **Occupational Skills Training for Tribal Youth, Tamil Nadu**

**£12,266**

The aim of this project is to provide tribal youth in 21 villages and hamlets in Middle Palani Hills, Dindigul District, Tamil Nadu, with effective and practical occupational skills training designed to meet their specific needs and carried out within their own community environment. The project area has a total population of 2,800 of which 900 are below eighteen years of age. The challenges faced by Tribal youngsters are overwhelming; low literacy, no training and few job opportunities means a very bleak future seems inevitable. Begun in 2002, Goodwill's 'Tribal Outreach Programme' (TORP) provides children with support to go to school as well as village development. TORP is bringing the whole community on board through active participation in self help groups and credit unions; schools and are being helped with extra teachers, equipment and training. A community Centre has been built in a central village; now youngsters need accommodation and equipment for practical job based training. Since the glut of coffee on the world market, this area has been hit badly causing widespread poverty and suffering for the children of these mainly tribal communities. Historically plantation owners have been the main employers of tribal people, but now even this poorly paid casual work is dwindling, coffee plantations are being dug up and lands are being sold. Project funding will enable Goodwill to build two units for training courses in motorcycle maintenance and dressmaking adjacent to the new community centre. The budget includes necessary tools and machinery, and the first year teachers' salary.

**INDIA****Interlock****Production of Compressed Stabilised Earth Blocks, Ratnagiri District, Maharashtra State****£14,011**

To utilise the non-agricultural land for alternative job opportunities for destitute farmers at Shanti Nivas, Palsumkar Wadi, in Ratnagiri District, Maharashtra State, by enabling them to benefit from the market provided by the development and building construction in the local area, in particular through the production of Compressed Stabilised Earth Blocks (CSEB). All villages in the area have a large acreage of waste and useless land, even for grazing. The soil is not suitable for the conventional method for making fired bricks and the people are willing to turn this waste into a financial benefit. Samples of soil from the area have been tested and found to be of the best possible quality for the production of compressed stabilised earth building blocks, and the supply of the raw materials is free and available. There is a growing market in the area for the blocks. Using the otherwise useless clayey gravel earth from large hilly areas of non-agricultural land for producing building blocks, many skilled and unskilled jobs will be created and the migration of people to urban areas will be stopped. CSEB are cheaper than other conventional materials and are excellent in areas of high rainfall where building materials are scarce and expensive. The project enables local materials to be used for an eco-friendly, energy efficient, production of a building product that also helps to reduce deforestation and produces an alternative local economy that will benefit in excess of 2,500 people.

**INDIA****Karuna Trust****Railway-Children Rescue: Care and Education for Street-children Living On and Around the Platforms of Gaya Station, Bihar State****£39,063**

The aim is to provide a safety net, educational and vocational opportunities and healthcare to street-children living on and around the platforms of Gaya Railway Station, Bihar State, in order to give them the chance of a decent life and to prevent child-abuse and child-trafficking. The project will initially provide for 200 children (aged 5 and upwards), increasing to 1,000+ children as facilities and services are established. There is a particular focus on girls as they are most at risk. Hundreds of street-children living on and around station platforms - surviving by begging, scavenging and rubbish-collecting - are at great risk from violence and abuse, including child-prostitution and the organ-transplant trade. There is little or no Government help for them because Bihar is India's poorest and most lawless state and civil administration has almost completely broken down. Furthermore most aid agencies have pulled out of Bihar because conditions are so dangerous. Apart from our partner in the area, there are no other organisations working with these children. The Main Activity is establishing a

school and emergency shelter by constructing a purpose-built building near the station. This will: (1) provide safe accommodation for the children forced to sleep rough on the streets and railway platform; (2) Bring basic education for the first time to these children; (3) Provide basic medical care (including clinic facilities), counselling and legal services, washrooms, and safe storage for children's possessions; (4) Enable vocational training in carpentry, bricklaying, car-mechanics and basic computing. Secondary Activities include: (1) Advocacy around children's rights through establishing relations with the police, railway authorities and local people to enhance child protection; (2) Raising awareness of the plight of these children with the international community. Funding is for the provision of the capital costs for the second year of the project.

## **KENYA**

### **Society for the Protection of African Children**

#### **Construction of Orphanage, Vocational Training Workshops, Water Tank, Kitchens etc., Msamaria Centre, Kaloleni**

**£25,000**

The aim of the project is to provide and to maintain for one year, a home for orphans and a training centre for single mothers and youths of all ages, at Bondora, Kaloleni. The area around Msamaria Centre is one of extreme rural poverty, affected by repeated drought and by AIDS, and yet is within a short distance of the busy port of Mombassa, and the neighbouring popular tourist resorts along the coast. Unlike those areas, this inland region is virtually unknown to the huge numbers of tourists who visit Kenya. The grant will be used to finish off what has already been started, and to add workshops, a dining room, and kitchens. An underground water tank will also be built to collect rainwater from the roofs, water being a permanent problem. The project will also involve itself in the education of the smallest children, and paying school fees for those educated outside. It is aimed to provide training for single mothers in teachable skills such as sewing, knitting and office work, and other entrepreneurial skills for them to start their own businesses, as well as domestic skills and healthcare. The young men will be trained in woodwork as well as entrepreneurial skills. The revenue generated from the output of the workshops will be used to fund salaries and further expansion of the Centre.

## **KYRGYZSTAN**

### **The British Red Cross Society**

#### **Reintegration of Street Children, Karakol Town, Issyk-Kul Region**

**£19,001**

This project aims to directly help 80 street children in Karakol Town, Issyk-Kul Region, reintegrate to education, family life and employment and indirectly help another 160, from an estimated population of 300 street children. A 2004 Kyrgyz Red Crescent Society (KRCS) survey of street children in Karakol revealed an extremely high level of abuse and stigmatisation, as well as a lack of access to healthcare and other services.

The survey also showed that, in contradiction to the general perception of street children, most of them have fully normal aspirations: to re-enter education and to gain a profession as mechanics, cobblers, waiters. In the town of Karakol, 73% of the population is considered disadvantaged. The project also aims to reach 20% of the local population with awareness-raising activities of the lives and hopes of street children in order to create a more favourable environment for the children's reintegration into society. It is estimated by UNICEF that the number of street children in Kyrgyzstan has doubled since 1991. The International Organisation of Migration suggests that as many as 400 young girls are trafficked from Kyrgyzstan every year. Activities will include consultations with relevant agencies in order to develop a common approach and consistent interventions, training of key adults on working with street children, outreach and information activities among street children, material and psycho-social support to street children, awareness raising among the general population, meetings with employers, and monitoring activities.

## **NEPAL**

### **Appropriate Technology Asia**

#### **Community Food Security Project, Humla District**

**£22,906**

The overall aim of this project is to improve the food security and livelihoods of 3,365 people living at high altitude in the Humla District of Mid West Nepal. Secondary beneficiaries are approximately 5,635 people in the surrounding communities and members of local NGOs. The specific aims are: (1) To increase food security and reduce the number of months the villagers must borrow money or food through training in sustainable agriculture techniques and the provision of greenhouses, poly-tunnels, kitchen gardens, beehives and plants and seeds; (2) To reduce the dependence on unsustainable trade practices in timber, and non-timber forest products; (3) To introduce new and alternative techniques for farming through demonstration and training in sustainable agriculture techniques; (4) To increase the voice and status of women through community led development of labour-saving appropriate technologies. This will involve (a) The training of 3,365 people (men and women) in new and sustainable agricultural techniques – through farmer-led sustainable agricultural courses; (b) The provision of fruit trees, seed and plants to 8 villages (population approx. 4,800) for establishment of nurseries, kitchen gardens and community agricultural production units; (c) The provision of 1 small scale irrigation system for agricultural development for 1,200 people; (d) The training of 30 people in bee-keeping and the provision of 30 bee hives; (e) The provision of 40 greenhouses and poly-tunnels for increased food production; (f) The provision of 2 new types of labour-saving technology (such as oil press) for community use in 6 villages; (g) The provision of 150 farmers' handbooks to farmer leaders for ongoing training and dissemination of new agricultural techniques in the 8 target villages as well as an additional 4 villages after the project ends – 9,000 people in total. The funds will provide the infrastructure, training and support needed to undertake this project.

**SRI LANKA****International Childcare Trust****Enabling Income-generating Activities Through Vocational Training in Colombo****£24,890**

The aim of this project is to assist at least 200 impoverished women in Colombo (100 from Narahenpita slum and 100 tsunami-affected people from Hambanhtota) start their own income-generating projects. Funding will provide Shilpa with additional equipment to enable them to expand their vocational training scheme as well as fit and furnish a charity shop in Colombo to give these deprived women an outlet to sell goods they produce as a result of the vocational training that they receive. Shilpa Children's Trust (Shilpa) focuses primarily on girls and women in exceptionally difficult circumstances who have been displaced due to war, terrorism, the tsunami and/or extreme poverty. Shilpa is made up of two primary institutions, both on the same site in Colombo; the Shilpa Children's Centre and the Shilpa Vocational Training Centre. Shilpa is also working to support tsunami victims in Hambanthota District in the south of the Country. At present, the vocational centre offers free courses in cookery, sewing, English and computers to over 100 students. Shilpa also carries out community outreach projects such as revolving loan schemes to help poor self-employed women, and the poorest local children attend school. The first objective is to provide Shilpa with the additional equipment and materials that they need to expand their vocational training scheme to include, sewing, bakery and pre-school training. The second objective is to provide small start-up loans to 100 women from the Narahenpita slum for income generation. The Hambanthota based Women's Development Fund, (a Sri Lankan microfinance organisation) will provide the tsunami-affected participants with loans and will guide Shilpa with all aspects of revolving loan fund management. The third objective is to construct and equip a one-room charity shop with toilet, cupboards, shelving, air conditioning, specialist machines and sewing equipment. This will be used as an outlet for the materials produced by the women once they have completed training and are able to make products to sell. Items for sale will include: clothing, embroidered cushions, bags and wall hangings. Approximately 50% of the goods for sale in the charity shop will be made by Colombo-based women from the local slum; the rest will be made by tsunami victims in Hambanthota.

**TANZANIA****HelpAge International****Improving Support for Families Affected by Poverty-related Diseases, Morogoro Region****£24,220**

The project will improve access to prevention, treatment and care services for poor older people and their children and grandchildren infected and affected by HIV/AIDS and malaria in the target area. Around 93% of Tanzanians are at risk from malaria yet

only 30% of households contain mosquito nets. Over 45% of all hospital admissions are due to malaria. Project activities provided by HelpAge International (HAI) with its partner MORETEA will be as follows: (1) Poverty Reduction for Vulnerable Older-headed Households: 250 poor and vulnerable caregivers and their families will each be provided with 2 goats to support income generation. Beneficiaries will be provided with training on goat rearing, health and breeding. Income earned from these activities will improve family members' access to basic needs, including primary health care and medicines; (2) Mosquito Nets: HAI will distribute 3 mosquito nets per family to 250 poor and vulnerable families to protect family members from malarial infection; (3) Counselling services: 90 older people will be trained as peer counsellors to work in their respective communities providing psychosocial support and advice to families affected by HIV/AIDS. Peer counsellors will be trained to provide information, counselling and peer support on aspects of palliative care, caring for orphaned grandchildren, accessing essential services, and support to deal with trauma and grief, intergenerational communication and HIV/AIDS education within the home; (4) Community mobilization: 2 cultural groups will disseminate key messages on the impact of communicable diseases on older people and their families through song, poetry reading and drama in communities in 7 wards. Direct beneficiaries will include 250 older-headed families (totalling approximately 1,250 people), directly benefiting from income-generating activities, approximately 1,250 people from mosquito nets' provision, 90 older people will be trained as peer counsellors benefiting approximately 1,800 community members and 80 drama group members will benefit from training. Indirect beneficiaries will be approximately 26,250 people.

## **TANZANIA**

### **Huruma Rehabilitation Programme**

#### **Increased Income for Widowed Women in Kishapu District, Shinyanga Region**

**£12,764**

The project is aimed at increasing income for widowed women in Kishapu District of Shinyanga Region by way of an initial capital input for a milk cattle project. It is aimed at improving the economic status of an initial target group 25 widowed women and their dependants, initially over 100 people in total will benefit in Kishapu District, Shinyanga Region. The number of beneficiaries will increase as calves are born. The widows are currently involved in winnowing of heaps of rice husks dumped at the local milling machines and earn a living by selling leftover grain obtained from winnowing. This project intends to uplift the economic status and standards of living of the widows through the establishment and operation of milk cattle; help them to become productive through working in economic groups other than winnowing rice husks; improve the health status of women that is affected by dusty rice husks; create a habit of involving women in keeping cattle that is always considered to be the work of men; reduce the level and intensity of malnutrition for the beneficiaries and their children as a result of accessing milk and meat; expand the horizon of economic activities amongst women and therefore make them self-reliant and self-sufficient. In this project each widow will receive one milk cow. Training will be provided as an essential part of the project, cattle

sheds will be constructed as well as spray pumps and acaricides for the control of tick-borne diseases, transport of costs and animal feed costs will be met. As the number of cattle increases, the calves will be given to other widows in the project on a rotational basis as will be agreed upon, thus spreading the project to other beneficiaries in the Region and further increasing cost effectiveness. All recipients will be encouraged to seek technical advice from Veterinary Officers found in their areas. The fees for such services are normally small and affordable. In most of the areas there are Village Animal Health Workers who have been trained by the Government to assist provide such services to low-income people at very reasonable charges.

## **UGANDA**

### **Methodist Relief and Development Fund**

#### **Bukasa Women's Economic Empowerment Revolving Fund Scheme, Wakiso District**

**£17,931**

The aim is to uplift the standard of living of rural women in Busiro Sub County, Wakiso District, in particular through the provision of a revolving loan scheme to those whose families have been affected by HIV/AIDS, in this instance 89 members of the Bukasa Women's Development Association (BWDA) and their families, to benefit a total number of 623 people in the target area of 8 villages. The loans will be used to improve rural livelihoods through income-generating activities in the following areas: poultry; zero grazing heifers; piggery; sustainable agriculture and small business enterprises. Training will also be provided to group members in different skills such as project management, project identification, simple book keeping and marketing strategies. BWDA is a local women's group formed in 1993 by rural women of a low economic status who could not get access to bank loans as they had no guarantors. The group members network at local level with governing bodies and local government authorities. All members are 100% involved in all activities at all levels. With regard to this project, BWDA members will be directly implementing their identified projects in their homes on an individual basis after being given financial assistance. In addition, men and children will also be involved in the day-to-day activities/projects to be undertaken within their respective families. Each member will be given funds as a simple loan with a minimal rate of interest. The interest will be used to make sure that the fund remains sustainable. This will ensure that the project will continue to run once the initial grant has been used. The loans will be paid back within a period of 12 months and further loans will be available after that time. BWDA has been operating similar schemes on a smaller scale and they have worked very effectively. The executive committee and the loans committee will make thorough follow-ups to all the members within the subgroups to whom the money was loaned to.

**UGANDA****SCIAF****Vocational Training for Abducted Women and Girls/Former Child Soldiers, Gulu Town****£17,000**

This project aims to provide night shelter, rehabilitation and sustainable livelihood options for 350 young women and girls, former child soldiers and/or victims of abduction in Gulu town, Gulu District, by the northern Ugandan rebel forces. Many of the beneficiaries are single mothers – often as a result of rape, and are struggling to overcome the trauma of their experiences with the rebels and to accept their children without bitterness. Run by local religious sisters in Gulu town, St Monica's Vocational Training Centre aims to give skills for self reliance but also to restore the young women's dignity and self-esteem, to enable them to develop a positive self image and regain social status, after their long sufferings in captivity. Project components are counselling, training in a variety of skills (basic literacy, home management, secretarial work, tailoring, vegetable gardening, cooking and childcare). The training offered in St. Monicas will give these girls and young women sufficient skills for them to set up small-scale income generating activities for future self-reliance. The courses on offer are all very practical, suited to their abilities and also to the local labour market, e.g. dress-making, home management, basic cookery, computing, typing and secretarial courses, catering, crafts and design, needlework and basket weaving, vegetable growing. The formal training is accompanied by ongoing support and counselling. The Centre also provides basic necessities and night shelter for around 60 children, and a day nursery for babies of child mothers.

**UGANDA****Voluntary Action for Development****HIV/AIDS Training, Counselling and Income-generation Support to Infected and Affected Families, Wakiso District****£24,847**

The aim of the project, part of a wider community development programme undertaken by Voluntary Action for Development to improve the health and quality of life of the rural poor, is to provide HIV/AIDS training, counselling and income-generating support to infected/affected families/persons project in three Parishes, namely Lukwanga and Kaliiti of Wakiso Sub-County, and Nabbingo of Nsangi Sub-County, and over 4,300 people will directly benefit from the various activities. The project will specifically train 24 village Community Based Counsellors who will train other people within the communities and will undertake family-to-family counselling. This project will also train eight traditional Birth Attendants who will help in safe child delivery deep in the villages. Home Based Care visits will be conducted to support and counsel the infected persons and home-based care kits will be made available to the bedridden and infected

persons of 200 families. Drama is one of the best ways of information dissemination, and it plays a very big role in behavioural change. The project will use this strategy for behaviour change in the rural areas specifically in the target area. This project also possesses a large component of economic support to the infected/affected families whereby such families will be provided with funds to initiate income-generating projects in their families. There will be a small interest charged on this fund to make it sustainable. This project will initially target 150 people and their families, providing capital through revolving funds for income-generating family-based projects such as poultry and piggery rearing, zero grazing, improved goat farming, small businesses, commercial agriculture (cereal cropping), and mushroom farming. Some 24 mobilisation/sensitisation seminars will be conducted, at least one per village, specifically focusing on HIV/AIDS prevalence and prevention. Two staff will be attached to this project including one counsellor/trainer and one monitoring officer and the project will pay their monthly allowances.

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

VII.- Whether, after consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council, they are of the opinion:-

1. To note the Report.
2. To note the Policy Council's ambition to recommend further real term increases when funding becomes available.

## TREASURY AND RESOURCES DEPARTMENT

### REVIEW OF TAX ON RATEABLE VALUES

The Chief Minister  
 Policy Council  
 Sir Charles Frossard House  
 La Charroterie  
 St Peter Port

15<sup>th</sup> May 2007

Dear Sir

#### 1. **Executive Summary**

At the July 2005 States meeting, the House approved a ‘green paper’, that set out the Department’s intention to conduct a review of the current system of Tax on Rateable Values (TRV) and which sought States’ approval for the preparation of new primary legislation.

At the November 2005 meeting the States approved the *Projet de Loi* entitled ‘*The Taxation of Real Property (Enabling Provisions) (Guernsey and Alderney) Law, 2005*’.

At the March 2006 (Billet d’Etat VII, 2006) meeting the States approved the Department’s proposals for a much simpler, revised system.

Following further consultation, this Report presents detailed proposals for a revised scheme of property taxation (Tax on Real Property – TRP) which includes:

- The measurement of the built environment and land using consistent, objective and simple criteria.
- The amalgamation of property types into clear groupings.
- The exemption of most publicly owned properties and social housing from liability for TRP.

#### 2. **Background**

Much of the information contained in this section was also provided in the Report that was considered at the March 2006 States meeting. However, it is repeated here to put the ensuing proposals into context.

The TRV system currently generates approximately £4.2m in revenue annually, (see Appendices I and II), although the States agreed to raise £6.2m in 2007.

The current processes for the rating of real property in Guernsey for taxation purposes date back to 1947, and 1949 in the case of Alderney. These allow for the assessment of the Annual Rental Value (ARV) of a property. The Annual Rental Value represented what was deemed to be a fair level of rent chargeable for the property in 1947. The Rateable Value (RV) is derived from the ARV at a rate of approximately 75%. Because the principles for assessing ARV have not been updated since 1947, they do not reflect the basis upon which rent is actually charged for property in the twenty first century.

In the intervening years, the bases of assessments have become very complex and subjective and as a consequence, are inefficient to administer and lack clarity.

The Policy Council's 'Fiscal and Economic Policy Steering Group', formed in 2004 with a mandate '*..to oversee the development of a long-term fiscal and economic strategy for Guernsey..*', identified the potential to increase significantly the amount raised via this indirect taxation income stream. However, the Group further recognised that if the TRV system was to be used as a vehicle for the collection of additional revenue, it would be essential for all property to be measured using an equitable, consistent and transparent system.

In addition to supporting the proposals contained in the Report discussed at the March 2006 States meeting, Members also supported an amendment which provided for the protection of less well off members of society against the effects of TRP increases.

Proposals for the review of the Islands' property taxation system also formed a part of the States Report on the Future Economic and Taxation Strategy that was approved at the June 2006 States meeting.

### **3. Consultation Process**

Following the support provided at the July 2005 States meeting for a review to be carried out of the Islands' property taxation system, the Treasury & Resources Department issued a consultation document to all States Members, States Departments, Parish Douzaines and a number of representative bodies. A summary of the consultation responses was included in the second States Report on this subject that was presented to the States in March 2006.

A further round of very useful face-to-face consultations took place following the March 2006 meeting. A list of consultees is provided in Appendix III to this Report.

In addition, a significant amount of comment was received as a result of the Policy Council's comprehensive public consultation process on the Future Economic and Taxation Strategy.

The Treasury and Resources Department is most grateful to all contributors whose input has assisted greatly with the development of proposals for a simplified property taxation system.

#### 4. Categories of Property

An essential requirement of any revised system for the taxation of real property must be its simplicity and transparency.

The Department recommends that all property should be categorised into five principal groupings, as set out below. These were included in the March 2006 States Report but they have been slightly amended in the light of experience gained during the course of this review; ‘lay’ definitions have been attached to the groupings for the purposes of explanation:

- **Domestic Premises** – A built unit of accommodation and ancillary buildings, in private or public ownership for the permanent residence of a household comprising of one or more persons.
- **Commercial Premises** – Built premises in private ownership that is used for commercial purposes, (whether or not in current use).
- **Publicly Owned (non-Domestic)** – Built environment that is not a domestic dwelling that is in the ownership of the States of Guernsey, Parishes or States of Alderney.
- **Land** – An area of land, either in public or private ownership, (on which built environment of any description might or might not be located), that is classified as domestic, commercial or exempt or which holds development site status.
- **Exempt Buildings and/or Land** – Buildings and/or land that are to be exempt by Ordinance from liability to pay TRP, (e.g. buildings used principally for the purposes of religious worship, public highways).

#### 5. Measurement of Property

At the March 2006 States meeting Members supported the following principles that are included in Sections 5.1 and 5.2 of this Report that would underpin property measurement and the revised TRP system:

##### 5.1 Built Environment

- All built property will be measured by square metre of area.
- Measurement will be carried out externally and the taxable area calculated on the ‘plan view’ of buildings.

- Arrangements will be made for the application of a ‘multiplier’ to structures of more than a single storey or of warehouse or other irregular type of construction.
- As an exception to external measurement, due to the complexities arising from communal areas of flat or apartment type developments, TRP liability for such properties will be based, in some cases, on their internal living areas, apportioned against the total plan area of the block (see Section 6.2).

## 5.2 Land

- All land will be measured by square metre of area.
- For the purposes of the application of charges for domestic land the first vergee (1,650 square metres) will be excluded from the rateable area.

It was also agreed that land area calculation would be based on existing Cadastre records. This recommendation was made in the knowledge that such records are based on the old Cadastre paper-based 1:2,500 scale maps which were produced to show the relative location of the property rather than its exact boundaries.

The Cadastre base record of Guernsey’s land area and ownership goes back to 1947 records and it is known that a full process of verification of the Island’s land was not carried out at that time by the then Cadastre Committee. The position regarding land is further complicated by the fact that, at some point, previous Cadastre Committees decided to amalgamate adjoining parcels in single ownership into contiguous areas, but this process was only carried out in a small proportion of cases.

As a consequence of the situation regarding Guernsey’s land records, the Department is recommending a pragmatic ‘interim’ solution which is described below.

## 5.3 Land – Interim Charging

Current legislation provides for three land classifications - good, poor, and sub-standard and attracts a charge ranging from £2.97 to £0.00 per vergee (1,650 square metres). Consequently, charges for land contribute only minimally to total TRV revenue.

The Department believes that the principle of charging a property tax for land should be maintained but, in recognition of the difficulties described in Section 5.2, it recommends the combination of land use types into broad categories, as they appear in Appendix IV, and that a low rate tariff be applied in respect of domestic, agricultural, horticultural and fallow land which collectively fall within the ‘Other Land’ Property Group.

However, the Treasury and Resources Department recognises the importance of a definitive land record and it is recommending that as a second phase, work should commence on the development of the Cadastre Register to improve the accuracy of land records held and develop a staged approach to the introduction of a formal register of land in Guernsey.

## **6. Measurement of Property – Methodology and Application**

The previous States Reports on this subject have referred to the necessity for any revised system of property measurement and taxation to be:

- simple to administer
- transparent.
- objective
- equitable

In the March 2006 Report it was stated that, although establishing a new system of measurement and taxation will have one-off resource implications, the adoption of a simplified system should result in ongoing savings. Consequently, to achieve these aims pragmatic measures are required and these are reflected below.

### **6.1 Plan View Measurement**

Following the evaluation of a number of options, the Department recommended that measurement by plan view would be the most efficient means of reassessment for the majority of the built environment – this proposal received the support of the States at the March 2006 meeting. Measurement has subsequently been achieved by commissioning a low level aerial survey that gathered roofline images accurate to a +/- 10 centimetres standard.

Where a building is comprised of more than one storey, mixed levels, or irregular features a ‘multiplier’ will be applied which will increase the property owner’s TRP liability. The Department considers this approach to be far more equitable than a simple measurement of footprint at ground level, given that a two-storey house, for example, effectively provides double the living area of a single storey dwelling. The technology employed in this process will facilitate clear identification of such features.

Structures that are detached from the principal building will also be measured on the same basis but the Department proposes that, in order to avoid the assessment and recording of minor structures which would generate little revenue, only those with a plan view of 10 square metres or more will be taken onto account for TRP purposes.

### **6.2 Internal Measurement**

As stated above, the primary means of property measurement will be external. This will greatly reduce the need for assessors to enter domestic dwellings and business premises, which a significant number of consultees have cited as being invasive. However, there will be occasions when, by exception, the external measurement of some buildings will need to be supplemented by internal assessment.

As agreed in March 2006 it is recommended that flats and apartments that are in a building that is divided into two or more units of separate ownership will be measured, and TRP liability based on, the internal dimensions of each unit of accommodation. This will overcome the disproportionate complexity that arises from the measurement and apportionment of communal areas within the built environment. In order to compensate for the loss of revenue arising from the removal of communal areas, and to ensure that the measurement of blocks of flats/apartments in both single and multiple ownership is equitable, each flat/apartment will be measured based on its actual internal measurement and these apportioned to the total plan area of the block.

While recognising that internal area will remain a factor in regard to the TRP liability of some buildings, the measurement of such properties will, when possible, be carried out from scale plan drawings.

### 6.3 Maintenance of Built Environment Data

The fly over, carried out in April 2006, captured all built data as at that date. Although it could be regarded as a 'detail issue' rather than one of policy it is appropriate here to briefly mention the process that has been put in place to ensure the **ongoing integrity of the Islands' building data set**.

- The Department's Cadastre and Guernsey Digimap Services teams are now integrated and have the same reporting lines.
- A service level agreement will be established with the Environment Department to provide notification of all granted Development Permissions.
- Development Permissions will be monitored for TRP liability purposes by Cadastre and data gathered will be shared with the Environment Department.
- Developments that have an effect on TRP liability on completion will be measured on a 'one stop' basis, thereby removing the duplication of effort that currently exists.

### 6.4 Land Measurement

Unlike the built environment, re-measurement is not required for land as part of this review although Cadastre land records will continue to be updated via information provided through the Courts' property conveyancing process.

## 7. Application of Property Tariffs

The March 2006 States Report categorised property, built and land, into almost forty categories, each of which could potentially attract a different tariff. The aim being to provide a high level of flexibility for the annual budgetary process.

Following further consultation, the Department is now recommending a slightly revised approach that, broadly, retains around the same number of property 'Description/Usage'

categories but which proposes the grouping of properties for tariff application purposes. This amended approach, which will be less time consuming to administer, is reflected in the Property Description, Group and Tariff table appended at IV. The Department recognises, however, that further changes to the property categories may be required as a result of the on-going analysis of data and the move towards the introduction of a formal Land Registry. **The tariff references used in the table appended at IV are provided for illustrative purposes only.**

#### 7.1 Domestic Local and Open Market

Local and Open Market domestic properties, whether in private or public ownership, should continue to be identified. This would enable Open Market properties to be subject to a higher tariff, should the States so wish.

#### 7.2 Social Housing

The successful amendment placed at the March 2006 States meeting placed an obligation on the Department to seek ways to protect the less well off against the effects of TRP increases. As part of its response, (which is discussed further at Section 10 of this Report), it is recommended that a 'zero' tariff will be applied to social rented housing provided by the Housing Department or any housing association approved by that Department.

#### 7.3 Recreational and Sporting premises (built and land)

The Department, recognising the importance to the community of recreation and sport, is recommending that where such facilities are open to the free use of the community, they will be exempt TRP under item 7 of Appendix V. However, the Department is proposing to charge TRP on those aspects of a club or association's activities that require paid membership, or sell goods, services, food or drink.

#### 7.4 Commercial Undertakings

It is recommended that commercial undertakings are consolidated into four principal groups:

- Utilities
- Office and ancillary accommodation occupied by regulated and non-regulated financial services providers.
- Commercial premises, (covering all remaining commercial entities, other than horticultural and agricultural businesses which are discussed in the next sub-section).
- Hostelry and self-catering

By adopting four principal groups, the States, through the normal annual budget process, would be able to apply the same or different tariffs to each group, as it considered necessary at any given time, i.e. flexibility will be maintained.

#### 7.5 Horticultural and Agricultural Premises

A general view from the consultation process is that whereas the horticulture industry once played a significant part in Guernsey's economy, for many years it has, and continues to be, a contracting industry. Together with the agriculture industry, horticulture provides a reducing contribution to the Island's GDP. During the TRP review consultation process the difficult conditions in which both industries trade were highlighted by their representative bodies and these claims are substantiated by the Commerce & Employment Department. Whilst the issues faced by horticulture and agriculture are of a different nature and therefore cannot be generalised, under the proposed system it would be possible to have a concessionary tariff applied in respect of glasshouses with a lesser concession being applied to other built environment utilised by those industries, (see Appendix IV).

#### 7.6 Publicly Owned Non-Domestic Property

The States of Guernsey and Alderney have in their property portfolios a number of 'built environment' properties and also 'land only' properties; these are in addition to the domestic dwellings referred to at sub-Sections 7.1 and 7.2 of this Report. In addition, there are a small number of non-domestic properties in the ownership of Guernsey's Parishes.

The Department recognises that the detailed measurement of, and charging for, States properties is not an efficient use of resources; a number of consultees identified this as being an unnecessary paper exercise. The Department, therefore, recommends that a zero tariff will be applied in respect of publicly owned non-domestic properties other than when they are leased, in part or in entirety, to a third party for commercial use. In addition, the Department recommends that, in order to maintain consistency and equity, all schools occupying property in private ownership, that teach, amongst others, children of compulsory school age only, should be zero-rated for TRP.

The Department further recommends that, for consistency, such properties in the ownership of the Island's parishes should be treated in the same manner.

#### 7.7 Exempt Property

The Treasury & Resources Department considers it appropriate that, in addition to the exemption of the publicly owned properties specified above at sub-Sections 7.2 and 7.5, it is appropriate that a limited range of other properties could be exempted from TRP liability. The descriptions of property that could be exempted appears as Appendix V to this Report.

## 7.8 Penal Rate

Although the vast majority of owners in the Islands keep their properties in good order the Department wishes to have available to it the option to impose a penal rate on property, (built environment and land), if it appears that reasonable standards, (e.g. the flagrant flouting of reasonable environmental standards), are not being adhered to. Again, the purpose of the new system is to allow flexibility. A full and objective examination of the reasons for introducing a penal rate and its likely consequences will be undertaken and any assessment and application would be subject to States approval.

## 8. Alderney and Herm

Following representations made to the Treasury & Resources Department in respect of the Islands of Herm and Alderney, the Department recognises that their respective positions are different to that of Guernsey as follows:

### 8.1 Herm

The existing lease for Herm Island expires in 2048. At the time of negotiating the current lease Herm was not subject to the Cadastre Law, 1947, (as amended), nor The Tax on Rateable Values (Guernsey) Law, 1976 (as amended).

Since Herm was not subject to the Cadastre and Tax on Rateable Values Laws at the time of lease negotiation, in the circumstances, and to be equitable, the Department recommends that Herm be zero-rated from charge for TRP purposes until such time as the present tenant should seek to substantially change, terminate or extend the lease, whichever is the sooner.

### 8.2 Alderney

Property tax is not and never has been applied in respect of land in Alderney.

The Island has a Land Registry that can guarantee ownership of all land in Alderney. It also has a complete map of all land owned and therefore sizing of plots would be reasonably simple. However, many of the outer-lying areas are still owned by the original owners when the awards were made after the Second World War. These owners will be difficult to trace bearing in mind some are owned by "the heirs of ..." and others have no contact addresses or themselves may have passed away. Application of a property tax on Alderney land would be complex to administer and it is considered that it would provide a poor return on the resource required.

**The Department therefore recommends Alderney land should be zero-rated from TRP but that the position should be reviewed in parallel with the development of a Guernsey Land Registry.**

Furthermore, the States of Alderney has requested that a concessionary rate be applied in respect of all types of taxable built property. Supporting factors cited include:

- The marginal nature of many commercial enterprises and the potential threat to viability presented by greatly increased property tax.
- The seasonal nature of many businesses.
- The Island's demography which results in a greater proportion of the population being economically inactive.
- Significantly higher Occupiers' Rates.
- Significantly higher electricity and fuel oil costs, higher travel costs and a premium on day-to-day foodstuffs, in comparison with Guernsey, in the order of 20%.

Alderney received a 25% tariff concession on the built environment, (other than in respect of hotel bars and public houses), from the early 1950s up to and including 1995. This concession was applied in recognition of the fact that Alderney properties did not benefit from the same range of amenities and Island infrastructure as Guernsey. Following consultation between the then Advisory & Finance Committee, Cadastre Committee and Alderney Finance Committee it was decided to withdraw this concession and it ceased to apply from 1996.

Having carefully considered all of the issues, the Department has reached the decision that it is not prepared to suggest the possible reintroduction of a concession for the built environment in Alderney. A copy of the States of Alderney's letter of 9<sup>th</sup> May 2007 setting out their reasons for a TRP concession is appended at Appendix VII.

(Lihou Island is treated as part of Guernsey for TRV purposes and Jethou, being in ownership of the Crown, is not subject to TRV).

## **9. Protecting Persons on Low Incomes**

At the March 2006 States Meeting, Deputy Brehaut, with the support of the Treasury & Resources Department, successfully amended proposals for the revision of the TRP system. Following his amendment, the proposition concluded with the words:

*'and direct the Department to have regard to the aspirations of the States Corporate Anti-Poverty Programme in compiling that report, and include in its proposals for a mechanism through which people with low incomes are afforded appropriate protection'.*

In pursuance of this direction the Treasury & Resources Department sought the views of those Departments that it considered to have the greatest expertise in dealing with the less well off and vulnerable members of society, i.e. the Social Security, Health & Social Services and Housing Departments.

The Treasury & Resources Department Minister's letter of 3 April 2006 is appended at VI together with responses received from the Ministers of the three above-mentioned Departments.

The Department has had regard for the comments received from the Housing Department and is recommending placing a zero tariff on certain social housing. It is recognised, however, that there will be other property owners for whom even a modest increase in outgoings could cause hardship. Nevertheless, the Department is of the view that what would potentially be a means tested scheme to alleviate hardship should not form part of the system to record and collect taxes on real property. It does, however, believe that the route to support should be via the Supplementary Benefit system, possibly supplemented with a scheme of a Medical Expenses Assistance Scheme (MEAS) type structure.

**The Department will, therefore, continue to consult and work with the Social Security Department to monitor the impact of TRP on the less well off. Once the full impact of TRP is known, including any budgetary impact on the Social Security Department, the Department will take the necessary action to review the funding arrangements with regard to those individuals who require additional support as a direct result of the impact of TRP.**

#### **10. Implementation Process**

The March 2006 Report proposed that accounts for domestic premises measured by the new methodology would first be issued in 2007. The Department further stated that, given the complexity arising from the re-measurement of commercial and other 'non-domestic' property and the time that the process would require, it was proposed that accounts bearing the revised measurements for those properties would be issued in year of charge 2008.

Experience gained over the last six months has led the Department to revise the implementation schedule and the aim is for accounts for all properties to be issued with new measurement details, and reflecting the full charge during 2008.

#### **11. Legislation**

As previously reported, following the States Resolution of 27<sup>th</sup> July 2005, the *Projet de Loi* entitled 'The Taxation of Real Property (Enabling Provisions) (Guernsey and Alderney) Law 2005' was produced and received the support of the States at its November 2005 meeting. This Law will enable the repeal, amendment, extension, adaptation or modification of existing supporting legislation and will provide for the creation of subsidiary legislation via Ordinance and Regulation.

The Department is aware that the States Housing Department relies on the current Tax on Rateable Value system in setting conditions attached to housing licences. It will therefore be necessary for the current Housing Control Law to be amended to reflect the

move to assessing land and buildings using the new TRP basis of measurement from 2008.

## **12. Summary and Conclusions**

At the March 2006 meeting the States endorsed the Treasury & Resources Department's high-level recommendations for a revised system of real property taxation that would create a simplified and more efficient system with robust and sustainable bases of assessment.

In the months that followed, the Department has continued to consult extensively with relevant parties and that process has helped considerably in the development of this Report and the detailed proposals it contains.

The re-measurement of all property in Guernsey and Alderney and the recording of such data so that it will be usable for TRP charging purposes is proving to be a substantial undertaking and the Department has revised its target on implementation so that new measurements and tariffs can be introduced in 2008.

## **13. Recommendation**

The Treasury & Resources Department therefore recommends the States:

- a) To agree to the introduction of Tax on Real Property, as set out in this Report.
- b) To note that in Alderney, land be zero-rated for TRP liability.
- c) To note the Department's intention to continue to consult and investigate means of safeguarding persons on low incomes.
- d) To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

Yours faithfully

L S Trott  
Minister

## APPENDIX I

**Amounts collected through the TRV System**

	<b>2006</b>	<b>2007</b>
	<b>£'000</b>	<b>Projected £'000</b>
Domestic: Local Market	1,581	1994
Domestic: Open Market	255	318
Tourism	177	219
Horticulture & Agriculture	163	162
Public Premises	351	353
Utilities: Guernsey Post	22	43
Water	43	52
Cable & Wireless	130	137
Electricity	310	397
Guernsey Gas	19	24
Business Premises	<u>1,190</u>	<u>2501</u>
Total	<u>4,241</u>	<u>6,200</u>

## APPENDIX II

**Amounts collected through the TRV System in recent years:**

	<b>£'000</b>
2006	4,241
2005	4,140
2004	4,044
2003	3,974
2002	3,862
2001 *	3,827
2000	3,218
1999	3,099
1998	3,061
1997	3,024
1996	3,014
1995	2,951
1994	2,542

\* TRV was increased by 18% in 2001 as part of a compensating adjustment for a reduction in the rate of Document Duty.

The marginal growth in latter years is mainly due to new developments and extensions to existing properties, both domestic and commercial.

Between 1994 and 2006, the average cost of a house in Guernsey increased by over 220%.

The annual amount collected in TRV from the vast majority of local market domestic dwellings between 2001 and 2006 has been in the order of £50 to £100 per annum.

**APPENDIX III****PROPERTY TAX REVIEW – CONSULTEES**

1. All States Members
2. Policy Council
3. Housing Department
4. Environment Department
5. Health and Social Services Department
6. Home Department
7. Social Security Department
8. Public Services Department
9. Culture and Leisure Department
10. Commerce and Employment Department
11. Education Department
  
12. Scrutiny Committee
13. Public Accounts Committee
14. Public Sector Remuneration Committee
15. Parochial and Ecclesiastical Rates Review Committee
16. House Committee
17. Legislation Select Committee
  
18. All Parish Douzaines
19. Island Douzaine Council
  
20. Guernsey Growers Association
21. Guernsey Hospitality and Tourism Group
22. Chamber of Commerce
23. Guernsey International Banking Association
24. Guernsey Society of Chartered and Certified Accountants
25. Institute of Directors
26. Confederation of Guernsey Industry
27. Guernsey Farmers' Association
28. Guernsey Bar
  
29. Guernsey Post
30. Guernsey Electricity
31. Guernsey Gas Ltd
32. Office of Utility Regulation
  
33. The States of Alderney
34. The Tenant of Herm

## APPENDIX IV

Property Reference	Property Description/Usage	Property Group Tariff Reference*	Property Group Reference	Property Group
<b>Built Environment</b>				
B1.1 (1)	Domestic (whole unit) Local Market	C	B1	Domestic – Local Market
B1.2 (1)	Domestic (flat/apart) Local Market	C		
B1.3 (1)	Domestic glasshouse Local Market	C		
B1.4 (1) & (18)	Domestic outbuildings Local Market	C		
B2.1 (1)	Domestic (whole unit) Open Market	D	B2	Domestic – Open Market
B2.2 (1)	Domestic (flat/apart) Open Market	D		
B2.3 (1)	Domestic glasshouse Open Market	D		
B2.4 (1) & (18)	Domestic outbuilding Open Market	D		
B3.1 (15)	Domestic - Social Housing (whole unit)	F	B3	Domestic – Social Housing
B3.2 (15)	Domestic Social Housing (flat/app)	F		
B3.3 (15)	Domestic glasshouse Social Housing	F		
B3.4 (1) & (18)	Domestic outbuildings Social Housing	F		
B4.1 (2)	Hostelry and food outlets	H	B4	Commercial
B4.2 (3)	Self-catering accommodation	H		
B4.3 (4)	Motor and marine trade	E		
B4.4 (5)	Retail	E		
B4.5 (6)	Warehousing	E		
B4.6 (7)	Industrial/workshop	E		
B4.7 (19)	Recreational/sporting premises	E		
B5.1 (8)	Utilities providers	H	B5	Utilities providers

B6.1 (9)	Office and ancillary accommodation (Regulated finance industries)	E	B6	Office and ancillary accommodation (Regulated & Non - Regulated finance industries)
B6.2	Office and ancillary accommodation (non - Regulated finance industries)	E		
B7.1	Horticulture (non – glasshouse)	C	B7	Horticulture (non – glasshouse)
B8.1	Horticulture – glasshouse (active)	A	B8	Horticulture – glasshouse (active)
B9.1 (10)	Agriculture	C	B9	Agriculture
B10.1 (11)	Publicly owned non-domestic	F	B10	Exempt from TRP
B10.2	Exempt (Built)	F		
B11.1 (12)	Built – Penal Rate	G	B11	Built – Penal Rate

Property Reference	Property Description/Usage	Property Group Tariff Reference*	Property Group Reference	Property Group
<b>Land</b>				
L1.1 (13)	Land (Commercial) (flat/apart) – Local Market	E	L1	Commercial
L1.2 (13)	Land (Commercial) (flat/apart) – Open Market	E		
L1.3	Hostelry and food outlets	E		
L1.4	Self-catering accommodation	E		
L1.5	Motor trade	E		
L1.6	Retail	E		
L1.7	Warehousing	E		
L1.8	Industrial	E		
L1.9	Recreational/sporting premises	E		
L1.10	Office and ancillary accommodation (Regulated finance industries)	E		
L1.11	Office and ancillary accommodation (non - Regulated finance industries)	E		
L1.12	Utilities providers	E		

L2.1	(16)	Approved development site	E	L2	Approved development site
L3.1	(17)	Domestic – Local Market	A	L3	Other land (i.e. non-commercial, development or exempt)
L3.2		Domestic – Open Market	A		
L3.3		Horticulture	A		
L3.4		Agriculture	A		
L4.1		Domestic - Social Housing	F	L4	Exempt from TRP
L4.2	(14)	Publicly owned non-domestic	F		
L4.3		Exempt (Land)	F		
L5.1	(12)	Land – Penal Rate	G	L5	Land – Penal Rate

**\*The actual tariff to be applied against each Property Group will be set by the Treasury & Resources Department as part of its normal annual budget process.**

#### Notes

- (1) Owner occupied, shared equity/partial ownership and rental occupied domestic property including domestic garaging in both public and private ownership that is not classified as social housing (Property Group B3). Includes domestic built property in the ownership of the Island's Parishes and domestic dwellings of all description in the ownership of the States of Alderney.
- (2) Includes hotels and guesthouses, subject to a boarding permit issued by the States of Guernsey or States of Alderney, public houses and social clubs. Premises providing indoor and/or outdoor eating facilities and take away foods. (NB: No account to be taken of whether premises in this Property Description hold a licence to sell alcohol).
- (3) Self-catering property, subject to a boarding permit issued by the States of Guernsey or States of Alderney.
- (4) Premises used for the sale, display, repair and valeting of all classes of motor and marine vehicles, (including motorcycles), and tyre and exhaust factors.
- (5) Purveyors of goods and services not otherwise specified in Property Groups B4 to B9 (inclusive).
- (6) Includes commercial storage premises and premises used for the transfer and distribution of goods.
- (7) Includes premises/workshops used for the manufacture, repair or maintenance of machinery, goods etc., excluding motor and marine trades.

- (8) 'Utilities providers' relates to all undertakings regulated by the Office of Utility Regulation plus Guernsey Gas Guernsey Water, Alderney Water Board and Alderney Electricity Ltd.
- (9) Financial services providers where any part of the business (irrespective of proportion) is subject to regulation.
- (10) Includes farms and enterprises other than farms involved in the use of land for commercial cropping or grazing.
- (11) Relates to non-domestic built property in the ownership of the States of Guernsey, the Island's Parishes and the States of Alderney. Where all or any part of a built property within Property Description B11.1 is used principally for any of the commercial purposes specified within Groups B4 to B9 (incl.) by a third party, that proportion of the built environment shall be charged at the commercial TRP rate appropriate to such commercial activity.
- (12) The penal rate Property Description/Group provides the option for the Treasury & Resources Department, at its discretion, to apply a higher rate of tariff in respect of derelict property, built or land (e.g. glasshouses).
- (13) Communal land area, forming part of flat/apartment type development that is owned commercially i.e. other than by the individual residents (typically a holding company).
- (14) Includes land in the ownership of Parishes. Where all or any part of a publicly owned land area within Property Description L4.2 is used principally for any of the commercial purposes specified within Groups B4 to B9 (incl.) by a third party, that proportion of the land be charged at the commercial TRP rate appropriate to such commercial activity.
- (15) Social Housing relates to tenanted domestic property (including sheltered) as approved by the Housing Department but excludes domestic dwellings of all descriptions in the ownership of the States of Alderney.
- (16) Treats Greenfield and brownfield development sites alike; no distinction between public and private ownership to be made.
- (17) All private and publicly owned land not covered within Groups L1, L2, or L4 - respectively commercial, approved development and exempt land.
- (18) To include sheds, barns or other outbuildings used primarily for domestic storage and not habitable accommodation and excluding domestic garages.
- (19) Includes sports facilities including ancillary clubhouses/clubrooms.

**Property to be exempt from liability for TRP**

1. Property used principally for public worship.
2. Cemeteries used fully for the internment of human remains under any enactment for the time being in force.
3. Public and private roads, including carriageways, shared driveways, verges, footpaths and public car parks that are not attached to States premises for use principally by staff and/or clientele.
4. Quays and breakwaters of harbours.
5. Airport 'airside' runways, taxiways and aprons.
6. Moveable site structures and installations put in place for the duration of civil engineering or construction works or some other similar temporary purpose.
7. Property, (built and land), that is principally for open community use, other than when leased, in part or in entirety, to a third party for commercial use.
8. Land and buildings held by the National Trust and La Societe Guernesiaise, other than when leased, in part or entirety, to a third party for commercial use.
9. Land areas in the process of reclamation, however liability to TRP will commence from the date when formal planning development permission is granted.
10. Such other property as it is deemed by the Treasury & Resources Department should be exempt from TRP charges, having due regard for equity and reasonableness.

**APPENDIX VI**

**Issued to the Ministers:**

Health and Social Services Department  
Housing Department  
Social Security Department

3 April 2006

Dear Deputy

**Tax on Rateable Value (Tax on Real Property) – Safeguarding the Less Well Off**

During the consultation that took place on the proposals for the revision of the current TRV system, the issue most frequently raised was the need to protect the position of less well off members of the population against the effects of higher charges.

Although my Department has consistently given an undertaking to address these concerns, the matter has become formalised following the recent States' approval of Deputy Barry Brehaut's Amendment.

Given your Department's significant experience of providing support for the vulnerable members of the Islands' communities, I should be grateful for any preliminary thoughts you might offer on the subject.

I have also written to the Ministers of the Health & Social Services/Social Security/Housing Departments.

I look forward to hearing from you.

Yours sincerely

L S Trott  
Minister



HEALTH AND SOCIAL SERVICES  
A STATES OF GUERNEY GOVERNMENT DEPARTMENT

Our Ref: sk

*sk*  
May 2006

The Minister  
Treasury and Resources Department  
Sir Charles Frossard House  
La Charroterie  
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Dear Deputy Trott

Tax on Rateable Value (Tax on Real Property) – Safeguarding the Less Well Off

Thank you for your letter of 3 April 2006 asking for our views on the need to protect the position of less well off members of the population against the effects of higher charges.

Our staff who work in the community advise that there are some in the lower income brackets who are already struggling to take on a mortgage because of high housing prices. There is also concern about insufficient properties for rent at an "affordable" rate.

Whilst young people are having difficulty in affording to pay mortgages and raise a family, there are also older people who have insufficient funds to meet their needs because of shortfalls in their income, which can result in them ceasing to be able to cope and needing admission to residential care.

With the high cost of fees associated with the sale and purchase of property, it is rarely appropriate to advise people to move to smaller properties to reduce their expenditure on a property unless there is another factor which prompts a move, such as a need for the type of support provided in sheltered housing.

In the light of the above points, we have concluded that there are sections of the population who could be adversely affected by higher charges and a rebate system should be considered to assist the less well off.

I trust the above is of assistance to you but, if you require any further information on specific issues, please contact us.

Yours sincerely

P J ROFFEY  
Health and Social Services Minister



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Deputy L S Trott  
 Minister  
 Treasury and Resources Department  
 Sir Charles Frossard House  
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 GY1 1FH

21 April 2006

Dear Deputy Trott

#### Tax on Rateable Value(Tax on Real Property)-Safeguarding the Less Well Off

I am writing in response to your letter of 3<sup>rd</sup> April 2006 and I am grateful for the opportunity to pass on the Department's thoughts on this matter for your consideration.

My Board considered this recently and were naturally concerned about the financial implications of the proposals for the tenants of socially rented housing. Our preferred option would be for all tenants of social rented accommodation to be exempt from TRV. However, if they are to be included, it is essential that the special status of social rented tenants is recognised and their limited financial resources are protected as far as possible. The Island's social landlords are non-profit making organisations and cannot recover TRV through rental income in the same way as private sector landlords.

A way forward would be to establish a special grouping of both domestic and publicly owned social rented properties that would include the States housing stock and the properties owned by a Housing Association or Charitable Trust that are let to those in housing need that cannot afford to access any other type of accommodation. A considerably lower tariff should be applied to these properties.

I would be happy to nominate one of the Department's officers to work with your officers to progress this and ensure that this vulnerable section of the community is adequately safeguarded.

Yours sincerely

D Jones  
 Housing Minister

#### LITICAL RESPONSIBILITIES

ousing Strategy, Corporate Housing Programme, States Housing, Rent Control, Housing Associations (regulation and funding), House Purchase and Improvement Loans, idential Homes (Maison Maritain/Longue Rue House), Housing Control and Right to Work Laws.



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Deputy L S Trott  
 Minister  
 Treasury and Ressources Department  
 Sir Charles Frossard House  
 PO Box 43, St Peter Port  
 Guernsey  
 GY1 1FH

Our Ref: ML

Your Ref:

Date: 17 July 2006

Dear Deputy Trott

**Tax on Rateable Value – Safeguarding the Less Well Off**

Thank you for your letter of 10 July 2006, pointing out the absence of a reply to your earlier letter of 3 April 2006.

I apologise for the delay in getting back to you and have to say that, even after the delay, this reply must be treated only as a tentative in the absence of more detailed information on what your Department may propose for TRV.

I think that the Social Security Department would wish to assess applicants for assistance with TRV accounts in a way similar to that which is currently being applied for claimants to the Medical Expenses Assistance Scheme (MEAS). This involves assessing a claim as if it were a normal Supplementary Benefit claim, but in the knowledge that the person's resources will exceed the requirements under which they would qualify for Supplementary Benefit. We then take a view on the extent to which financial assistance should be given, having regard to the amount by which the Supplementary Benefit limits are exceeded. Of course, if the person's circumstances were such that they qualified for Supplementary Benefit, we would be covering the TRV as a component of the normal benefit payment.

It could be that the range of TRV accounts is relatively narrow compared with open ended medical accounts, some of which would involve treatment of several thousand pounds. That being so, the sort of system that I have outlined might be well suited to this issue. It could be that the assistance is by way of an arithmetic sliding scale depending on the extent to which the Supplementary Benefit limits are exceeded.

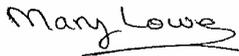
Whether the Social Security Department should issue grants to the householder, or whether the Treasury and Resources Department should discount the bill having received the assessment from Social Security, is one of the many issues to be considered. Consideration should also be given as to whether this should be a

statutory scheme or, like MEAS, a scheme administered at the discretion of the Department on the basis only of a resolution of the States. I think there may be merit in starting on the non-statutory basis and later legislating in the light of experience.

In addition to full reimbursement of any grants which the Social Security Department would issue in this area, I have to inform you that the Social Security staff are already extremely busy and undoubtedly overstretched in many areas of operations. It would be essential that a new benefit, such as envisaged for TRV, were afforded additional staff.

I trust that these early thoughts are of assistance.

Yours sincerely

A handwritten signature in cursive script that reads "Mary Lowe". The signature is written in dark ink and is positioned above the typed name.

Mary Lowe  
Minister



## STATES OF ALDERNEY

States Office, P.O. Box 1, Alderney, Channel Islands GY9 3AA

RW/djj/cmbg/F28

9<sup>th</sup> May 2007

Deputy L S Trott  
Minister Treasury and Resources  
Sir Charles Frossard House  
Po Box 43, La Charroterie,  
St Peter Port  
Guernsey  
GY1 1FH

Dear *Lyndon*

**Re: Review of Tax on Rateable Value**

Thank you for your letter of 24 April. I was disappointed to note that your Department decided at its meeting on 17 April not to propose a concession for Alderney regarding the new TRP.

I am writing to ask your Department to reconsider your decision and to consider the adoption of an Alderney band for TRP. The reasons are quite compelling and briefly are as follows:

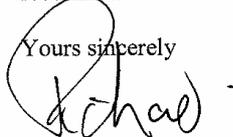
1. Alderney rateable values are already higher on average than Guernsey due principally to the fact that on average they have greater floor areas which has been used by the Cadastre office as a proxy for rental values. This will obviously continue with TRP. Average TRP take per Alderney household will thus be higher than Guernsey.
2. In considering the impact of a new tax we believe that it is important to consider the existing tax base and the ability of taxpayers to pay. In Alderney we have made up for the fact that our revenue allocation has only increased by 12% over the past 7 years by disproportionately increasing occupiers rates. These now stand at £3.49 in the £ as compared with rates in Guernsey (occupiers and refuse rates combined) of between £2.20 to £2.50 in the £. Thus taxation on property is already higher in Alderney and the adoption of new Bailiwick wide increased TRP rates will further exacerbate the problem
3. As is well known the cost of living in Alderney is materially higher than Guernsey which means that the impact of increases in indirect taxes cause even greater hardship on those on lower incomes. By way of example food is 15%-20% more expensive, electricity 75% and household items 25%.

4. We appreciate that justifying an Alderney band for TRP on socio economic grounds is difficult to substantiate given that special cases can always be made for any particular sector of the community. Nevertheless it does need to be borne in mind that Alderney has a higher proportion of its population living on fixed incomes and a higher proportion living in poverty. The Oxera report showed that 45% of household incomes in Alderney were below £15,000 compared with 30% in Guernsey.
5. Taking all the factors above into account we believe not creating a separate band for Alderney will produce a result that is in conflict with Guernsey's Corporate Anti Poverty Strategy.
6. The point regarding commercial premises has already been made and I believe is well understood. But it deserves repeating. Many small businesses, particular small shops, in Alderney are operating at very low levels of profitability and the impact of a substantial increase in property taxes will hit them very hard. Also the impact on public utilities will be marked. It remains to be seen what the increases will be but if Alderney Electricity has to fund a 300% increase in rates due to TRP then that will result in an inflationary 0.75p increase in electricity prices.
7. We note the point about the possibility increasing taxation on second home owners subject to legal considerations. We are already considering this as a means of raising revenue to reduce our deficit in 2008 and beyond. If there were differential rates of TRP on second homes to compensate for the reduced revenue from introducing a lower Alderney band of TRP then T&R's proposal has some support. Otherwise we would obviously wish to raise as much as possible from second home owners to fund forthcoming deficits.
8. Many of these themes are considered in our Island Plan which was circulated to Deputies last year. It appears that not all Deputies received a copy and I am taking this opportunity of circulating copies to all members of your Department and enclose a copy for yourself.

Our Treasurer Kerry Hatcher- Gaudion is currently on leave and has not been available to have any input into this response which in fact was only received by myself on Monday last week. I hope that you will feel able to accept some input from her on an informal basis after her return on 16 May.

We will of course be very happy to come and meet with the Department to explain our concerns in more detail but earnestly ask you to consider the above before making a final recommendation to the States.

Yours sincerely



Richard Willmott  
Chairman Policy & Finance Committee

**(NB The Policy Council supports the proposals.)**

The States are asked to decide:-

VIII.- Whether, after consideration of the report dated 15<sup>th</sup> May, 2007, of the Treasury and Resources Department, they are of the opinion:-

1. To agree to the introduction of Tax on Real Property, as set out in that Report.
2. To note that in Alderney, land be zero-rated for TRP liability.
3. To note the Department's intention to continue to consult and investigate means of safeguarding persons on low incomes.
4. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

**TREASURY AND RESOURCES DEPARTMENT****DUTY ON MARINE FUEL**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

21<sup>st</sup> May 2007

Dear Sir

**Executive Summary**

The purpose of this report is to seek States approval for a change in the rate of duty applying to petrol used for marine purposes from 1 January 2008.

In particular it is being recommended that 'marine petrol' should be exempt from the additional duty that is being introduced to compensate for the loss of motor vehicle taxation. The Treasury and Resources Department is of the view that its proposals represent an equitable approach that strikes a necessary balance between revenue raising and wider economic benefits provided by the marine leisure industry.

No change is being proposed for marine diesel, which will continue to be exempt from all duty.

**Background**

One of the principal features of the Economic and Taxation Strategy, agreed by the States in June 2006, was the greater use of indirect taxation. As part of this it was agreed that, on a phased basis, £3m from motor vehicle usage could be collected.

On the 26th October 2006 the Department presented a Report to the States entitled 'Review of Motor Vehicle Taxation'. The outcome of the debate was to abolish this form of taxation with effect from 1 January 2008 and to replace it with increased duty on petrol and diesel fuel, subject to certain exemptions (see appendix 1). The States concluded that diesel used by marine craft should remain exempt from any duty in order to protect the financial viability of the local fishing fleet and the marine leisure industry. Although an amendment was proposed and supported by a majority of Members of the Treasury and Resources Department to exempt petrol used in marine craft to keep Guernsey competitive as a destination for pleasure craft, the amendment was rejected.

The States, however, directed the Department “*to continue to review the issue of diesel duty on non-commercial marine vessels and to report back as soon as practicable*”.

### **Current position**

All petrol irrespective of its use is subject to duty, which currently stands at 13p per litre. There is no duty on diesel, although under the ‘motor vehicle taxation’ regime, diesel vehicles are taxed at a higher rate. For marine users, those with petrol driven vessels pay duty at the regular (13p) rate, while diesel users are exempt from all duty. No differentiation is made between commercial and non-commercial users.

When motor vehicle taxation is abolished in January 2008, duty on both petrol and diesel will increase to 27p per litre (assuming no further increases are applied in the 2008 Budget). In respect of petrol, this new figure is made up of the 13p current duty (at 2007 rates) and a 14p increase in lieu of Motor Vehicle Taxation. As there is currently no duty on diesel, the full 27p per litre will be added from 1 January 2008.

For marine users, the States decision of October 2006 means that vessel using petrol will pay the new 27p per litre duty, while those using diesel will remain exempt from all duty regardless of whether their vessels are used for commercial or non-commercial purposes.

In September 2006, Jersey decided to exempt **all** marine fuel from duty, a position that they have said will not be revisited for at least five years, in order to bring stability to their marine leisure industry. Even if the States agrees to the proposal in this report, Jersey will retain a competitive advantage in respect of sales of petrol for marine use.

### **Reaction to New Regime for Marine Fuel**

The most common public responses to the new marine fuel regime have been:

- That petrol vessel owners are unfairly funding road repairs through the additional duty.
- That it is arbitrary for marine fuel duty to be decided by how the vessel is powered.
- That our closest competitor (Jersey) will retain a commercial advantage which will enable them to attract additional sales of petrol to some vessel owners, particularly those from the United Kingdom and France.
- That Guernsey would be missing a public relations opportunity to promote the island as a vessel-friendly destination.
- That numbers of local vessel owners may fall.
- That some trade from both local and visiting vessel owners may be lost to the detriment of the businesses which supply them.

- That a fall in spend by vessel owners would impact on the level of employment in the marine leisure industry on the island.

### **Options**

The Treasury and Resources Department has considered a range of options in the light of reaction following the States debate of October 2006 (see Appendix 2). In particular, the Department has carefully considered the idea of entirely exempting marine petrol from duty but on balance has concluded that this further concession is unnecessary at this time, even though this would continue to put vessels powered by petrol driven engines at a disadvantage.

On the issue of exempting all marine diesel, while the Treasury and Resources Department recognises that it cannot commit future administrations, it believes that the current position should not be revisited for the foreseeable future in order to facilitate a more certain and stable environment in which the marine leisure industry can prosper. In turn this should enable the industry to continue to grow, becoming more profitable and creating more job opportunities. In turn this will enable the industry to continue making earnings currently estimated at £25 million per annum. This is in line with the States commitment to encourage economic growth, diversification and development in the wider tourism sector.

### **Proposal**

**The Treasury and Resources Department believe that, for wider economic reasons, marine diesel should continue to remain exempt from all duty, and that on balance, duty on marine petrol should be at a concessionary rate of 13 pence per litre which excludes the additional ‘motor tax’ duty of 14 pence per litre.**

The Department considers that the decision of the States in October 2006 to exempt marine diesel from duty is the right one, as it safeguards the Island’s fishing fleet and protects the marine leisure industry. While non-commercial users of marine diesel also remain exempt, the Department believes that imposing a complex three-tier system on diesel to distinguish between commercial marine, non-commercial marine and road users would be overly complex and costly to administer and enforce.

With regard to marine petrol, the Department believes that not applying the ‘motor tax’ element’ of 14 pence per litre represents the best way forward as this balances the need for the States to raise some revenue while taking the wider economic benefits into account that are provided by the marine leisure industry.

### **Enforcement**

On the issue of enforcement the Home Department has been most helpful. They advise that the collection and enforcement of a tiered system of petrol and diesel duty, for marine use, could be accommodated within the wider fuel tax regime subject to certain parameters.

**(1) Diesel for marine use:**

This will continue to be exempt from all duty. Approved retailers will be supplied with duty-free product. Diesel for marine use will have been dyed and marked prior to delivery to the retailer, in the same way as gas oil being put to non-road use.

Any decision to apply a rate of duty between zero and the full rate for diesel used in vessels would create difficulties in revenue collection.

**(2) Petrol for marine use:**

Whether petrol for marine use were to be charged duty at a rate between zero and the full rate, or to be made free of duty, approved retailers would be supplied with duty-paid product (full rate), and then the difference between the full and reduced rates would be refunded.

In both cases, the reduced or duty-free petrol would be dyed and marked at the time of delivery to the retailer, to distinguish the product as petrol for marine use only.

This will not introduce a particularly significant additional burden on the infrastructure of those who already primarily sell marine fuel, as they are unlikely to be selling fuel for motor transport alongside that for vessels and would not therefore need additional pumps. In the case of any garage forecourt intending to sell dyed diesel or petrol for marine use, there may be a requirement for additional storage tanks. All retailers would, however, need to apply to the Customs and Excise Division for permission to sell 'red' (dyed) diesel and petrol and then comply with a set of conditions, such as keeping records of all sales, including in cans, and submitting those to Customs.

Those who import fuel will be able to apply to Customs and Excise for warehousing approval, given the new regime includes the requirement for dyeing and marking diesel and petrol. This will allow for duty to be paid on withdrawal from storage, rather than at the time of importation, and will allow for duty to be collected only on diesel for road use.

**Conclusions**

Having carefully evaluated the various options, the Treasury and Resources Department has concluded that there is no justification for introducing any duty on diesel used for marine purposes. Indeed, to do so would harm the Island's commercial fishing fleet and the marine leisure industry.

Furthermore, the Department believes that while there is some merit in exempting petrol for marine use from **all** duty, on balance it should be held at the current level of 13 pence per litre. This means that the additional duty of 14 pence per litre is reserved for motor vehicle taxation and will not be applied to marine-use petrol. This will ensure

that some revenue from this source continues to be received without significantly impacting upon the marine leisure industry.

Finally, while recognising that future administrations cannot be bound by decisions made today, the Department is of the view that diesel for marine use should continue to be exempt from duty and that petrol for marine use should be subject to a concessionary rate of duty for the foreseeable future.

### **Recommendations**

The Treasury and Resources Department, by a majority, therefore recommends the States to:

- a) Agree that diesel for marine use should continue to be exempt from all duty.
- b) Agree that, from 1 January 2008, petrol for marine use should attract a concessionary rate of duty that excludes the increase to be applied following the abolition of motor vehicle taxation.
- c) Direct the preparation of such legislation as may be necessary to give effect to these decisions.

Yours faithfully

L S Trott  
Minister

**APPENDIX 1****Extracts from States Resolutions Concerning Billet d'État No. XVII - 6th October, 2006 - Review of Motor Vehicle Taxation**

‘After consideration of the Report dated 5th September, 2006, of the Treasury and Resources Department:-

1. That motor vehicle taxation should be abolished with effect from 1 January 2008 and that, subject to certain exemptions, increased duties on petrol and diesel fuel should be introduced.
4. To direct the Treasury and Resources Department to continue to review the issue of diesel duty on non-commercial marine vessels and to report back as soon as practicable.
5. To note the Environment Department’s intention to continue to investigate and report back on the most appropriate method of ensuring that motor vehicles are registered and adequately insured.
6. To direct the Treasury and Resources Department to take account of the above proposals when bringing forward recommendations as part of that Department’s Budget Reports.
7. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.’

## APPENDIX 2

## Example Rates of Duty on Marine Fuel in 2008

	Diesel for Marine Use (pence/litre)		Petrol for Marine Use (pence/litre)		Estimated Tax Receipts	Variance from 2008 Marine Fuel Revenue
	Commercial	Non Commercial	Commercial	Non Commercial		
2007 Position	0p	0p	13p	13p	£65,000	
<b>Current 2008 Position</b> (voted Oct 06)	0p	0p	27p	27p	£135,000	
<b>Options</b>						
Diesel exempt from duty. All marine petrol subject to reduced rate of duty.	0p	0p	13p	13p	£65,000	-£70,000
All marine fuel subject to same duty as road fuel.	27p	27p	27p	27p	£540,000	£405,000
All marine fuel subject to same reduced rate of duty.	13p	13p	13p	13p	£260,000	£125,000
All marine fuel exempt from duty.	0p	0p	0p	0p	£0p	-£135,000
Marine non-com. diesel and all petrol subject to same duty as road fuel.	0p	27p	27p	27p	£405,000	£270,000
Marine non-com. diesel and all petrol subject to same reduced rate of duty.	0p	13p	13p	13p	£195,500	£60,000

- The chart is based on 2007 rates of 13p/1 petrol duty. On 1 January 2008 an estimated 14p/1 increase will occur following the abolition of road tax. Duty on road petrol and diesel will then be 27p/1. This assumes no further increases in the 2008 Budget.
- The 'reduced rate' in 2008 is estimated at 13p – duty less the element added with the abolition of 'road tax'.
- Marine fuel usage per annum is estimated at 1500k litres of diesel and 500k litres of petrol.
- Data is unavailable on the exact amount of marine diesel fuel consumed for commercial use, but an estimate from the Marine Traders Association puts it at 500k litres, or 33%. There is less information on petrol, but it is estimated at 100k litres or 20%.

### International Fuel Comparisons

**Table A: A Comparison of the Average Price per Litre of Fuel Available to Maine Pleasure Craft as at 1 May 2007**

	Diesel	Petrol
Guernsey	45p	68p
Jersey	45p	49.5p
Sark <sup>1</sup>	-	-
UK (South Coast) <sup>2</sup>	41.5p	104p
France (adjacent coast) <sup>3</sup>	68p	85p

After the consideration of duty, the difference in price between Jersey & Guernsey can be accounted for by Jersey's greater usage enabling it to purchase higher quantities at a lower wholesale price

**Table B: A Comparison of Typical Tax and Duty Levels for Marine Fuel as of 1 May 2007**

	Diesel		Petrol	
	Commercial	Non-Commercial	Commercial	Non-Commercial
Guernsey	No Duty	No Duty	13p	13p
Jersey	No Duty	No Duty	No Duty	No Duty
Sark	No Duty	No Duty	3p	3p
UK	7.69p/ No Duty <sup>4</sup>	7.69p <sup>5</sup>	48.35p/No Duty	48.35p
France	Exempt	26.98p <sup>6</sup>	Exempt	40.29p <sup>7</sup>

<sup>1</sup> Fuel pumps on Sark are not available for all comers.

<sup>2</sup> Price at Lynton Harbour. These are average costs, as rates depend on the quantity of fuel purchased.

<sup>3</sup> Prices at St Malo Harbour were €1.08 / litre for diesel and €1.35 / litre for petrol. The exchange rate is that quoted by Travelex online for 1 May 2007 - €1 being £0.63.

<sup>4</sup> The duty paid by the UK fishing industry on marine fuel used for navigation within community waters is fully repayable making it, in effect, duty free.

<sup>5</sup> The UK Government plans legislation to remove the right of 'pleasure-craft' to use red diesel from 1 November 2008 after the UK lost its derogation to EU Directive 2003/96/EC on 7 December 2006. For comparison, duty rates in April 2007 on Ultra low sulphur diesel (which diesel vessels would switch to) were 48.35p/l.

<sup>6</sup> No exemption for private craft. Rate is €0.4284/litre. The exchange rate is that quoted by Travelex online for 1 May 2007 - €1 being £0.63.

<sup>7</sup> €0.6396 converted as of 1 May 2007.

APPENDIX 4



## Guernsey Marine Traders Assoc.

Castle Emplacement, St. Peter Port, Guernsey. GY1 1AU.

To : Deputy Lyndon Trott, Minister Treasury & Resources

CC : Deputy Stuart Falla, Minister Commerce & Employment  
Chief Executive Officer, Mr. Dale Holmes  
Assistant Chief Accountant, Ms. Michelle Herpe

23rd April 2007.

**Re : Duty On Fuel For Boats**

Dear Lyndon,

Thank you for taking the time to meet with David Norman and myself, from The Guernsey Marine Traders, on Wednesday 11<sup>th</sup> of April to discuss your departments, proposals relating to duty on fuel for boats.

We at the Guernsey Marine Traders appreciate the difficulties you face as the Minister of Treasury and Resources when making proposals to all of the States Departments many of which having opposing views. However, we are here to fight our argument and present you with all of the facts, which we feel make compelling arguments as the right proposals for the good of the Islands economy.

As stated in the Government Business Plan, The Second Fundamental Priority is to 'Plan for Sustainable Economic Growth'

For the Guernsey Marine Trade to maintain its current level and grow as an industry contributing to the Island through employment, personal tax and influx of business through visitors and harbour fees we need the States to :

**Reverse the decision to apply road motor tax onto marine petrol.**

**Maintain a level playing field with Jersey by removing the remaining duty on marine petrol.**

**Recognize the strong competition from Jersey and consider this in any future proposals of marine duty.**

Guernsey and Jersey have always benefited from a successful marine industry due to their prime geographical location. As in the past with other industries the marine trade in both islands now has the opportunity to capitalize on the tax differential on marine fuel with the UK, which has been forced to come into line with Europe. If, as Jersey has, the Guernsey States can agree to forfeit the relatively small amount of duty which can be raised through duty on marine fuel then the potential for growth in this industry is huge. The industry is currently valued at £25M to each island however, millions more of potential trade in charter and private vessels pass by the islands on route to France and the Mediterranean. This business just needs an attraction such as tax-free fuel to make the small diversion to Guernsey.

The alternative is to maintain a duty on both or either marine fuel, even a limited duty on only marine petrol has already created bad publicity nationally for Guernsey when compared to the tax-free stance Jersey have taken, and watch as our industry declines and Jersey's capitalizes on all of this growth.

Once again I thank you for your time and include further copies of our Fuel Duty Document, which as I said at this point has been kept to GMTA and States Members only, to allow your Department to bring forward the appropriate proposals.

Yours Sincerely

Ben Mahy.  
President GMTA  
[benmahy@cwqsy.net](mailto:benmahy@cwqsy.net)  
Mob. 07781 145641

Encl. **GMTA Fuel Duty Document**  
**Jersey Harbours Autumn 06 – Ref Cover Page**  
**“Duty Free Fuel to Stay”**  
**Jersey Harbours Spring 07 – Ref Page 4 “Duty Free -**  
**Status Encourages Investment”**

**(NB By a majority, the Policy Council supports the proposals.)**

The States are asked to decide:-

IX.- Whether, after consideration of the Report dated 21<sup>st</sup> May, 2007, of the Treasury and Resources Department, they are of the opinion:-

1. That diesel for marine use shall continue to be exempt from all duty.
2. That, from 1 January 2008, petrol for marine use shall attract a concessionary rate of duty that excludes the increase to be applied following the abolition of motor vehicle taxation.
3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

## **TREASURY AND RESOURCES DEPARTMENT**

### **AURIGNY AIRCRAFT REPLACEMENT**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

22<sup>nd</sup> May 2007

Dear Sir

#### **Executive Summary**

The purpose of this report is to seek States approval for the Treasury and Resources Department to facilitate, if necessary by providing guarantees, the Aurigny Group's borrowing from third parties to finance the purchase of two new ATR 72-500 aircraft.

A proposal has been put forward by the Board of the Aurigny Group to replace two of its three existing leased fleet with new aircraft. The Treasury and Resources Department believes that the purchase of these aircraft represents good value for money, both for Aurigny Air Services Ltd, and the States of Guernsey, its sole shareholder. This recommendation balances the risk the company would take on the residual value of the aircraft with the fact that purchasing aircraft is the cheapest option over a ten year period.

Furthermore, and to access more favourable rates of interest, the Department recommends that, subject to further satisfactory due diligence, the States of Guernsey should be prepared to guarantee the Aurigny Group's borrowing from third parties to finance the purchase of the aircraft.

#### **Background**

The 'Aurigny Group' comprises Cabernet Limited, the holding company of which the States of Guernsey is the sole shareholder, Aurigny Air Services Limited, the airline, and Anglo Normandy Aero Engineering, which undertakes aircraft maintenance, for both the Aurigny fleet and other customers. This structure was designed to enable the airline to continue operating at arms length from the States.

The States approved the acquisition of the Aurigny Group in May 2003 (Billet D'Etat XI, 2003). This was a strategic move to secure the future of potentially vulnerable air links between the island and Gatwick, a main London airport hub, which are important

for the economic and social viability of the Island. The Aurigny Group currently holds four pairs of slots at Gatwick.

States ownership of the Aurigny Group has been kept under review by the Treasury and Resources Department, which holds the shareholder responsibilities on behalf of the States of Guernsey. On 29 June 2005 (Billet D'Etat IX, 2005) the Department recommended that retention of the Aurigny Group was overwhelmingly in the public interest, and represented the best strategic option for Guernsey at that time. The Department's position on this issue has not changed, but remains under constant review.

The Group's audited financial accounts for 2006 show a Net Profit before Tax of £255,000, which was £650,000 better than had been budgeted. This was achieved in the face of an extremely competitive environment and record fuel prices. One particular highlight was the success of the Gatwick route where Aurigny carried 137,000 passengers, comfortably exceeding British Airways' best ever year of operation in 2002 when they carried 101,000 passengers.

### **Current position**

The Aurigny Group currently leases three ATR 72-200 series aircraft, manufactured between 1995 and 1996. One operates the Gatwick route, one operates to Manchester, Stanstead and Bristol and one acts as a reserve, providing cover during maintenance and is available for charter. The leases expire between September 2008 and May 2009.

The age of the aircraft makes maintenance increasingly time consuming and expensive and it will become more and more resource intensive to maintain reliability, which will impact on the airline's attractiveness as a carrier and have an adverse affect on Aurigny's profitability. Moreover, it will become harder to keep up the external and internal appearance of aging aircraft, which are, for many visitors, their first impression of the Island. Aircraft of the kind suitable for Guernsey are also now available which would allow the capacity of the route to be increased, improving economies of scale. The Board of Aurigny therefore has requested approval to obtain two new ATR 72 aircraft, while retaining a third leased aircraft for around five years, to act as a reserve and be used in freight operations.

**The Treasury and Resources Department supports the Board of Aurigny in its view that extending the leases of their existing aircraft is not a viable option as this would result in continued and significant increases in overhead costs.**

The market for aircraft suitable for Guernsey routes is currently extremely buoyant. A decision on the way forward needs to be made if the company is to secure replacements in a timely fashion.

### **Options**

There are two options for replacing the Aurigny Group's fleet, purchasing new aircraft or entering into a lease for newer aircraft available on a ten year lease arrangement.

While the purchase option would entail the Aurigny Group taking a risk on the residual (resale) value of the aircraft, the company would nevertheless acquire a capital asset. Exact costs and forecasts are commercially sensitive, but the Treasury and Resources Department has carefully considered all of the relevant financial information and is satisfied that the purchasing option will be less costly over the ten year period and will improve profitability.

### **Proposal**

The Treasury and Resources Department recommends that the interests of the Aurigny Group, the States of Guernsey as the sole shareholder and therefore the Guernsey taxpayer, are best served by enabling the Aurigny Group to purchase two new A72-500 aircraft at \$18.5 million each to replace two of those currently being leased. **For the avoidance of doubt, however, the States will not be providing the funds to the Aurigny Group but rather facilitating, if necessary through guarantees, the Aurigny Group borrowing the necessary funds from the Private Sector.**

The Department believes that new aircraft are important to maintain the service levels passengers expect from the States-owned airline, and keep Aurigny a competitive option for those travelling to and from the Island. Given the cost benefits, the Department believes that this is best achieved through purchasing rather than leasing the aircraft.

### **Funding**

Purchasing two aircraft would require the Aurigny Group to secure a significant loan to cover the purchase price. **The Treasury and Resources Department recommends that the States agree that, subject to appropriate due diligence, the Department acts as guarantor of the Aurigny Group borrowing from third parties.**

The current strength of the United Kingdom Pound against the United States Dollar – the currency of the aircraft industry - makes this an ideal time in which to commit to such a purchase.

### **Conclusions**

Having carefully considered the age and condition of the Aurigny fleet, the Treasury and Resources Department believes that two new aircraft are needed to maintain the airline's reputation for a quality service as the flag-carrier of the States of Guernsey, and improve its profitability.

Furthermore, the Department believes that rather than continuing to lease its aircraft, the Aurigny Group should purchase the two new aircraft outright, as it will prove cheaper over the ten years. The Department believes that the risk of the residual value being significantly less than expected at the end of this period, when they might be resold, is low.

**Recommendations**

The Treasury and Resources Department therefore recommends the States:

- a) To endorse the Treasury and Resources Department's conclusion that the purchase of two new ATR 72-500 aircraft by the Aurigny Group at a cost of \$37 million is the best strategic and financial option.
- b) To authorise the Treasury and Resources Department to facilitate, if necessary by providing guarantees, the Aurigny Group's borrowing from third parties to finance the purchase of the aircraft.

Yours faithfully

L S Trott  
Minister

**(NB The Policy Council supports the proposals.)**

The States are asked to decide:-

X.- Whether, after consideration of the Report dated 22<sup>nd</sup> May, 2007, of the Treasury and Resources Department, they are of the opinion:-

1. To endorse the Treasury and Resources Department's conclusion that the purchase of two new ATR 72-500 aircraft by the Aurigny Group at a cost of \$37 million is the best strategic and financial option.
2. To authorise the Treasury and Resources Department to facilitate, if necessary by providing guarantees, the Aurigny Group's borrowing from third parties to finance the purchase of the aircraft.

**ENVIRONMENT DEPARTMENT****EXTENSION OF PERIOD OF VALIDITY OF URBAN AREA PLAN (REVIEW NO. 1)**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

2<sup>nd</sup> May 2007

Dear Sir

**1.0 Executive Summary**

- 1.1 The current Urban Area Plan (Review No.1) (UAP) was approved by the States in July 2002 (Billet d'Etat XVII 2002). Detailed Development Plans have effect for a period of 5 years. The Department is required by Section 7 of the Island Development (Guernsey) Law, 1966 to review the Plan and to 'report to the States laying before them any alterations and additions...which appear to them to be required.' The Department is seeking an extension of the period of validity of the Plan until 31st December 2010 (or such earlier date as the States adopt a revised Urban Area Plan).
- 1.2 The current UAP is in accordance with the existing Strategic Land Use Plan 2006 (Billat d'Etat XXI 2005) (SLUP). In broad terms, it continues to successfully deliver the objectives of that Plan and, because of its inbuilt flexibility in terms of its criteria based policies and provision for Housing Target areas and Mixed Use Redevelopment Areas which can be brought forward through Outline Planning Briefs, it is capable of continuing to meet those objectives for the extended period of validity that is being sought while strategic policy is reviewed. If, after further investigation, it is clear that amendments are required to ensure that the Plan remains fit for purpose for that period, the Environment Department will bring them forward as soon as practically possible.
- 1.3 The current SLUP signalled the need to review the island's spatial strategy (often known as the urban/rural split), which has remained unchanged in essence since 1990. The need for such a review was put forward in response to the view that emerged during the States debate on the adoption of the Rural Area Plan (Review No 1) (RAP) and was confirmed in subsequent discussion on the SLUP 2006. The SLUP proposed that further research should be undertaken to ascertain whether the Urban Plan area can continue to accommodate the majority

of new development over the medium to long term and whether there should be greater flexibility in the Rural Plan area in certain respects. This research, including the design and undertaking of capacity studies, has commenced under the auspices of the Strategic Land Planning Group. The outcome of this work will be set out in the SLUP which will form part of the Government Business Plan and will be the basis against which the UAP will be reviewed.

- 1.4 The major review of strategic land use policy outlined above means that it would be preferable to undertake a comprehensive review of the UAP once the outcome of this process is known and any new guiding principles can be incorporated into that review. The period of extension requested will cover the review of the SLUP, the review of the UAP, a period of public consultation, publication of the draft revised Plan and public inquiry, receipt of the Inspector's report and consideration of the Plan by the States. The Department will aim to achieve as early a date as possible.
- 1.5 Following the States decision on March 28<sup>th</sup> 2007 to develop a strategy for Guernsey's Eastern Seaboard (Billet d'Etat XI 2007), the review of the UAP will also need to take account of the spatial issues arising from any strategy which the States may ultimately approve.

## **2.0 Review of the Urban Area Plan (Review No.1)**

- 2.1 The current UAP was adopted by the States in July 2002 and will have effect until 31 July 2007. Section 8(1) of the Island Development (Guernsey) Law, 1966 (as amended) requires that a Detailed Development Plan such as the UAP be reviewed at least once every 5 years with the Department laying before the States "*...any alterations or additions to that or any other Detailed Development Plan which appear to them to be required*". It should be noted that the Law does not necessarily require the Plan to be re-written, nor that it should be the subject of a major planning inquiry, once every five years; only that it should be reviewed during that time-frame. The important point to make in this respect is that the Plan should remain responsive, robust and in conformity with the current States' strategic objectives.
- 2.2 The strength of the UAP is that it has been constructed so as to be capable of responding to changing circumstances. Many of the policies of the plan depend upon development proposals being able to demonstrate that they meet certain criteria. For example, the Plan aims to ensure that a two year provision for housing development is always effectively available. One of the housing policies then allows for proposals for housing to be considered on suitable sites within the Settlement Areas or on previously developed land subject to a Development Brief (if necessary) and meeting various criteria as to quality. This has enabled a large number of suitable sites to be brought forward for development on a flexible basis, making a valuable contribution to meeting the strategic housing target.

- 2.3 A further source of flexibility is the ability to bring forward the designated Housing Target Areas (HTAs) and Mixed Use Redevelopment Areas (MURAs) when required through the preparation of an Outline Planning Brief (OPB) which is subject of a planning inquiry and formal adoption by the States as an addition to the UAP. Over the lifetime of the current Plan, Outline Planning Briefs have been adopted for Leale's Yard MURA, Belgrave Vinery HTA and the Longue Hougue Reclamation Site/Key Industrial Area.
- 2.4 The Plan has been formally amended since its adoption. In February this year, the Visitor Accommodation policies of the Plan were amended in response to a change of strategic policy. The ability to bring forward minor amendments of this nature helps to keep the UAP relevant to the strategic objectives at the time and also allows the Department to respond to any emerging issues that require a shift in policy direction. The Department will bring forward any further minor amendments that may be required in order to retain the responsive nature of the Plan pending the review of strategic policies as well as any amendments arising in areas outlined within the current SLUP.
- 2.5 The Department's monitoring of the UAP enables it to demonstrate the Plan's effectiveness in a number of key areas. As mentioned above, the UAP aims to maintain a two year supply of land for housing developments to meet the strategic housing target of 300 housing units each year, of which it is aimed to achieve 90% within the urban area. Over the period of the Plan, this target has been met consistently. In the 4-year period between 1<sup>st</sup> January 2003 and 31<sup>st</sup> December 2006, the Department issued planning permissions for 1,508 new homes island-wide, averaging 377 new homes each year. Of these, 73% were in the urban area and 27% within the rural area. As a result, it has not been necessary to release any HTAs [apart from the Belgrave Housing Target Area which is being held in abeyance pending the results of the Housing Needs Survey]. These remain as strategic reserves for the future without the need to revise the UAP.
- 2.6 In terms of industrial land within the urban area, the Key Industrial Areas at Pitronnerie Road, Longue Hougue, Monmains /La Hure Mare and Saltpans safeguard land for industry that requires large, purpose built premises. Almost 18,000 sq.m of new industrial or large-scale storage and distribution floorspace was granted within these areas between 2003 and 2006. Detailed survey work, undertaken in conjunction with the Commerce and Employment Department demonstrate that there are further reserves of land within the Key Industrial Areas capable of development, or redevelopment for industrial purposes. As regards the Saltpans Key Industrial Area, an area of 16 acres, work is currently progressing on a Development Brief which will guide the future development of the site as a major asset to the Island's industrial base.
- 2.7 The SLUP states 'The Commerce and Employment and Environment Departments are working together under the auspices of the Strategic Land Planning Group to maximise the supply of industrial land within the terms of

existing Development Plan policies. If this process substantiates the case that there is a significant shortfall to be addressed that cannot reasonably await the next comprehensive review of the UAP, the SLPG may request that an early plan amendment be brought forward.’ A similar statement is made in relation to the area of the Rural Area Plan. The two Departments are currently undertaking the necessary research and the Environment Department may bring forward an appropriate early amendment as a result of these findings.

- 2.8 The Mixed Use Redevelopment Areas of Gategny Esplanade and Le Bouet were designated in order to meet the anticipated requirement for modern purpose-built office space in St Peter Port as well as other development. Both have been substantially developed, yielding 21,000 sq. m office floorspace, 15,000 sq. m retail floorspace and over 150 new homes. Potential remains to develop further offices and flats on the former Royal Hotel site.
- 2.9 The Leales Yard MURA has an approved Outline Planning Brief in place. This brownfield site offers substantial capacity for a mix of retail and residential use. It is anticipated that the development could yield up to 150 new homes of a variety of type, size and tenure and 25,000 sq.m of new retail floorspace.
- 2.10 At the same time, the UAP has been successful in meeting its key environmental objectives. For example, one of the objectives of the UAP is to steer development toward brownfield sites and to avoid greenfield sites in the interests of conserving the quality of the urban environment. During the life of the Plan, 95% of all new housing permissions within the urban area have related to brownfield land. All new industrial, storage & distribution and, office developments have also been on brownfield sites.
- 2.11 The Department considers therefore that the UAP is capable of successfully meeting the current strategic land use objectives of the States, subject to selective amendments indicated above.

### **3.0 States’ Land Use Strategy**

- 3.1 The underlying spatial strategy of the SLUP was established in the 1990 and has been to meet the majority of the island’s development needs within the urban area in order to conserve the remaining countryside. The SLUP was last comprehensively reviewed in 2000 in preparation for the production of the current UAP. A crucial element of this strategy is the complementary relationship between the UAP and the Rural Area Plan (RAP). The UAP presents a framework to facilitate development whilst promoting enhancement of the urban environment while the Rural Area Plan policies broadly restrain development outside of the urban area in order to promote the conservation and enhancement of the rural environment.
- 3.2 In terms of policy direction, during the debate into the Rural Area Plan in December 2005 (Billet d’Etat XXI 2005) there was discussion as to whether the

current strategy of continuing to facilitate development in the urban area while restricting it in the rural area could be sustained, in terms of the actual capacity of the urban area's infrastructure, land availability and general quality of life. In response to these concerns, the 2006 Policy and Resource Plan identified that *"the SLPG [Strategic Land Planning Group] recognises that further research is now needed to establish whether the Urban Plan area can continue to accommodate the majority of new development over the medium to long term. This research will involve what are called 'capacity studies' and not just in relation to housing (where the Housing Target Area reserves remain largely unused) but also in terms of industrial/business land. These capacity studies will also need to take place within a context that ensures that the living environment in the urban area is maintained – its sustainability in other words. This will include an evaluation of the likely circulation and traffic impacts of further development."* (paragraphs 13.11-12).

- 3.3 Work on the review of strategic land use policy has commenced and is a major workstream being undertaken under the auspices of the Strategic Land Planning Group. It is anticipated that a revised Strategic Land Use Plan may be incorporated into the 2008 Government Business Plan 2008 as a result.
- 3.4 Proposals for the Eastern Seaboard Initiative originated in the SLUP 2006 and the States decided on March 28<sup>th</sup> 2007 that a strategy should be prepared for Guernsey's Eastern Seaboard. The Policy Council's States Report of 28 March this year stated that *"the SLPG recognised that this approach would impact on the timetable for the review of the Urban Area Plan, bearing in mind that the standard five year life of the current plan expires in July this year, but considered that extending the life of the present UAP would be far preferable to producing a new plan without properly re-examining and, if necessary, revising the guiding principles"* (paragraph 3.6, Billet d'Etat XI 2007).
- 3.5 The States' approval of the Report referred to at 3.4 above means that the studies into the future of the Eastern Seaboard will be undertaken as a parallel workstream to the review of strategic land use policy and the land use aspects of any resulting strategy approved by the States will need to be incorporated into the UAP.

#### **4.0 States Development**

- 4.1 The Land Planning and Development (Guernsey) Law, 2005, once it comes into effect, will mean that States development will no longer be exempt from the requirement for planning permission. The Department will therefore prepare an amendment to the Plan to enable it to consider applications for States development which is not otherwise provided for within the Plan. The new policies will provide for small scale infrastructure and other States developments essential to the public interest, health, safety or security of the Island community.

## **5.0 Conclusions and Recommendations**

5.1 The Department is satisfied that the Urban Area Plan (Review No.1) continues to allow sufficient flexibility to facilitate suitable developments on appropriate sites, while also providing a robust policy base to help conserve and enhance the urban area's built and natural environments. The Plan continues to effectively deliver the current strategic objectives of the States and should continue to do so during the period of the requested extension subject to selective formal amendments to the Plan as set out in this Report.

5.2 The Department recommends that the comprehensive review of the Urban Area Plan would be best undertaken following the review of strategic land use policy outlined in the Strategic Land Use Plan. The period of extension requested allows for the review of strategic policy, the review of the Urban Area Plan, public consultation, publication of the draft Plan and its submission to a planning inquiry and subsequent submission of the Inspector's report to the States.

5.3 The Board recommends the States:

To agree that the Urban Area Plan (Review No.1) shall continue to have effect until 31<sup>st</sup> December 2010 or such earlier date as when the States formally adopt a revised Urban Area Plan.

Yours faithfully

David De Lisle, PhD  
Minister

**(NB The Policy Council supports the proposals.)**

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:

XI.- Whether, after consideration of the Report dated 2<sup>nd</sup> May, 2007, of the Environment Department, they are of the opinion:-

That the Urban Area Plan (Review No.1) shall continue to have effect until 31<sup>st</sup> December, 2010 or such earlier date as when the States formally adopt a revised Urban Area Plan.

**HEALTH AND SOCIAL SERVICES DEPARTMENT****NUTRITION, EXERCISE AND WEIGHT STRATEGY**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

3<sup>rd</sup> May 2007

Dear Sir

**EXECUTIVE SUMMARY**

1. This States Report takes the form of a “green paper” consultation document, which the Department recommends is debated under Rule 12(4) of the Rules of Procedure, to enable the broad strategy principles to be debated without amendment.
2. Rising levels of obesity, in both industrialised and developing countries, are a cause of both international and national concern.
3. At an international level, the World Health Organisation (WHO) stated in 2002 that, “Obesity with its many negative health consequences ..... was advancing as infectious diseases were receding”. The world was now facing ‘an epidemic of obesity.’
4. In the UK, the House of Commons Health Select Committee has more recently published a three volume report (2004) examining both the health and economic consequences of rising levels of obesity in the child and adult populations in Britain. The report concludes that obesity in Britain was perhaps ‘the biggest public health threat of the twenty-first century’.
5. Rising levels of obesity are also of concern locally in Guernsey. During the recent ‘Choosing health’ consultation exercise, childhood obesity, obesity, metabolic syndrome and diabetes mellitus and patterns of exercise were scored 4<sup>th</sup>, 5<sup>th</sup>, and 9<sup>th</sup> amongst twenty areas of potential health concern by 58 informed local opinion leaders.
6. Obesity is associated with a range of other medical conditions, including coronary heart disease, diabetes, metabolic syndrome, cancer, osteoarthritis, infertility, psychological damage and reduced life expectancy. If present trends

continue, obesity related disease may soon surpass smoking as the largest single cause of premature loss of life.

7. The most recent Guernsey Healthy Lifestyle Survey (2003) showed that 63% of adult males and 52% of adult females are now overweight or obese. These rates can be demonstrated to have risen steadily over the past 20 years.
8. There is also an increase in childhood obesity but a fall in the nutritional content of many childhood diets, helping produce the paradox of children who are overweight, but malnourished. In consequence, some scientists predict that today's generation of children may well be the first for over a century in whom life expectancy falls.
9. In the light of local trends and increasing concern from both health professionals and the wider community, the Health and Social Services Department established the Obesity Strategy Group to research this challenge in 2004.
10. The terms of reference for the Group were "to produce an obesity strategy, the implementation of which will result in a 'joined up' approach across States Departments, amongst health professionals, local business and commerce, voluntary groups and the community more generally to ensure effective preventative measures which will lead to a reduction in obesity levels in the Bailiwick."
11. The Obesity Strategy Group met on a number of occasions to consider the local statistics, the views of our local professionals and the recommendations of various bodies, including the House of Commons Health Select Committee report (1).
12. Having studied these various issues, the group has made a number of recommendations which attempt to address aspects of the obesity problem, as summarised in paragraphs 198 - 243.
13. The causes of increasing obesity are very complex, and there are certainly no 'easy fix' solutions. There are many factors which together promote weight gain, and the cumulative effect of these is very powerful. The only way to counteract them is to have an integrated and wide ranging programme of activities, which are supported at all levels of government and more widely across the community.
14. In several ways, the rising levels of obesity may be likened to 'the new tobacco'.
15. In the years following World War Two, a large majority of men and a growing proportion of women were regular smokers. As a consequence, doctors saw a substantial rise in previously rare conditions such as carcinoma of the lung, and acute myocardial infarction, now proven to be strongly tobacco related.

16. It has taken over fifty years of sustained effort (including economic and legislative measures, educational initiatives, and social pressures) to reverse levels of smoking in the community.
17. Guernsey can be proud that it has been prepared to introduce a range of such necessary measures ahead of the UK and can already demonstrate a fall in many tobacco related deaths.
18. Achieving similar success in reversing the growing prevalence of obesity and related disease will also take time and will not be easy. It will require similar joined up action by a range of States Departments, support and accurate reporting by the media and a range of lifestyle behavioural changes across all ages in the community.
19. However, as the tobacco example shows, widespread sociocultural change is achievable and early returns in the form of better health for the population can be demonstrated in consequence.
20. As well as the Report of the House of Commons Health Select Committee (2004), a number of other influential bodies, including the National Audit Office (2006) and the National Institute for Health and Excellence (NICE) (2006) have also produced well researched reports, stressing the importance of addressing and reversing this trend. These and other references are appended to this report.

## **INTRODUCTION**

21. The States endorsed the eight key themes that express the corporate agenda for government in December 2004, one of which is Community/Social Inclusion. The principal aim of this theme is, "To maintain Guernsey as a strong and caring community, where respect for individuals flourishes, and where the needs of all members of the community, including vulnerable groups, are provided for."
22. The Government Business Plan includes the objective to, "Provide best value healthcare for the community." This is further defined as "To pursue a strategy for health and social services which promotes the attainment and maintenance of optimum health and which supports and safeguards the vulnerable members of the community. This requires the direction of resources to those areas which provide the best return on investments." This is regarded as a level 1 objective.
23. The first of the level 2 work streams is as follows:

### **"Prevention and Screening**

"Promote healthy lifestyle choices intended to reduce the incidence of illness and to develop screening programmes which identify the need for treatment at an early stage. Such prevention and screening will not only improve the quality of life but also reduce the need for more costly services at a later date."

24. Rising levels of obesity in both industrialised and developing countries are a cause of both international and national concern. In the light of local trends and increasing concern from both health professionals and the wider community, the Health and Social Services Department established the Obesity Strategy Group to research this challenge in 2004.
25. This report outlines and summarises the outcome of a major review of the strategies that apply to obesity, which was undertaken on behalf of the Health and Social Services Department by an inter-departmental staff working group the Obesity Strategy Group.
26. The terms of reference for the Obesity Strategy Group were ‘to produce an obesity strategy, the implementation of which will result in a ‘joined up’ approach across States Departments, amongst health professionals, local business and commerce, voluntary groups and the community more generally, to ensure effective preventative measures which will lead to a reduction in obesity levels in the Bailiwick.’

## **OBESITY – AN OVERVIEW**

### **What is Obesity?**

27. Obesity is a “condition where weight gain has got to the point that it poses a serious threat to health” (2. p1). Body weight is usually assessed using the Body Mass Index (BMI), which is calculated by dividing an individual’s weight (measured in kilogrammes), by their height (in metres) squared.
28. In adults, a BMI of 25-30 is generally defined as overweight and above 30 is defined as obese. For children there are several definitions, including using percentiles of the UK reference curves (85+ centile for overweight and 95+ centile for obese). BMIs vary for different age groups: for example, 12 year old boys with BMIs >21.2 are defined as overweight and those with BMIs >26 are defined as obese. For girls, overweight is defined at BMIs >21.7 and obesity is defined at a BMI >26.7.
28. Other measures of obesity include waist circumference or ‘central obesity’. A high waist to hip ratio (>0.95 in men and 0.85 in women) indicates apple shaped or central obesity, where fat is predominantly deposited around the stomach, in contrast to pear shaped obesity, in which fat is distributed around the hips. According to WHO (1.p13), an increased risk exists when waist circumference exceeds 37 inches for men and 32 inches for women.

### **What are the Potential Health Risks?**

#### *Life Expectancy*

29. Obesity reduces life expectancy on average by nine years (more if the patient

smokes) (9. p26) and increased childhood obesity may result in the present generation of children experiencing a shorter life expectancy than their parents.

*Coronary Heart Disease*

30. Generalized obesity (fat distributed around the whole body) leads to changes in blood circulation and cardiac function and excess fat around the chest and abdomen restricts chest movement and alters breathing performance. The British Heart Foundation estimates that around 5% of coronary heart disease deaths in men and 6% in women are due to obesity. This proportion increases if the large number of adults who are overweight is considered (1. p17).

*Diabetes*

31. In the UK, the prevalence of diabetes has increased by 65% in men and 25% in women since 1991. People with a BMI >30 have 28 times the risk of developing diabetes of those with healthy BMIs and those who are overweight have 5 times greater risk (10).
32. Diabetes can lead to cardiovascular problems, eye damage, kidney failure, stroke and damage to the nervous system, which can result in leg ulcers and limb amputation (1. p18). A worrying trend is that Type 2 diabetes was previously only reported in adults but, over the last five years, has increased significantly amongst children (1. p18).

*Metabolic Syndrome*

33. This is an underlying disorder associated with increasing levels of coronary heart disease and diabetes. It is an umbrella term for a constellation of endocrine and biochemical abnormalities strongly linked to a western lifestyle, characterised by physical inactivity and increased intake of high fat foods. This leads to glucose intolerance, hyperinsulinaemia, insulin resistance and raised low density lipoprotein/cholesterol ratios.

*Cancer*

34. Around 14% of cancer deaths in men and 20% in women are attributed to obesity - in particular breast, endometrial, oesophageal and colonic cancers (1. p19) - although up to 20 different cancers have been associated with obesity. Professor Julian Peto of the Institute of Cancer Research stated that obesity is "far and away the most important avoidable cause of cancer in non-smokers" (1. p19). This is seen as so important by Cancer Research UK that its 2006 campaign - 'Reduce the Risk' highlights just this fact (44).

*Osteoarthritis*

35. This joint disorder, usually affecting knee and hip joints and the lower back, is exacerbated by obesity. Excess weight increases the risk of the disease by placing extra pressure on the joints and wearing away the protective cartilage.

*Psychological Damage*

36. Rates of anxiety and depression are three to four times higher among obese

individuals and obese women are around 37% more likely to commit suicide than women of normal weight (1. p21). A US study also showed that the risk of developing dementia later in life was 35% higher for those who were overweight and 74% higher for those who were obese in their 40's (11).

#### *Malnutrition*

37. Research has shown that a high proportion of children in their final years of primary school and first years of secondary school are consuming a diet inadequate in the minerals and vitamins essential for growth, tissue repair and healthy immune systems. For example, over 80% of boys and virtually all girls were failing to consume sufficient amounts of zinc, 50% of girls were severely deficient in iron and even more had inadequate intakes of magnesium. Levels in obese children were some 7% lower.

#### *Economic Costs*

38. The cost of obesity plus overweight in Britain is estimated at up to £7.4 billion per year but even this is still regarded as an underestimate (13).

### **WHAT CAUSES OBESITY?**

39. There are a number of rare genetic obesity conditions, including diseases such as Prader-Willi Syndrome, Cohen's Syndrome, Alstrom's Syndrome and Bardet-Biedel Syndrome, in which obesity is a major feature but not the sole pathology. Some individuals also become obese secondary to an endocrine disorder (27). However, these cases represent a tiny proportion of all cases of obesity and they can usually be identified by other symptoms and treated successfully. Whatever the cause, excess weight occurs when people overeat in relation to the amount of energy they require. The cause of the imbalance may be related to behavioural and environmental aspects, or to genetic and metabolic factors. Establishment of the root cause of obesity is essential to decision-making regarding how to tackle the problem.

#### **Genetic and Metabolic Factors**

40. Genetic studies looking at identical twins and separately adopted twins show that the entire weight spectrum from over to underweight is under a degree of genetic control (46). The hormone leptin has been the subject of considerable research in relation to weight control, as low levels have been closely associated with obesity, as have leptin receptor abnormalities. It is secreted by adipocytes, (fat cells) and works with leptin receptors in the hypothalamus of the brain to produce a decrease in energy intake via a negative feedback loop – in effect, it encourages the body to return to its heaviest weight. Defects in the ob gene can result in abnormal leptin functioning and lead to overeating and severe obesity. However, these defects are rare at a population level and are responsive to appropriate treatment (28).
41. Other genetic abnormalities may also have significant, but less dramatic, effects

on weight control, such as a small reduction in resting metabolic rate. Metabolic studies suggest there may be small differences in the body's energy expenditure between post-obese and never obese individuals (29). Difficulties in fat oxidation and defects in diet-induced thermogenesis (heat production) may also slightly increase the risk of obesity (30). Currently, considerable research is focused on the metabolic control of appetite and this may impact on future treatments.

### **Food Intake**

42. The Royal College of GPs (1. p24) suggests that energy intake has actually fallen on average by 750 kcal per day since the 1970s. However, activity levels have also fallen on average by 800 kcal per day, resulting in an excess intake over expenditure. Yet only a small excess energy balance of a mere 120 kcal per day – one small chocolate bar – produces a 50 kg increase in body mass over a period of 10 years (36).
43. Although humans are generally very good at recognizing hunger, they are very poor at recognising satiety (when they are full). From an evolutionary perspective, this is helpful in times of famine; in times of plenty it means that people who are physically inactive fail to recognise when their body has consumed enough food.
44. The type of food we eat also contributes to this problem. High loads of refined carbohydrates (high glycaemic index foods) promote secretion of large amounts of insulin, resulting in fat storage. Between 1993 and 1998, sales of snacks to adults more than tripled in the UK (1 p27).
45. In addition, there has been an increase in the energy density of foods, for example a king size 'Snickers' bar weighs 100g but has more calories than a sirloin steak, potatoes and broccoli, which weighs 400g and is far more filling. A large portion of the diet is now made up of food which is rapidly absorbed by the body, with the result that it does not promote satiety (feeling full).
46. There is also a growing trend towards the use of convenience foods, further exacerbating the problem. In the UK, the average time spent preparing a meal in 1983 was one hour, compared to just 13 minutes in 2003. Between 1998 and 2002, the demand for ready meals grew by 44% and Britain now consumes the highest number of ready meals in Europe, double that consumed in France and six times that in Spain (1. p27). The resulting problem for the consumer is that ready meals are often higher in fat and sugar than home prepared meals and portion sizes are often much larger.
47. The increased consumption of alcohol has also fuelled the obesity problem, particularly amongst women and young people. At 7 kcal per gram, alcohol is almost as calorific as fat and together with the sugar loaded soft drinks with which they may be mixed, binge drinking is contributing to weight gain, as well

as to anti-social behaviour. For example, drinking five pints of lager adds 1,135 calories, nearly half a man's daily energy requirement and five bottles of an alcopop such as 'Bacardi Breezer' adds 990 calories, nearly half a woman's requirement for the day.

### **Lack of Information and Skills**

48. Despite health promotion efforts, there has been little change to the diet of the population. The lack of practical cooking skills needed to translate knowledge into practice is a major problem and educational changes resulting in the removal of home economics lessons from many schools has resulted in a generation of people who have little idea how to cook a meal from raw ingredients.
49. Although this is starting to be addressed in schools, at home the role model is still frequently that of a parent whose main experience of cooking is the preparation of convenience foods. Children's habits and preferences are often more powerfully influenced by these early experiences in the home than by external influences.
50. Even if the consumer tries to make healthy choices, the quality of food labelling, detailing the calorific and nutritional content of foods, is often inadequate and even misleading, for example, foods described as 'light' options when they are still high in calories or '70% fat free', which means they are still 30% fat!

### **Advertising and Promotion**

51. The other aspect of the equation is that any health information that consumers do receive is heavily outweighed by advertising and promotions from the food industry.
52. In 2002, a total of £178.2 million was spent on advertising chocolate, crisps, snacks, sweets and biscuits, whilst only £2.8 million was spent on advertising fruit (1. p31). The food industry also uses a range of less explicit but equally effective methods to promote its products. These include the use of free gifts upon collection of multiple purchases and the strategic placement of sweets and snacks near supermarket checkouts.
53. A new technique is the development of 'adver games' on websites, particularly aimed at children. Well known food brands are investing in this technique in a big way, for example, a recent 'Frosties' cereal promotion featured an online game in which characters had to consume enough packets of 'Frosties' to have power enough to take part in the races. In an examination of these games, the Food Magazine (3. p13) states that, "each image and interaction is meant to reinforce a sales message in the child's mind, linking the brands to excitement, involvement and fun, and flying under the radar of parental control."

54. The promotion of unhealthy foods is targeted more intensively at children than adults. One survey, carried out by Sustain, showed that food advertisements were shown more frequently during children's programmes (45 to 58% of all advertisements) than during adult programming and 95 to 99% of the foods advertised were high in fat, sugar and/or salt (1. p32). Research shows that children have little ability to critically judge the truth of adverts and one study revealed that 64.8% of 6 to 7 year olds trusted all commercials (1. p33).
55. The Food Standards Agency commissioned an independent report that demonstrated advertising had a direct impact on the category of foods children selected and also increased their consumption of unhealthy foods (1. p34).
56. Another study in Ireland (35), showed that 25% of parents questioned felt that TV food adverts always or usually influenced their child's consumption patterns. 50% said their child put pressure on them to buy certain foods or drinks as a result of TV advertisements.
57. Supplies of food in schools also influence children's choices. Locally, in primary schools, many tuck shops have been replaced with 'fruit only' breaks. However, vending machines and cafeterias in secondary schools often continue to offer a limited selection, with a high proportion of less healthy items.
58. As a result, many children continue to prefer unhealthy foods. A study published in the British Journal of Nutrition (4) in June, 2005 showed that, when given a list of 115 foods, children's top 10 were:

	<b>Girls</b>	<b>Boys</b>
1	chocolate	pizza
2	strawberries	chocolate
3	fruit juice	ice cream
4	pasta	chocolate biscuits
5	pizza	fruit juice
6	ice cream	ice lollies
7	grapes	fizzy drinks
8	ice lollies	pasta
9	chocolate biscuits	cakes
10	cakes	crisps

### **Price**

59. The price and availability of healthy foods is a major factor influencing food choice. However, many foods labelled as 'healthy' are significantly more expensive – a Healthy Which survey in 2003 indicated that there could be a 200% difference between healthy and standard versions of supermarket ranges. A Food Commission survey indicated that a shopping basket of healthier foods was 51% more expensive than a standard basket of processed foods (1 p38). The limited range of supermarkets in Guernsey means that, locally, shoppers are

unable to take advantage of own-brand low price ranges. The cost of fruit and vegetables is expensive compared to some snacks, e.g. bananas at 20p each and apples at 17p each, compared to 15p for a Milky Way and a bag of crisps at 11p per bag in multipacks (1. p39).

### **Physical Activity**

60. Current recommendations suggest that adults should be moderately active for a minimum of 30 minutes on at least 5 days a week, but the increasing use of labour saving devices and of motor vehicles has resulted in a dramatic reduction in daily physical activity.
61. The additional physical activity involved in daily living 50 years ago, compared with today, was the equivalent to running a marathon every week (1. p41).
62. The average person now only walks 189 miles per year, a fall of 66 miles compared to 25 years ago. Increasingly, people do not even walk to local services, schools, GP surgeries or shops if they are sited more than 15 minutes walk away. The high volume of traffic, and poor pavement and cycle lane provision in Guernsey also mean that cyclists and walkers feel unsafe when out on the roads. Car parks are provided everywhere but cycle racks are not and employees who want to walk or cycle to work are deterred by the lack of changing facilities when they arrive.
63. Many occupations are more sedentary than in the past. In the 2005 Guernsey Healthy Lifestyle Survey, 77% of those asked did little or no work related exercise (21. p85).
64. Leisure activities are also much less strenuous, with increased reliance on television. In the 1960's, the average person watched TV for 13 hours a week, compared to 26 hours now (1. p43). The Guernsey Health Related Behaviour Survey conducted in 2003, showed that 10% of Year 8 and Year 10 pupils watched more than 3 hours television after school on the day before the survey (47 p44).
65. In addition, once people are overweight, this becomes a strong disincentive for further physical activity. Although obese individuals expend more energy in performing a given level of exercise than normal weight people, they tend to engage in fewer of those energy-demanding movements. Specific weight related medical problems may also occur, including arthritis, low back pain, chest wall and diaphragm restriction, incontinence and pain and difficulty walking and moving (6). These further restrict physical activity.
66. It is not just adult activity levels that have fallen over the last 25 years; children's levels have also dropped due to a variety of factors including reduced walking and cycling to school due to fear of molestation, physical harm, pollution and road accidents and increased sedentary leisure activities, e.g.

television watching, playing of video games and use of the internet (5).

67. Even at school, over half of all children do not reach UK government's target of two hours of PE per week and there has been a substantial decrease in children's activity levels during break times (1. p44). A recent survey of children from 34 countries showed the risk of being overweight reduced as the level of physical activity increased and the less television watched. Researchers concluded that increasing physical activity participation and decreasing television watching should be the focus of future obesity strategies (34).

### **Psychological Issues**

68. Once people are overweight, their dissatisfaction with their physical size, the physical discomfort of obesity and the social discrimination encountered from others, can all take their toll. These can lead to, or exacerbate, depression, anxiety and low self-esteem.
69. The result can be that some people may increase their energy intake through comfort eating or increased alcohol consumption and reduce their physical activity levels through lethargy and lack of motivation.
70. In addition, failure to lose weight when on a diet can lead to, or exacerbate, depression.
71. Children can suffer too. The results from the Schools Health Education Unit survey of over 40,000 10 to 15 year olds in 2004 showed that 34% of 12 to 13 year old obese boys were afraid to go to school because of bullying, compared to 24% of normal weight boys (38).

### **Socio-economic Status**

72. Obesity is also associated with low socio-economic status, particularly for women. A lower income reduces the amount available to spend on food. It also limits the ability to take part in sport and physical activity that involves a fee. A low income is also associated with higher levels of chronic stress, which may lead to comfort eating and increased alcohol intake. The cycle is perpetuated, as obesity can then lead to reduced opportunities for jobs, education, marriage and social inclusion (6). Obesity rates amongst children are also associated with low socio-economic status and low household income (7. p13).

### **Parental BMI Status**

73. The National Centre for Social Research report, in 2005, showed that there was a clear relationship between parental BMI and rates of obesity among children. In households where both parents was classed as obese or overweight, 19.8% of children were obese. This compared with just 6.7% of children in households where neither parent was obese or overweight. (7 p14).

## Bottle Feeding

74. Research has indicated that bottle-fed babies who gain weight rapidly in the first week of life are more likely to become obese later in life. A US study found that for every 100g gained, the risk of being overweight as an adult rose by 10% (8). Although researchers could not give a specific recommendation about a desired level of weight gain, they did state that exclusive breast feeding in the first few months could lower the risk of obesity later in life.
75. Two studies conducted in 2005 found that babies who were breast-fed for at least a year were leaner than those weaned earlier and that the duration of breast feeding was inversely associated with the risk of being overweight (40).

## Conclusion

76. Although genetic and metabolic factors may play some role in the onset of obesity, it is generally agreed that a net energy excess over requirements and expenditure is the leading cause.
77. Swinburn and Egger describe the effect as a “runaway weight gain train” (6).
78. Modern lifestyle is already adding “momentum from the downhill slope of obesogenic (obesity promoting) environments but it is getting faster as the vicious cycles (such as dieting failure and lack of activity) start acting as accelerators. The brakes (such as social discrimination and physical discomfort) which on the face of it should be strong enough to slow down the train, turn out to be weak by comparison.”

## OBESITY IN ENGLAND

### Adults

79. The prevalence of obesity in England has tripled since the 1980s. 22% of men and 23% of women are now obese, whilst 65% of men and 56% of women, 24 million adults, are either overweight or obese (see table 1 below).

Table 1 – Prevalence of obesity in England 1980-2002 (1. p13)

### Men

<b>Body Mass Index</b>	<b>1980</b>	<b>1993</b>	<b>2000</b>	<b>2002</b>
	%	%	%	%
Healthy weight: 20-25		37.8	29.9	29.6
Overweight: 25-30		44.4	44.5	43.4
Obese: over 30	6	13.2	21.0	22.1
Morbidly obese: over 40		0.2	0.6	0.8

## Women

<b>Body Mass Index</b>	<b>1980</b>	<b>1993</b>	<b>2000</b>	<b>2002</b>
	%	%	%	%
Healthy weight: 20-25		44.3	39.0	37.4
Overweight: 25-30		32.2	33.8	33.7
Obese: over 30	8	16.4	21.4	22.8
Morbidly obese: over 40		1.4	2.3	2.6

*Source: Department of Health (Ev 3) and Health Survey for England, 2002*

80. Data from the Health Survey of England has also shown that obesity increases with age and even more rapidly when people are in their twenties and early thirties, when they typically settle down, eat more regularly and expend less energy.
81. It is also more prevalent among lower socio-economic and lower income groups. In 2001, 14% of men and women in professional groups were obese, compared to 19% of men and 28% of women in unskilled manual occupations. There is also a higher prevalence among certain ethnic groups, in particular African-Caribbean and Pakistani women (124. p14).
82. Overall, the UK has some of the highest obesity figures in Europe and it also, worryingly, demonstrates a higher rate of acceleration. In most European countries, obesity has increased between 10 and 40% over the last 10 years, but it has more than doubled in the UK (1. p15).
83. The National Audit Office estimates that the cost of obesity to the NHS is £479 million annually and the cost of food related problems, including heart disease and cancer, is £6 billion a year (41).

## Children

84. As explained in Chapter 1, there are different ways of defining obesity in children but all the indicators show that the rates are going up alarmingly. Using the BMI percentile classification, the National Centre for Social Research produced the following statistics in 2005 (7. p4).
  - between 1995 and 2003, the prevalence of obesity among children aged 2 to 10 rose from 9.9% to 13.7%;
  - the percentage of children who were obese and overweight rose from 22.7% in 1995 to 27.7% in 2003;
  - the levels of obesity vary slightly for boys and girls – 14.7% for boys and 12.5% for girls;

- the most significant increases were in children aged 8 to 10, where the rate of obesity was 16.5%;
- obesity levels were higher among children living in inner city areas;
- children living in homes with the lowest levels of household income had higher rates of obesity (15.8%), compared to those with the highest income (13.3%);
- levels of obesity were five percentage points higher for children living in the most deprived areas (16.4%) than the least deprived areas (11.2%);
- children in households in the lowest socio-economic group had the highest rate of obesity (17.1%), compared to those in the highest economic group (12.4%);
- 19% of children were obese in households where both parents were overweight or obese, compared to 6.7% of children in households where neither parent was overweight or obese.

### **Conclusion**

85. The House of Commons Select Committee (1. p14) projected the figures forward 15 years to state that around one third of all adults could be obese by 2020, and the predicted prevalence in children could be in excess of 50%. In his 2002 annual report on the state of the public health, the Chief Medical Officer, Sir Liam Donaldson, described the growing obesity rates as a ‘health time bomb with the potential to explode over the next three decades’.
86. He added that ‘unless this time bomb is diffused, the consequences for the population’s health, the costs to the NHS, and losses to the economy will be disastrous’ (15. p44).

### **THE LOCAL PICTURE**

#### **Adults**

87. The 4<sup>th</sup> Guernsey Healthy Lifestyle Survey was conducted in 2002 and the results have enabled a comparison to be made over time, and also with the UK (16. p13).
88. When asked about their perceptions of their body weight, 51% of men felt they were overweight or very overweight, with 52% of women feeling the same. However, when their actual BMIs were calculated, actual figures were much higher (although women’s perceptions were closer than men’s).
89. Rise in prevalence of obesity and overweight in Guernsey, 1988 – 2002, compared to the UK, 2002

**Men**

<b>Body Mass Index</b>	<b>1988</b>	<b>1993</b>	<b>1998</b>	<b>2003</b>	<b>2002 UK</b>
% overweight & obese	50	52	57	63	66
% obese	5	11	15	19	23

**Women**

<b>Body Mass Index</b>	<b>1988</b>	<b>1993</b>	<b>1998</b>	<b>2003</b>	<b>2002 UK</b>
% overweight & obese	41	49	57	52	59
% obese	13	16	24	20	25

90. This suggests that levels of obesity and overweight may be starting to level off in women but are still showing a steady year on year rise amongst men. Local obesity rates are also slightly lower than the UK.

*Changes in Diet*

91. The 2002 Healthy Lifestyle Survey also asked respondents about changes in their diet and the results revealed that people perceived themselves to be making healthier choices. 46% reported eating less fried foods, 46% said they ate less sugar, sweets, chocolates, etc, 40% reported eating less convenience foods, fast foods and takeaways and 35% ate less red meat/fatty meat.
92. They also reported eating more healthy foods; 51% said they ate more fruit, vegetables and salad, 36% more fish, 32% more high fibre food and 30% more lower fat food.
93. In all, 74% of men and 83% of women regarded their diet as healthy or very healthy (16. p15).

*Patterns of Exercise*

94. The opposite end of the equation is to look at local people's activity levels. Each year, the Sports Development Unit circulates all the island sports clubs and asks for participation and membership figures. In 2005, 16,492 people were members of local sports clubs and associations and 14,075 had participated in activities at those clubs. A number of those may be playing several sports and so will have been double counted.
95. The Healthy Lifestyle Survey also showed an increase in the reported levels of activities in both sexes and amongst all age groups, but these were still well below the recommended 5 times per week.

*Increase in cases of Diabetes Mellitus*

96. There are currently believed to be around 1,800 diabetics in Guernsey, of whom

approximately 15% are Type 1.

97. The physician responsible for the diabetic clinic and the Diabetic Nurse Consultant report that they are seeing 12-15 new cases of diabetes mellitus each month. The majority of these are Type 2 and an average of £43,700 is spent locally each quarter on oral antidiabetic drugs.
98. Type 2 (non insulin dependent) diabetes is strongly associated with obesity (>80% of patients with Type 2 diabetes are obese) and is consequently becoming increasingly common, accounting for about 85% of all cases of diabetes. In line with increasing population obesity, the prevalence has tripled during the last 30 years, with about 5% of the middle-aged and older population being affected in Europe and about 8% of this age group in the USA.
99. Like Type 1 diabetics, Type 2 diabetics may suffer from all the complications of the disease, which include acute cardiac episodes, hypertension and peripheral cardiovascular disease, diabetic retinopathy and diabetes-related renal disease. The cost of treating these conditions is considerable.
100. The National Service Framework for renal disease predicts that the prevalence of end stage renal failure (which requires either renal transplantation or ongoing renal dialysis) is increasing by 5-8% per year, depending on the population.
101. At present, the 0.1% of patients with end stage renal failure consume some 2% of the health budget in most European countries. Even preventing a small proportion of the predicted rise in Type 2 diabetes and end stage renal failure will thus have major economic benefits.

### **Children**

102. Data on obesity levels of Guernsey children is limited but there have been three recent studies which help illustrate the local picture.

#### *Children aged 3 and a half*

103. The first was an analysis by Consultant Paediatrician, Dr Peter Standring, of data collected by health visitors when examining Guernsey children at age 3½ years old in 2001, compared with the 1990 British growth reference population (18).
104. The aim of the study was to examine whether the current cohort of 3½ year olds was showing evidence of being heavier compared with a UK study of this age group 13 years ago. The study included 522 children of the 594 who were born in 1998. After excluding those outside the exact age range, there were 436 children, of whom 200 were females. The study showed that the Guernsey children were, on average, 0.745 kg heavier than a reference population of children of identical age 13 years ago.
105. Dr Standring (18) concluded that, although it was possible that Guernsey children had always been heavier than the UK reference population, it was more likely, given the magnitude of the higher weight in the study population, that this was a sign of significant increasing weight, even at this early age. He also felt

that lack of prolonged breastfeeding could be exerting some influence.

*Examination of School Nurse Statistics, 1996 - 1999*

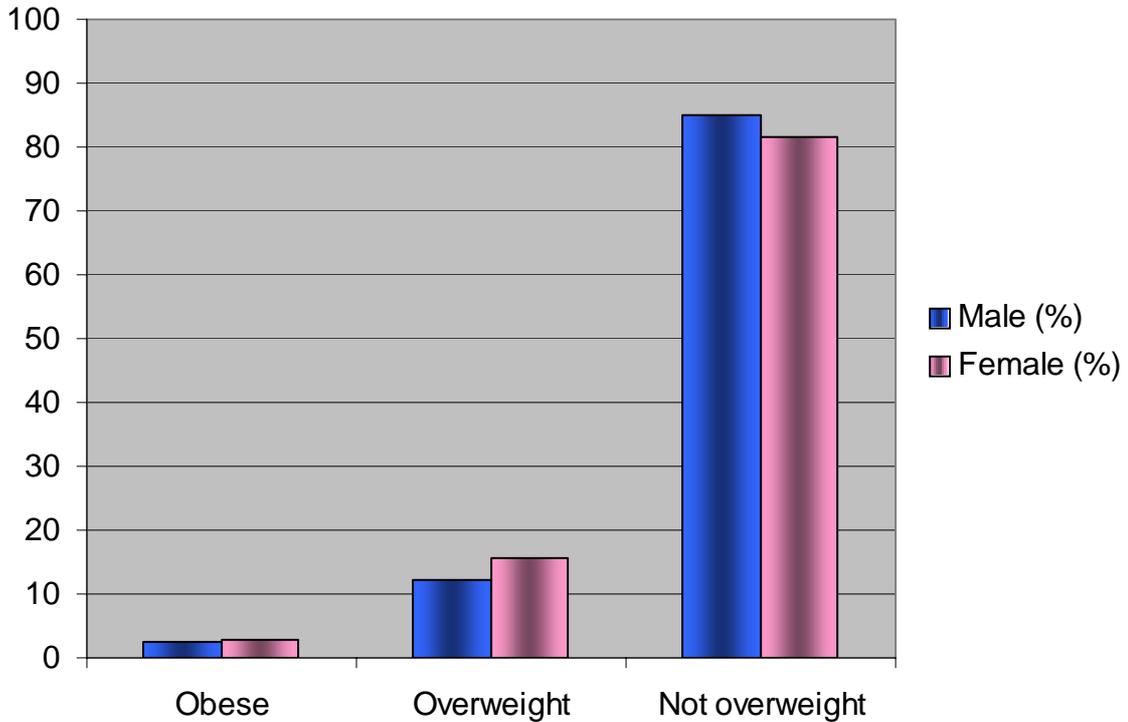
106. An examination of the BMIs of all children aged 5 to 9, screened by the local School Nurses between 1996 and 1999, showed that 2.6% of the children seen were obese and 14% were overweight. This is higher than the percentage who were overweight at age 11 and 12 and, therefore, may indicate a rising trend.
107. **Note:** The following values are the International Standard for Children's BMIs (31) and are used to define overweight and obese:

	Boys		Girls	
	Overweight	Obese	Overweight	Obese
5 - 6 yrs	17.10	19.25	17.10	19.25
7 - 8 yrs	18.10	21.10	18.00	21.00
8 - 9 yrs	18.75	22.25	18.50	22.10

**All Guernsey children (age 5 - 9yrs) by sex and weight category**

	Boys	%	Girls	%	Total	%
Obese	23	(2.6%)	23	(2.7%)	46	(2.6%)
Overweight	110	(12.3%)	134	(15.7%)	244	(14%)
Not overweight	762	(85%)	697	(81.6%)	1459	(83.4%)
<b>Total</b>	<b>895</b>	<b>(100%)</b>	<b>854</b>	<b>(100%)</b>	<b>1749</b>	<b>(100%)</b>

**% of children within each weight category by sex, age 5-9**

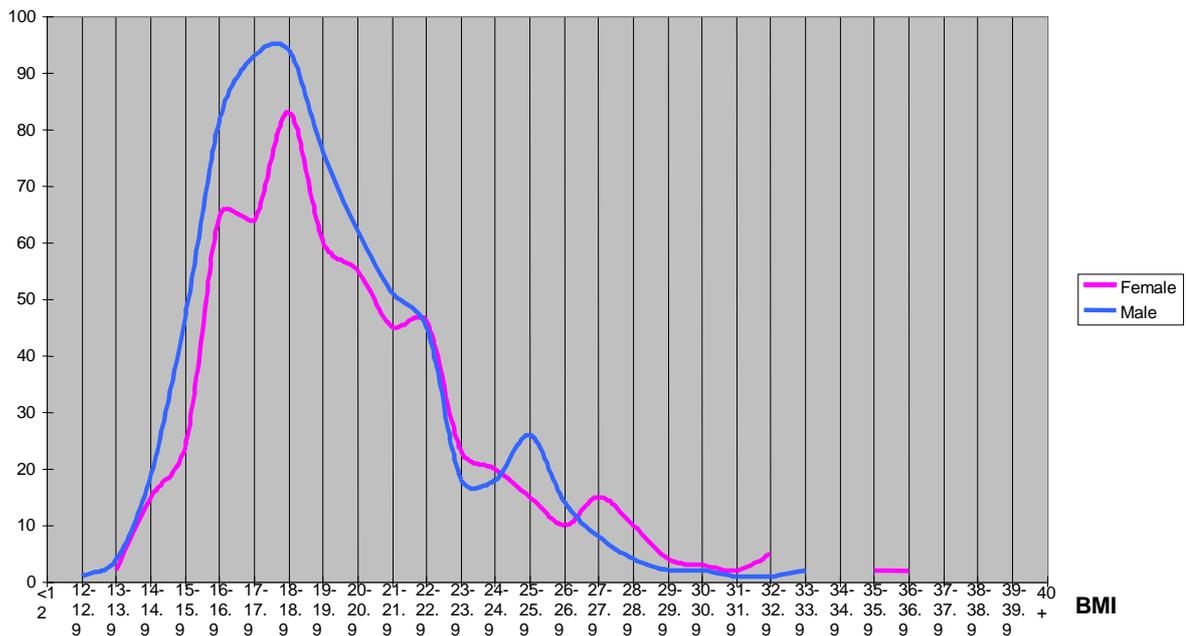


*Sports Commission Survey*

- 108. This was a joint project between the former Education Council, Board of Health and Sports Commission between September 2000 and December 2003. This involved Year 7 (aged 11 and 12) students from six of the island’s secondary schools being weighed and measured and then taken through a series of standardised physical activity tests.
- 109. The BMI distribution curve, below, shows a bimodal distribution, with the majority of Year 7 students within the normal range, but a significant secondary peak of males and females in the overweight and obese range.
- 110. International comparisons are as below, but caution should be exercised in comparing these results, as only 79% of girls and 90% of boys took part in the Guernsey survey. Whilst the international comparisons are for children age 10-16 years, the Guernsey children were all 11 and 12 years (19).

	<b>Guernsey</b>	<b>England</b>	<b>Sweden</b>	<b>France</b>	<b>USA</b>
		<b>Students</b>			
Overweight	8.8%	13%	9.8%	10%	18%
Obese	1.8%	5.5%	2.2%	3%	7%

**Distribution of BMI in Year 7 students Guernsey 2000-2003**



*Changes in Diet*

- 111. In 2002, all Guernsey school children in Years 6, 8 and 10 took part in a Health Related Behaviour Survey. Questions were asked about healthy eating and the results suggested that they had a good knowledge of what constitutes a good diet (20).

112. However, in Year 6 (last year of primary school), 50% of children reported eating crisps and 52% reported eating sweets and chocolates on most days. 7% said they had nothing to eat for breakfast on the day of the survey but 41% reported eating vegetables and 47% ate fruit on most days.
113. The picture changed a little by Year 10 (15 year olds), where 18% of boys and 39% of girls said they had nothing or just a drink for breakfast that morning. 46% of boys and 37% of girls said they had consumed crisps and 45% of both sexes said they ate sweets and chocolates on most days.
114. 40% of boys and 58% of girls reported that they ate vegetables and 33% of boys and 46% of girls had fresh fruit on most days. Across almost all these criteria the Guernsey students scored better than their UK counterparts (20).

*Patterns of Exercise*

115. The Health Related Behaviour Survey (20) also asked questions about physical activity and the results showed that 54% of Year 6 boys and 31% of Year 6 girls said they had played sport (not at school) on the day before the survey. 56% of Year 10 boys and 38% of Year 10 girls reported themselves as being 'fit' or 'very fit' (17), whilst 61% of boys and 47% of girls did enough exercise to have to breathe harder or more quickly, three or more times a week.
116. Encouragingly, 85% of boys and 66% of girls said they enjoyed physical activities quite a lot or 'a lot'.
117. However, in 2000 the Sports Development Unit ran a Bleep Test survey that measured actual fitness levels with the same secondary pupils. The results showed that there was a tendency for all students to think they were fitter than they actually were, e.g. 18% of males thought themselves to be very fit but the test showed that only 2.8% actually achieved that level of fitness (42).
118. The Sports Development Figures show that over 5,500 children under the age of 18 were members of a sports club in 2004 and their physical activity tests showed that leaner children proved more capable.

**Conclusions**

119. From the above local research, a number of tentative conclusions can be drawn:
- Like their counterparts in Europe, Guernsey children today weigh more than the previous generation at the same age.
  - The proportion who may be regarded as 'overweight' and 'obese' is also increasing over time.
  - Perhaps due in part to cultural factors and the absence of any national fast food outlets on the island, it is possible that many Guernsey children will

have a healthier diet than their counterparts in Britain.

- Sport has always occupied an important role in Guernsey. There appeared to be a higher level of participation in sport, both at school and outside clubs and organisations than reported levels in the UK, but local children are not as fit as they perceive themselves to be.
- Despite the rise in children being overweight and obese, levels in Guernsey appeared to be lower than in the UK. However, they also appear to be increasing and are, probably, greater than in some other western European countries, such as France and Sweden, where there are strong cultural traditions of healthy eating and active lifestyles.

## **CURRENT SERVICE PROVISION**

120. There are a variety of services on the island that aim to prevent or treat obesity and related problems.

### **Preventative Services**

#### *Education*

##### a) *Personal, Social and Health Education (PSHE)*

121. The National Curriculum (Guernsey) states, in Aim 1, that the school curriculum should develop pupils' physical skills and encourage them to recognise the importance of pursuing a healthy lifestyle and keeping themselves and others safe. This aim is reflected in many areas of the curriculum, including physical education, design and technology, science and above, all, PSHE. The Education Department believes that two hours of physical activity a week, including the National Curriculum for physical education and extra curricula activities, should be an aspiration for all schools. Both the primary and secondary schemes of work for PSHE have one unit entitled "Developing a Healthy, Safer Lifestyle". This states that pupils should be taught:

- how to make simple choices that improve their health and well-being, (Key Stage 1);
- what makes a healthy lifestyle, including the benefits of exercise, healthy eating, and how to make informed choices (Key Stage 2);
- how to keep healthy and what influences health including the media (Key Stage 3);
- that good relationships and an appropriate balance between work, leisure and exercise can promote physical and mental health (Key Stage 3);
- about the link between eating patterns and self-image including eating disorders (Key Stage 3);
- about long and short term consequences when making decisions about personal health (Key Stage 4).

b) *National Healthy Schools Standard (NHSS)*

122. All schools are encouraged to participate in the programme and 11 have achieved the award to date. This programme is supported jointly by the Education Department (PSHE and Citizenship Consultant) and the Health and Social Services Department (Health Promotion Manager). In order to achieve NHSS status, schools must achieve a complete range of standards on all aspects of health. They must have a nutrition policy and a physical activity policy to provide opportunities for all pupils to participate in a broad range of activities and show that they offer pupils healthier choices in tuck shops and vending machines.

c) *Food provision*

123. Several schools have “fruit only” break times, and some provide fruit every break time for a small charge. Some provide healthy choices in their tuck shops and some provide hot meals and snacks that vary from sandwiches and jacket potatoes to hot dogs and chips.

d) *Food technology*

124. In primary schools, children are taught simple cooking skills, such as how to make fruit salads, sandwiches, bread or pizzas and biscuits and cakes. They learn basic food handling skills, designing and making food products and evaluating existing products.
125. It is optional to work with food at Key Stage 3 (11 to 14 year olds) although most schools offer it and it is a GCSE subject at Key Stage 4.

*School Nursing Service*

126. Initially, school nurses monitor children at their Reception Year Health Review and chart a base-line height and weight measurement. If a child is found to have weight problems, the parents will be informed and healthy life-style information is offered. The child may be referred on to the Dietetic service for nutritional advice or the Paediatric Service if an underlying medical cause for the obesity is suspected. The monitoring of the child may continue on a six monthly basis if the parent finds this helpful. Continuing support and advice is always available. The school nurses deliver healthy life style talks as part of PSHE input to Reception, Year 3 and Year 7 students. These talks may be extended to include dinner supervisors and parents. The healthy life style advice is supported by literature obtained from the Health Promotion Unit. The school nurses support school initiatives, such as lunchtime activity sessions and students with weight issues are recommended to attend these groups.

*Health Promotion Unit*

127. The Health Promotion Unit has a rolling programme of events and programmes to promote healthy eating, physical activity and weight control. These include promotional events, such as Healthy Hearts Day and Men’s Health Month, workshops presented in workplaces and to community groups, for example WI

meetings and the Family Centres and articles in the media. The Unit also supplies numerous resources, such as leaflets, videos and anatomical models to other health educators and holds training sessions for staff dealing with clients who are overweight. It also runs regular 6 to 8 week weight management courses that include information on healthy eating and exercise. It has also recently set up men only courses run by male tutors, which have proved to be very successful.

*Sports Commission*

128. The mandate for the Guernsey Sports Commission is “to promote and support a healthy, active and successful sporting community.” A principal objective of the Commission, achieved through the Sports Development Unit, is to increase mass participation and improve the equitable provision of sporting opportunities and participation at all levels.
129. The Guernsey Sports Development Unit (SDU), with its two generic sports development officers, is responsible for implementing many initiatives in island schools, as well as working in the community and with the local sports governing bodies.
130. Recent initiatives include the Specsavers 2005 Guernsey Youth Games, which saw 500 year 5 and 6 children (10 and 11 year olds), represent their voting district in 1 of 12 different sports after 6 weeks of training in that sport, and the Guernsey Electricity Fit n Fun Day held at Beau Sejour Leisure Centre, where many different sports and activities were on offer, free of charge, for women and children to try out.
131. Further SDU initiatives, aimed at school age children, include a yearly invite (September) through the schools to all year 4 children to participate in a morning of sports and activity taster sessions, held at Beau Sejour Leisure Centre. In September 2005, 627 year 4 children enjoyed taster sessions from a range of 15 activities, including Gaelic football, fencing, tug of war and badminton.
132. The SDU runs 2 after school generic skills sessions as part of the Healthy Schools initiative. These are for year 1 and 2 children (6 and 7 year olds). The Unit also works in partnership with sports to run recruitment drives in schools.
133. The SDU development officers are British Sport Trust BST trained to deliver the BST courses in sports leadership. These are available to year 10 pupils and aim at teaching leadership skills, such as organisation, planning and communication skills etc. through sport. The officers are also Youth Sport Trust trained to deliver training to the island’s primary school teachers in the sport programme, which aims to encourage sporting participation from an early age and enables teachers to teach correct sporting practices.
134. The SDU also has links with Granville House and works with excluded and disaffected children. In partnership with education, SDU offers works

experience to year 10 students.

135. The SDU links with the community include working in partnership with the Health Promotion Unit on the British Heart Foundation Walk Your Way To Health initiative and Healthy Hearts Day, and working with community centres such as the Kindred Family Centre, at Les Genats Estate, to offer sports and activity sessions to mums. As part of the Women in Sport strategy, the SDU has produced the Guernsey Women and Girls “new shoes” leaflet, aimed at encouraging women and girls to achieve a more active and healthy lifestyle.
136. The SDU has also worked with the Director of Public Health on a pilot project for obese children and is currently involved with the Education Department and the Health and Social Services Department to develop an island strategy, aimed at reducing the number of overweight children.

#### *Health Visitors*

137. Health Visitors visit all families with children under the age of five years and have input into healthy feeding/eating from a very early stage. They encourage breast-feeding and if a mother wishes not to breast feed, give advice regarding healthy and safe feeding practices. At about three months, all families are offered a weaning visit where healthy eating is discussed, with particular reference to weaning. However, this visit is a good opportunity to discuss healthy eating for the whole family. UK government guidelines are followed, with weaning recommended at around 6 months, and not before 20 weeks.
138. Dietary advice is given formally at 12 months and at 3½ years at health and developmental assessments and opportunistically at clinics and home visits in the meantime.

#### *Weight Watchers*

139. A branch of the UK franchise ‘Weight Watchers’ operates in Guernsey and more than 400 people regularly attend its sessions. It offers a safe effective weight loss programme, designed to achieve an average weight loss of 1-2lbs per week.
140. There are 3 trained Weight Watcher leaders, who take 7 meetings per week. Of these, 2 are express weigh-ins and 5 attenders have the opportunity to be weighed and then stay for a 30 minute motivational talk.
141. Meetings are held in the evenings at the King George V Cricket Club and St Margaret’s Lodge Hotel at lunchtimes at Moore’s Hotel. The cost of registering is £9 (although this is waived at several times of year and also with coupons available from local and national newspapers and the Weight Watchers magazine), plus a weekly fee of £4.95 (£4.25 for anyone over the age of 60). Once Gold Membership is achieved, by obtaining a target weight within the BMI range of 20-25, a free maintenance programme and the opportunity to weigh in free for life, is offered.

*Environment Department*

142. The Environment Department developed a Road Transport Strategy, which was debated by the States in March, 2006. The Strategy's main objective is to reduce the adverse environmental, economic and social impacts of vehicle use in the Island and has, as one its principal aims the need to encourage alternative forms of transport, including walking and cycling amongst adults and school children and discouraging unnecessary vehicle usage.
143. The Environment Department is also committed to a policy of encouraging cycle use in the Island, by improving and extending the associated infrastructure and parking facilities (cycle paths, cycle stands, cycle shelters and weather protection, cycle-and-ride etc).
144. The Department is committed to improving the environment on the roads for vulnerable road users, such as cyclists and pedestrians. A safer and more pleasant environment for such road users is essential in encouraging cycling and walking. The Department will be continuing with its programme of improvements around schools identified by walking audits. It will also be carrying out a review of speed limits around schools. The Department is developing proposals to continue upgrading lighting at pedestrian crossings to British Standards. It is replacing the existing pelican crossings with "Puffin" crossings (pedestrian user friendly intelligent signals), which provide safer crossing facilities for pedestrians. It is also introducing additional pedestrian phases at traffic signals as part of the ongoing replacement programme, particularly where these have been identified as being necessary during the walking audits.
145. The Department plans to extend the residents' parking schemes in Town, enabling more Town residents to leave their cars on-street during the day and walk to work.
146. Generally, the requirements of vulnerable road users and, in particular, the need to provide a safe and pleasant environment for them, will continue to feature highly in the design of all traffic management schemes. In addition, through its Planning Division, the Department will seek to ensure that safe and proper provision is made for pedestrians and cyclists in new development proposals being brought forward.

*Culture and Leisure Department*

147. At present, Beau Sejour Leisure Centre provides a range of courses, within term time, specifically aimed at encouraging regular activity for children. Courses promote a natural progression through all age ranges, from walking to 16 years. All juniors over this age are actively encouraged to participate in adult classes.
148. During the school holidays, the Centre endeavours to provide a variety of taster sessions. In the past these have included short tennis, tag rugby, badminton, tri-golf, squash, table tennis, football, basketball, roller skating, fencing and many

more.

149. In addition to all the above, the Culture and Leisure Department has close links with the Sports Development Unit. Working with the Guernsey Sports Commission, Lions Club and Rotary Club the Department has recently launched an initiative, 'Fit 4 Teens'. This initiative, launched at the Swimathon, 2005, is aimed at the island's year 10 students, who are being offered the opportunity to join, free of charge, a six week Teen Course.
150. Once students have completed this course, they will be awarded a gift of 1 month's free membership of Beau Sejour.
151. Children of 14 years and above are encouraged into the gym with a programme during Teen Zone times. There is also provision for children with any medical condition that would benefit from the facilities, as long as a doctor's note is presented.

### **Treatment Services**

#### *Obesity in General Practice*

152. Over recent years, the impact of obesity amongst the local population has greatly increased in primary care, particularly with conditions such as hypertension, diabetes and arthritis. A lot of resources and time now go into treatment for obesity related conditions. In addition, what were once unusual problems, such as sleep apnoea, have now become much more common.
153. General practitioners and practice nurses are increasingly required to give advice on weight reduction and to treat and prevent these problems. Patients regard GPs as having effective treatments to help in their efforts to lose weight. This has been encouraged by the National Institute for Health and Clinical Excellence (NICE) support for the use of newer, anti obesity drugs and, more recently, anti obesity surgery in certain well-defined cases.
154. GPs are thus screening for obesity, occasionally investigating for a pathological cause for weight gain, advising on diet and exercise and monitoring the effects of prescribed anti obesity drugs, where appropriate. Usually, referral is required to the dietician, and this can be difficult if there is a long waiting time. Referral to the Lifefit (exercise on prescription) sessions, at Beau Sejour Centre, is also a great aid and very popular with most patients.
155. In adult patients, GPs have a number of effective treatment options. In children, this is not the case. GPs are identifying overweight children but, beyond rudimentary diet and exercise advice, often feel impotent to intervene effectively.
156. Clearly, children and their parents are looking for more help from their GP and are disappointed in what is offered. This gap in a referral resource is of concern

to both general practitioners and school nurses.

*Dietetic Service*

157. No dietetic service is available for either paediatric or adult obesity in the community, or at Health and Social Services Department. There is an urgent need for such a post to meet increasing demand.

*Gastric Bypass*

158. One of the gastrointestinal surgeons, at the Medical Specialist Group, has conducted approximately 50 procedures, but reports a large unmet demand for such surgical interventions.

*Service for managing serious obesity in young people*

159. The combined paediatric and psychology service for grossly obese children is only currently able to see four children a year, i.e. clinic time of one and a half hours once a month for nine months of the year.
160. Their service is run at Bell House and other professionals, such as a dietician and school nurse, are involved as necessary. It provides help for young people who have a serious problem (BMI of 35 or more) and wish to gain control of their weight. The service helps them to find answers to what needs changing, and how to make these changes. This is more difficult than it at first seems, as it means changing behaviour and it might mean looking at themselves in a different way. The family has a big influence on young people and so the service works with families as well.

*Diabetic Service*

161. Type 2 diabetes and its long-term complications are associated in 90% of cases with obesity, in particular with central adiposity. Currently, in Guernsey, there are no recognised cases of Type 2 diabetes amongst children but it is highly unlikely that this will remain the case in the future. Without lifestyle changes, these children are said to fare badly in the future, often dying before their parents.
162. At present, the diabetes service has initiated an obesity management trial for people with diabetes who have a BMI greater than 35 and who are under secondary care. One year's results of this trial are anticipated to be available in the spring of 2007

## **RECOMMENDATIONS FOR THE PREVENTION AND MANAGEMENT OF OBESITY AND OVERWEIGHT IN GUERNSEY**

### **Introduction**

163. The previous sections have shown that the problem of obesity is a very complex one and there are no 'easy fix' solutions. There are many factors, which together promote weight gain, and the cumulative effect of these is very powerful. The

only way to counteract them is to have an integrated and wide ranging programme of activities, which is supported at all levels of government and more widely across the community.

164. As the Health Select Committee commented, “the Government must show itself prepared to invest in the health of future generations by supporting measures which ... constitute a consistent, effective and defined strategy ... We recognise that individuals have a key role to play in determining their own health and lifestyles but ... it is critical that obesity is tackled first and foremost at a societal rather than an individual level” (1. p4).
165. Some of the problems are too wide ranging to be tackled locally but the UK Government has already made a start and is looking at the major issues. These include regulating the advertising of unhealthy foods, particularly to children, and working with the food industry to look at food labelling and the reduction of fat and salt in processed foods.
166. There are still many initiatives that need to be implemented in Guernsey and these are outlined below. The majority are based on recommendations made by the Health Select Committee following its investigation in 2003 (1). In addition, the National Institute for Health and Clinical Excellence (NICE) has produced its first draft guidance for the prevention, identification, assessment and management of obesity in adults and children. It is gratifying to note that many of the recommendations put forward by the Guernsey Obesity Group are highlighted in that report. One of its overarching recommendations is that, “local authorities, Primary Care Trusts (PCTs) and local strategic partnerships must ensure that preventing and managing obesity is a priority for action through community interventions, policies and objectives” (45 p.22)

## Nutritional Solutions

### *Information*

167. Although there have been many public education campaigns on healthy eating, it is clear that people are still unaware of the dangers to their health of being overweight. Given the huge amounts of money spent on food advertising, there needs to be a campaign dedicated exclusively to tackling obesity. The UK Government is therefore to launch an Obesity Education Campaign in March 2007 (22. p12) and the Health Promotion Unit should follow suit.

### **Recommendation 1**

**The Health Promotion Unit should adopt a health education campaign dedicated exclusively to tackling obesity. This should spell out the health risks associated with being overweight, particularly diabetes and cancer, and highlight the nutritional and lifestyle factors, the concept of healthy, low glycaemic index foods, and the consumption of alcohol, which are conducive to weight gain and weight loss and the positive advantages of not being overweight.**

*Education*

168. The Audit Commission's recent report on tackling child obesity (2006) stated that, "schools are a key setting for the delivery of effective coordinated interventions" (43 p.7). Similarly, the NICE draft guidance states that "all schools should ensure that improving the diet and activity levels of children and young people is a priority for action to help prevent excess weight gain and to help raise standards" (45 p.26).
169. Locally, there has been much progress in the teaching of healthy eating and through the work needed for schools to achieve the National Healthy Schools Standard. The Standard was upgraded in 2005 and now stipulates that schools should:
- provide training in practical food education for staff, including diet, nutrition, food safety and hygiene;
  - have a whole school food policy – developed through wide consultation;
  - involve pupils and parents in guiding food policy and practice within the school;
  - have a welcoming eating environment that encourages the positive social interaction of pupils;
  - ensure healthier food and drink options are available and promoted in breakfast clubs, at break (if established or planned), and at lunchtimes;
  - have meals, vending machines and tuck shop facilities that are nutritious and healthy and meet or exceed National Standards;
  - monitor pupils' menus and food choices to inform policy development and provision;
  - ensure that pupils have opportunities to learn about different types of food, in the context of a balanced diet (using the Balance of Good Health), how to plan, budget, prepare and cook meals, and understand the need to avoid the consumption of foods high in salt, sugar and fat and increase the consumption of fruit and vegetables.
170. This forms a comprehensive package of measures that will make a great difference to those schools taking part.

**Recommendation 2**

- **The National Healthy Schools Standard programme should continue to be supported by both the Education Department and the Health and Social Services Department and all schools should participate.**
- **Schools should continue to educate parents about healthy eating issues, particularly through promoting healthy packed lunches.**
- **All schools should produce nutrition policies that aim to promote**

**healthy eating and combat obesity.**

- **The Food Technology curriculum should follow the new QCA guidance on practical cooking skills.**
- **A programme of in service training should be set up to support teachers to lead the new curriculum.**
- **The Education Department should consider, with the Senior Inspector leading the validation process, the implications of including, in the Inspection Framework for Phase 3 of the Validated School Self-Evaluation Process an evaluation, and report on the teaching of nutrition and students' practical skills in cooking.**

*Food Advertising and Promotion*

171. The amount of control over food advertising in Guernsey is very limited, as most foods are produced outside the island and local advertising time on television is very short.
172. However, the UK Government is taking steps to tighten the rules on broadcast advertising sponsorship and promotion of food and drink, particularly to children, and this should be supported locally (22. p16). There is also an issue of the foods available at schools and this can also be controlled locally.

**Recommendation 3**

- **The UK criteria for advertising and food promotion to children should be adopted locally.**
- **Guidance should be issued to schools so that they do not accept sponsorship from manufacturers associated with unhealthy foods, or install vending machines selling unhealthy foods.**

*Food Labelling*

173. Labelling foods so that the consumer can easily see levels of fat and sugar, etc could make a big difference to shoppers as they try to negotiate their way through the food choice minefield.
174. The UK Government is committed to working with the food industry to develop a coding system “that busy people can understand at a glance, to find out which foods can make a positive contribution to a healthy diet and which are recommended to be eaten only in moderation or sparingly” (22. p15). It would seem to make sense, therefore, that all locally produced foods follow the same system.

**Recommendation 4**

- **All locally produced foods should be labelled using the UK Traffic Light scheme (when approved). All foods containing fruit or vegetables should carry the 5-a-day logo.**

*Food Composition*

175. The UK Government is working with the food industry on levels of salt in

processed food. It now also has plans to work with the industry to reduce levels of added sugar and fat. It will produce new long term and interim targets for reducing levels in different categories of food with regular monitoring and it will also publish guidance on portion sizes to reduce energy, fat, sugar and salt intake (22. p19).

**Recommendation 5**

- **All locally produced processed foods should follow UK guidance on fat, sugar, salt and energy levels and portion sizes.**

*Food Pricing*

176. Although shops and supermarkets are free to charge whatever price they like for their products, they should be encouraged to promote healthier foods, particularly through product placement at checkouts.

**Recommendation 6**

- **Supermarkets should be encouraged to phase out price promotions that favour unhealthy foods and stop all forms of produce placement that give undue emphasis to unhealthy foods, particularly confectionery and snacks at checkouts. Those companies that do not comply should be publicly named and shamed.**

*Food in Schools*

177. Although most local schools do not offer a school dinner service, as in the UK, several do provide tuck shops and canteen services, so many island children are fed when at school. It is, therefore, vital that children are set a good example by the choice of food on offer and by seeing that healthy food can be attractive and palatable.

**Recommendation 7**

- **Local schools that provide food on their premises should work with school food providers to have regard to the nutrition standards being produced by the UK Department for Education and Skills.**
- **The Education Department should investigate further the inclusion in the Inspection Framework for Phase 3 of the Validated School Self-Evaluation Process, the extent to which the school contributes to children and young people being healthy.**

*School Fruit and Vegetable Scheme*

178. The UK Government has provided a free piece of fruit or vegetable each school day for all 4 to 6 year olds for the last two years. The scheme has proved to be extremely beneficial, with over a quarter of parents reporting that children and families ate more fruit at home as a result of the scheme and nearly half of all the parents thought the scheme made them more aware of the importance of fruit for a healthy diet.
179. The scheme also had the most positive impact on parents from lower socio-

economic groups. They reported learning more than other parents about the importance of eating fruit and vegetables and demonstrated the highest increases in their consumption at home (22. p25).

**Recommendation 8**

- **Consideration should be given to introducing the School Fruit and Vegetable Scheme for all Key Stage 1 children (aged 4 to 7).**
- **Schools should continue to develop healthy packed lunch and break schemes, such as “Fruity Fridays” (children are asked to bring only fruit or vegetables for their break on one day per week)**

*Breastfeeding*

180. Breastfeeding provides clear short term, and long-term, health benefits for both the infant and the mother. One of these is that breast fed babies are less likely to become obese later in life. It is not known whether it is a component in the breast milk or if there is a tendency to encourage bottle fed babies to finish a bottle, whereas breast-fed babies stop when they have had enough.
181. Whichever it is, the promotion of breastfeeding could affect the rising obesity levels in children and in adults (24. p4).

**Recommendation 9**

- **The promotion of breastfeeding should become a priority area for the Health Promotion Unit and the midwives and health visitors should be supported in their encouragement of the technique.**

**Physical Activity Solutions**

*Education*

182. It is vital that enjoyment of, and participation in, physical activity is established from an early age and throughout childhood. Children and young people need to experience a wide range of formal and informal activities, both in and after school. There should be a co-ordinated programme to ensure there is a choice of fun, but health enhancing, activities available. The new National Healthy School, Standard stipulates that schools should:
- have a whole school physical activity policy – developed through wide consultation, implemented, monitored and evaluated for impact;
  - ensure a minimum 2 hours of structured physical activity is provided each week to all of its pupils, in or outside the school curriculum`;
  - provide opportunities for all pupils to participate in a broad range of extra curricular activities that promote physical activity;
  - consult with pupils about the physical activity opportunities offered by the school, identify barriers to participation and seek to remove them;

- involve community resources in provision of activities, to encourage pupils, parents/carers and staff to walk or cycle to school under safe conditions;
- give parents/carers the opportunity to be involved in the planning and delivery of physical activity opportunities and help them to understand the benefits of physical activity for themselves and their children;
- ensure that there is appropriate training provided for those involved in providing physical activities.

#### **Recommendation 10**

- **All schools should continue to develop work in areas of physical activity.**
- **All schools should participate in the National Healthy School Standard.**
- **The links between the Sports Commission and the Education department should continue and their brief should include strategic planning, raising standards, coaching and leadership and providing enhanced opportunities for out of school hours activities.**
- **All schools should produce physical activity policies to promote increased participation in sport and activity.**
- **Schools should endeavour to provide two hours of physical activity per week and ultimately aim to increase this to three hours per week (to include curricular and extra curricula activities).**
- **All schools should offer a diverse range of activities to broaden its appeal to children who are not keen to be involved in sport.**
- **All schools should ensure that the particular issue of bullying children during sport and whilst changing is addressed in their bullying policy.**
- **A school's performance in encouraging and sustaining physical activity should be inspected during the School Self Validation process.**
- **Consideration should be given to opening school facilities, out of school hours, for use by pupils and the wider community.**
- **The Health and Exercise Fitness testing programme, run by the Sports Commission in conjunction with schools, should be extended to all year 6 pupils (aged 10 and 11).**

#### *Active Transport*

183. For many people, taking part in a recognised sport is not a realistic option for economic or time reasons. Therefore, a more realistic aim is to increase their activity levels within their daily lives. One of the most important ways of doing this is through increasing walking and cycling.

#### **Recommendation 11**

- **The Environment Department should continue to consider improving facilities for walkers and cyclists in all future transport policies. These should include pavement improvements, better street lighting, improved crossings, cycle parking facilities, cycle lanes and traffic calming measures around schools.**
- **The Guernsey Police should implement the new cycle training modules**

**for both children and adults.**

- **All new workplace and business planning applications should be asked to include the sort of facilities for cyclists and walkers, including safe routes to the building, safe and secure covered cycle parking, lockers and showers.**

*Workplaces*

184. The workplace provides an important opportunity to promote healthy lifestyles, as it is estimated that individuals can spend up to 60% of their waking hours in their place of work (25. p33).
185. Much can be done to encourage employers in the public, private and voluntary sectors to motivate and enable staff to be more active.

**Recommendation 12**

- **The Sports Commission should provide a consultancy service to workplaces on how they can encourage and support staff to be more active.**
- **The Health Promotion Unit should work with local business groups and associations to promote the soon to be established Healthy Workplace Award and Investors in People Healthy Business Assessment.**

*Active Communities*

186. Outside of the workplace, there needs to be a wide range of physical activity and sporting opportunities within the local community close to where people live. Access is needed to well maintained, safe walking and cycling routes and attractive and affordable leisure and sports facilities, playgrounds and parks.

**Recommendation 13**

- **The Culture and Leisure Department should continue to develop its strategy to promote the use of schools, church halls, etc for sport and physical activity use.**
- **The Sports Commission should increase the number of sports development officers working full and part time.**
- **The Culture and Leisure Department should follow up the Sports Commission's work to encourage adults, aged 50 plus, to use the sports facilities available.**
- **Consideration should be given to subsidising the costs of sporting activities, especially swimming, for young and older people, as this can be a very effective intervention.**

**Treatment of Obesity**

*Health Trainers*

187. Prevention of obesity must clearly be the primary focus of addressing the problem but, with nearly two thirds of the island's population already overweight or obese, services need to be improved for the treatment of the

condition. A variety of initiatives need to be put in place to ensure that the problem is tackled at all its different levels. The first of these is lifestyle advice and support on an individual basis.

**Recommendation 14**

- **The Health Promotion Unit should be given extra resources to expand its Live for Life programme to include tutors prepared to work one-to-one with individuals who need tailored lifestyle advice. These could be based on the NHS Health Trainers programme, due to begin in 2006.**
- **They will be accredited tutors who will have the skills and techniques to support individuals in changing their behaviour ... and tailoring their work to an individual's circumstances. They will provide advice and practical support on what people can do, such as becoming more active and eating healthily as well as explaining how to access other help locally, such as walking initiatives".**

*Primary Care*

188. The Health Select Committee Report concluded that primary care was the best level to treat obese patients (1.p92) as GPs provide "a unique resource for health promotion and for the identification and management of patients who are overweight or obese". However, managing weight problems successfully also needs specialist skills, so extra training and resources will be needed.

**Recommendation 15**

- **Severe obesity needs to be recognised as a cause of serious medical problems and specialist training should be undertaken by GPs to enable them to provide an appropriate obesity service.**
- **Consideration should be given to establishing a primary care obesity clinic that would involve a range of clinicians and specialists, including nurses, pharmacists and dietitians. This could be based on the Counterweight Project, which has already proved to be very successful in many practices in the UK. It is based on practice nurse intervention but includes patient centred goal setting, prescribed eating plans, physical activity and anti-obesity medication.**
- **Primary care should consider implementing NICE's clinical and pharmacological recommendations for the treatment of obese patients, when they have been agreed.**

*Services for Obese Children*

189. The number of obese children greatly gives increasing cause for concern, particularly as it seems that anecdotally many parents regard their children's size as 'normal' even though they are overweight or even obese. As children have little control over what they have to eat at home, interventions need to be targeted at parents and carers as well.

**Recommendation 16**

- All children should have their BMI measured at regular intervals when undergoing other health screenings and the results should be given to parents, together with appropriate lifestyle advice and/or follow up or referral to a specialised service. The Department of Health recommend, measuring height and weight at Reception and Year 6 and a meeting in 2005 of experts to develop a consensus dealing with childhood obesity recommended screening to identify children with BMI greater than the 85<sup>th</sup> centile.
- A specialised obesity clinic for children and young people should be set up. Evidence shows that programmes that involve parents and children together and that include physical activity and health promotion are effective.
- as are those that encourage parents to take primary responsibility for behaviour change and which include training in child management, parenting and communication skills.
- Children with BMI >85<sup>th</sup> centile should receive regular lifestyle counselling and those >95<sup>th</sup> centile should receive specialist paediatric care within a multidisciplinary service.
- Primary care should consider implementing NICE's clinical and pharmacological recommendations for the treatment of obese children, when they have been agreed.
- An exercise referral scheme should be set up for children, similar to the Life Fit Scheme already in place for adults.

*Bariatric Surgery*

190. Although it was once considered to be a drastic option for the treatment of obesity and was associated with high morbidity and mortality rates, current bariatric techniques are associated with significantly better outcomes than other methods of weight reduction. Approximately 50% excess weight loss can be achieved by 2 years post-surgery. Weight loss is also better sustained long-term. In Guernsey, gastric bypass surgery (combining restriction of the stomach with shortening of the intestine, leading to a smaller capacity to eat and some degree of malabsorption) is undertaken but is only available privately. In the UK, NICE has recommended the availability of this surgery for NHS patients with a BMI >40 (uncomplicated obesity) or >35 if complicated by diabetes or other significant co-morbidity.

**Recommendation 17**

In the UK, NICE recommends that bariatric surgery should be available for those patients assessed as able to benefit from it. The NICE guidelines stipulate the importance of multi-professional involvement in the treatment of these patients, and recommend that dietitians and psychologists should be actively involved in the pre-operative assessment, preparation for surgery and post-operative monitoring of these patients. In Guernsey, although there is the technical capacity to perform Bariatric surgery, this

**frequently occurs in isolation, and without the benefit of a multidisciplinary approach, with ongoing dietetic input and psychological support. Increased levels of Bariatric surgery also distorts other operative practice at the Princess Elizabeth Hospital, requiring a disproportionate use of intensive care beds, etc. If Bariatric surgery is to continue in Guernsey, this should be in the context of properly structured multidisciplinary work up, and post operative support.**

*Psychological Support*

191. As well as medical and surgical treatments, it is essential that the psychological aspects of obesity are tackled. The causes of obesity can include depression, addiction, loneliness and stress. Equally, once people become overweight, it can cause or exacerbate a similar range of problems. It is, therefore, important that patients receive mental health support, as well as treatment of their physical health condition.

**Recommendation 18**

**- Referrals seeking help for obesity, whether through primary or secondary care, should have access to psychological support, provided by an appropriate professional, as appropriate.**

**The likelihood of success**

192. The aim of the proposed recommendations is to provide a coherent and comprehensive set of measures to combat the major problem of obesity, perhaps the biggest public health threat of the twenty-first century (1. p102). It is a huge and growing problem, but, to those sceptics who doubt that successful intervention is possible, the example of tobacco is relevant.
193. In the years following World War Two, a large majority of men and a growing proportion of women were regular smokers. As a consequence, doctors saw a substantial rise in previously rare conditions such as carcinoma of the lung and acute myocardial infarction, now proven to be strongly tobacco related.
194. It has taken over fifty years of sustained effort (including economic and legislative measures, educational initiatives, and social pressures) to reverse levels of smoking in the community. Guernsey can be proud that it has been prepared to introduce a range of such necessary measures ahead of the UK, and can already demonstrate a fall in many tobacco related cause of death.
195. Achieving similar success in reversing the growing prevalence of obesity and related disease will also take time and will not be easy. However, as the tobacco example shows, widespread sociocultural change *is* achievable, and early returns in the form of better health for the population can be demonstrated in consequence.

## CONSULTATION

196. Consultation was undertaken with the following:
- The Commerce and Employment Department
  - The Culture and Leisure Department
  - The Education Department
  - The Home Department
  - The Environment Department
  - The Chairmen of the three primary care practises
  - The Medical Specialist Group
  - The British Medical Association (Guernsey Branch)
  - The Sports Commission
  - The Chamber of Commerce.
197. The comments and suggestions received following the consultation process have all been included in this report.

## SUMMARY OF RECOMMENDATIONS

### **Recommendation 1** *Information*

198. The Health Promotion Unit should adopt a health education campaign dedicated exclusively to tackling obesity. This should spell out the health risks associated with being overweight, particularly diabetes and cancer, and highlight the nutritional and lifestyle factors, the concept of healthy, low glycaemic index foods, and the consumption of alcohol, which are conducive to weight gain and weight loss and the positive advantages of not being overweight.

### **Recommendation 2** *Education*

199. The National Healthy Schools Standard programme should continue to be supported by both the Education Department and the Health and Social Services Department and all schools should participate.
200. Schools should continue to educate parents about healthy eating issues, particularly through promoting healthy packed lunches.
201. All schools should produce nutrition policies that aim to promote healthy eating and combat obesity.
202. The Food Technology curriculum should follow the new QCA guidance on practical cooking skills.
203. A programme of in service training should be set up to support teachers to lead the new curriculum.
204. The Education Department should consider, with the Senior Inspector leading the validation process, the implications of including in the Inspection Framework for Phase 3 of the Validated School Self-Evaluation Process an

evaluation of and a report on the teaching of nutrition and students' practical skills in cooking.

**Recommendation 3** *Food, advertising and promotion*

205. The UK criteria for advertising and food promotion to children should be adopted locally.
206. Guidance should be issued to schools so that they do not accept sponsorship from manufacturers associated with unhealthy foods, or install vending machines selling unhealthy foods.

**Recommendation 4** *Food labelling*

207. All locally produced foods should be labelled using the UK Traffic Light scheme (when approved). All foods containing fruit or vegetables should carry the 5-a-day logo.

**Recommendation 5** *Food composition*

208. All locally produced processed foods should follow UK guidance on fat, sugar, salt and energy levels and portion sizes.

**Recommendation 6** *Food pricing*

209. Supermarkets should be encouraged to phase out price promotions that favour unhealthy foods and stop all forms of product placement that give undue emphasis to unhealthy foods, particularly confectionery and snacks at checkouts. Those companies that do not comply should be publicly named and shamed.

**Recommendation 7** *Food in schools, etc*

210. Local schools that provide food on their premises should work with school food providers to have regard to the nutrition standards being produced by the UK Department for Education and Skills.
211. The Education Department should investigate further the inclusion, in the Inspection Framework for Phase 3 of the Validated School Self-Evaluation Process, the extent to which the school contributes to children and young people being healthy.

**Recommendation 8** *School fruit and vegetable scheme*

212. Consideration should be given to introducing the School Fruit and Vegetable Scheme for all Key Stage 1 children (aged 4 to 7).
213. Schools should continue to develop healthy packed lunch and break schemes such as "Fruity Fridays" (children are asked to bring only fruit or vegetables for their break on one day per week).

**Recommendation 9** *Breastfeeding*

214. The promotion of breastfeeding should become a priority area for the Health Promotion Unit, and midwives and health visitors should be supported in their

encouragement of the technique.

**Recommendation 10** *Education*

215. All schools should continue to develop work in areas of physical activity.
216. All schools should participate in the National Healthy School Standard. The links between the Sports Commission and the Education Department should continue and their brief should include strategic planning, raising standards, coaching, leadership and providing enhanced opportunities for out of school hours.
217. All schools should produce physical activity policies to promote increased participation in sport and activity.
218. Schools should endeavour to provide two hours of physical activity per week and ultimately aim to increase this to three hours per week (to include curricular and extra curricula activities).
219. All schools should offer a diverse range of activities to broaden its appeal to children who are not keen to be involved in sport.
220. All schools should ensure that the particular issue of bullying children during sport and whilst changing is addressed in their bullying policy.
221. A school's performance in encouraging and sustaining physical activity should be inspected during the School Self Validation process.
222. Consideration should be given to opening school facilities, out of school hours, for use by pupils and the wider community.
223. The Health and Exercise Fitness testing programme run by the Sports Commission in conjunction with schools should be extended to all year 6 pupils (aged 10 and 11).

**Recommendation 11** *Active transport*

224. The Environment Department should continue to consider improving facilities for walkers and cyclists in all future transport policies. These should include pavement improvements, better street lighting, improved crossings, cycle parking facilities, cycle lanes and traffic calming measures around schools.
225. The Guernsey Police should implement the new cycle training modules for both children and adults.
226. All new workplace and business planning applications should be asked to include the provision of facilities for cyclists and walkers, including safe routes to the building, safe and secure covered cycle parking, lockers and showers.

**Recommendation 12** *Workplaces*

- 227. The Sports Commission should provide a consultancy service to workplaces on how they can encourage and support staff to be more active.
- 228. The Health Promotion Unit should work with local business groups and associations to promote the soon to be established Healthy Workplace Award and Investors in People Healthy Business Assessment.

**Recommendation 13** *Active communities*

- 229. The Culture and Leisure Department should continue to develop its strategy to promote the use of schools, church halls, etc for sport and physical activity use.
- 230. Support should be given to the Sports Commission should increase the number of sports development officers working full and part time.
- 231. The Culture and Leisure Department should follow up the Sports Commission's work to encourage adults, aged 50 plus, to use the sports facilities available.
- 232. Consideration should be given to subsidising the costs of sporting activities, especially swimming, for young and older people, as this can be a very effective intervention.

**Recommendation 14** *Health trainers*

- 233. The Health Promotion Unit should be given extra resources to expand its Live for Life programme to include tutors prepared to work one-to-one with individuals who need tailored lifestyle advice. These could be based on the NHS Health Trainers programme, due to begin in 2006. They will be accredited tutors who will have the skills and techniques to support individuals in changing their behaviour ... and tailoring their work to an individual's circumstances. They will provide advice and practical support on what people can do, such as becoming more active and eating healthily as well as explaining how to access other help locally, such as walking initiatives (25. p29).

**Recommendation 15** *Primary care*

- 234. Severe obesity needs to be recognised as a cause of serious medical problems and specialist training should be undertaken by GPs to enable them to provide an appropriate obesity service.
- 235. Consideration should be given to establishing a primary care obesity clinic that would involve a range of clinicians and specialists, including nurses, pharmacists and dietitians. This could be based on the Counterweight Project, which has already proved to be very successful in many practices in the UK. It is based on practice nurse intervention but includes patient centred goal setting, prescribed eating plans, physical activity and anti-obesity medication.
- 236. Primary care should consider implementing NICE's clinical and pharmacological recommendations for the treatment of obese patients when they have been agreed.

**Recommendation 16** *Services for obese children*

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240. Primary care should consider implementing NICE's clinical and pharmacological recommendations for the treatment of obese children, when they have been agreed.
241. An exercise referral scheme should be set up for children, similar to the Life Fit Scheme already in place for adults.

**Recommendation 17** *Bariatric surgery*

242. In the UK, NICE recommends that Bariatric surgery should be available for those patients assessed as able to benefit from it. The NICE guidelines stipulate the importance of multi-professional involvement in the treatment of these patients, and recommend that dieticians and psychologists should be actively involved in the pre-operative assessment, preparation for surgery and post-operative monitoring of these patients. In Guernsey, although there is the technical capacity to perform Bariatric surgery, this frequently occurs in isolation, and without the benefit of a multidisciplinary approach, with ongoing dietetic input and psychological support. Increased levels of Bariatric surgery also distort other operative practice at the Princess Elizabeth Hospital, requiring a disproportionate use of intensive care beds, etc. If Bariatric surgery is to continue in Guernsey, this should be in the context of properly structured, multidisciplinary work up and post operative support.

**Recommendation 18** *Psychological support*

243. Referrals seeking help for obesity, whether through primary or secondary care, should have access to psychological support, provided by an appropriate professional, as appropriate.

## **CONCLUSION**

Accordingly, the Health and Social Services Department recommends the States to agree:

- a) that, based on the recommendations set out in this report, an integrated corporate strategy be formulated on nutrition, exercise and weight.
- b) to direct the Health and Social Services Department to report back to the States by June 2008 (earlier if feasible) with firm proposals based on the further investigations required, taking into account the views expressed by the States, together with the consultations undertaken with other interested parties and identify the resource implications of the strategy.

Yours faithfully

P J Roffey  
Minister

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**(NB The Policy Council supports the proposals.)**

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

XII.- Whether, after consideration of the Report dated 3<sup>rd</sup> May, 2007, of the Health and Social Services Department, they are of the opinion:-

1. That, based on the recommendations set out in that Report, an integrated corporate strategy be formulated on nutrition, exercise and weight.
2. To direct the Health and Social Services Department to report back to the States by June 2008 (earlier if feasible) with firm proposals based on the further investigations required, taking into account the views expressed by the States, together with the consultations undertaken with other interested parties and identify the resource implications of the strategy.

***(NB The Health and Social Services Department has requested that this matter be debated in accordance with Rule 12 (4) of the Rules of Procedure of the States of Deliberation which provides***

*“Where a Department or Committee originating a matter for debate before the States is of the opinion that the proposals it is submitting to the States are ones of general policy, and where it is desirable that the general principles of that policy should be considered, the Department or Committee may request that its propositions be considered by the States without amendment, on the understanding that if the propositions are accepted, the Department or Committee would return with detailed proposals which could be accepted or rejected, together with any amendments...”* )

## **PUBLIC ACCOUNTS COMMITTEE**

### **OPERATIONS AND PROCEDURES**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

27<sup>th</sup> April 2007

Dear Sir

#### **1. Executive Summary**

- 1.1 After three years of operation, the Public Accounts Committee needs to clarify its purpose and mode of operation, and to state how it should relate to other parts of government. This report details how the Public Accounts Committee will promote value for money more effectively and efficiently for the States of Guernsey and its stakeholders.
- 1.2 Guernsey is part of the global economy and is in competition for business with many other states. If Guernsey is to be seen as well governed, its government must be well conducted with transparency, openness and accountability.
- 1.3 The Public Accounts Committee has studied the work of comparable bodies in other Commonwealth states. The most common pattern is for an Auditor General to work alongside a Public Accounts Committee. Auditors General are granted very wide powers to investigate the use of public money, whether it be by government or by other bodies that receive public funding.
- 1.4 In the absence of an Auditor General, the Guernsey Public Accounts Committee must ensure that it fulfils its mandate of ensuring the best use of public funds, while being closely tied in to other parts of government. The members of the Committee feel that they can function effectively in this framework until such time as an Auditor General may be appointed, but the position needs to be fully understood by all in government.
- 1.5 To fulfil its mandate, the Public Accounts Committee must be able to call for any records and to speak to any persons involved in spending public money. At present it has no legal powers to enforce such access, and has had to rely on the cooperation of States members, senior civil servants and others to gain the information needed. Such cooperation has mostly been given but there have

been exceptions. For this reason, the Committee is seeking a States resolution to give it the access rights it needs. In other jurisdictions, legal powers are available to Public Accounts Committees (and to Auditors General where appointed), and there may be grounds in future for similar powers in Guernsey should the States resolution not prove effective.

**1.6 Against this background the Public Accounts Committee has decided to seek a States resolution, to give it the authority needed for it to operate effectively, an omission when the new Machinery of Government was formulated. The identification and formal documentation of these authorities for the Public Accounts Committee (by States resolution) is a prime purpose of this States Report.**

## **2. Accountability as a principle of Corporate Governance<sup>1</sup>**

2.1 If a state is to be well governed it must have institutions and processes which are transparent i.e. not susceptible to corruption in business transactions, and accountable to the people, allowing them to participate in decisions that affect their lives.

2.2 The United Nations Development Programme lists the principles of good governance as equity, participation, pluralism, partnership, subsidiarity, transparency, accountability, rule of law, effectiveness, efficiency, responsiveness and sustainability.

**2.3 Public Accounts Committees are part of the parliamentary infrastructure to achieve these principles. They ensure that governments account for their management and use of public resources and are the watchdogs of public spending. They can examine all aspects of public expenditure, income and assets and ensure best use of public money.<sup>2</sup>**

2.4 In the United Kingdom, the Public Accounts Committee was first appointed in 1861, and is the second oldest select committee of the House of Commons. It is governed by Standing Order No 148, which gives the UK Committee power to send for persons, papers and records, and to report on them. The UK Committee questions senior civil servants and others on the use of public funds.<sup>3</sup> Following the National Audit Act of 1983 the main work of the UK Committee has been the examination of the reports from the Comptroller and Auditor General on value for money studies.

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<sup>1</sup> See the Public Accounts Committee States Report on Risk Management and Insurance in Guernsey, Billet III, 31 January 2007, page 306 -8, for further details on the history of Corporate Governance and why it has become so important.

<sup>2</sup> The Overseers: Public Accounts Committees and Public Spending by David G. McGee, QC, page 10

<sup>3</sup> Holding to Account: The Review of Audit and Accountability for Central Government" by Lord Sharman of Redlynch, February 2001 page 17

**2.5 Internationally, the Commonwealth is dedicated to promoting the work of Public Accounts Committees as a means of promoting good governance and strengthening of Parliament.**<sup>4</sup>

2.6 The Commonwealth Parliamentary Association (CPA) set up a Study Group to assess how Public Accounts Committees were working in practice and whether they were fulfilling expectations as important guarantors of good governance. The Study Group concluded that Public Accounts Committees led to better public sector accountability<sup>5</sup>.

2.7 The National Audit Office endorses this and states:

**Figure 1**

“Accountability for the use of public funds is of fundamental importance to democratic government”.

*Source: NAO Report “ State Audit in the European Union”*

**2.8 The existence of a Public Accounts Committee in a jurisdiction indicates to international businesses and tax payers of a community that the government, relating to that jurisdiction, is accountable, open and transparent.**

### **3. The Development of Financial Scrutiny in Guernsey**

#### **3.1 Pre-Public Accounts Committee**

3.1.1 The Public Accounts Committee is not the first body appointed in Guernsey to investigate the use of public funds.

3.1.2 Guernsey first introduced financial scrutiny in the mid-nineteenth century, with the States Supervisor’s accounts being checked by a States committee comprising Jurats, Rectors and Douzeniers. Locally, the first external auditors were appointed in 1887 and reported to the Audit Committee of the States of Guernsey.

3.1.3 In 1954, the external auditors introduced the provision of internal audit and in 1980 and 1984 drew to the Advisory and Finance Committee’s attention that internal audit should be extended as there were areas that their work did not cover. In 1984, a States Requête on the “Review of Expenditure on Revenue Account” led to Advisory and Finance announcing in 1985 the creation of an Internal Audit Department.

<sup>4</sup> “The Overseers; Public Accounts Committees and Public Spending” by David G. McGee, QC, page 9

<sup>5</sup> Ibid, page 6

[A full history of financial scrutiny within the States is given in Appendix II of this report].

- 3.1.4 Even though the Internal Audit Department was established in 1987, it was not until 1990 that the role and responsibilities of Internal Audit Department were formally set out as part of the Policy, Planning, Economic and Financial report.<sup>6</sup> It was further strengthened in 2002 in Appendix II of the Billet XXII.<sup>7</sup>
- 3.1.5 In 1997, the States approved the appointment of an audit body for the States of Guernsey<sup>8</sup>, namely the Audit Commission. The argument put forward at this time was that such a body must be independent and to achieve that end it was to consist of non States members except that the President of the Advisory and Finance Committee was appointed as an ex-officio member to provide a political link. The Audit Commission was established by Order in Council in March 1998.
- 3.1.6 In October 2002, Billet D'Etat XXII the States debated a report from the then Advisory and Finance Committee based on a National Audit Office (NAO) Report on the Guernsey Audit Arrangements. This report stated that the States of Guernsey's arrangements for scrutinising the use made of public funds should be strengthened. It recommended the creation of a Public Accounts Committee and the appointment of an Auditor General to provide a sharper focus to auditing arrangements.
- 3.1.7 The resultant ordinance encompassed the powers recommended by the 2002 Policy Letter and were put in place for the Audit Commission until the changes under the Machinery of Government. The Public Accounts Committee subsumed functions and responsibilities of the then existing States Audit Commission, which was dissolved May 2004<sup>9</sup>.
- 3.1.8 Since inception, the Public Accounts Committee has established contact with the two other facets of financial scrutiny, i.e. Internal and External Audit. The Audit and Assurance Unit report quarterly to the Committee and indicate any areas of concern and the Committee meet the external auditors annually following completion of the audit on the States accounts. The Committee is also mandated to recommend to the States the appointment of the external auditors and as such carries out the tendering exercise every five years.

## **3.2 Creating a Public Accounts Committee**

- 3.2.1 May 2004 saw the creation of a Public Accounts Committee in Guernsey to undertake financial scrutiny within the new government as a result of a long period of deliberations and consultations on the way that government should

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<sup>6</sup> Billet D'Etat XIII, July 1990, page 739

<sup>7</sup> Billet D'Etat XXII, 30 October 2002, page 1807

<sup>8</sup> Billet D'Etat III, 26 February 1997, page 243 - 253

<sup>9</sup> Billet D'Etat XXIV, 29 October 2003, page 2206

operate. In 1998, the States of Guernsey had resolved that a Review of the Machinery of Government should be carried out. A panel was set up to carry out this review under the chairmanship of Advocate Harwood.

- 3.2.2 A MORI Survey was carried out on behalf of the Advisory and Finance Committee in 2001 to provide hard data about residents' perceptions of local governance and their views about the way forward. This survey indicated that 71% of those residents surveyed considered the States was not sufficiently accountable when things went wrong and that there should be more internal scrutiny of the States' activities<sup>10</sup>. The most popular aspect of the proposed changes was a new Public Accounts Committee with other ad hoc committees scrutinising States' activities. Four in five residents agreed that this would be a positive change<sup>11</sup>, with 51% strongly agreeing with greater accountability of the new States.
- 3.2.3 In 2002, when the Review of the Machinery of Government was presented to the States, one of the clear proposals on the way forward was:

**Figure 2**

“the need for greater accountability for the actions of States Departments and States Members with government responsibilities.”

*Source: Billet D'Etat VII, 14 May 2002, page 568*

- 3.2.4 Billet D'Etat VII, 14 May 2003 focused on the accountabilities of the proposed States Departments and in Appendix 7 drafted the frameworks for the new Departments. The mandates approved for new States Departments, Committees and the Policy Council, all included the following statement:

**Figure 3**

“To be accountable to the States for the management and safeguarding of public funds and other resources entrusted to the Department”

*Source: List of Members, Mandates and Membership of Departments and Committees.*

- 3.2.5 By including this statement in each mandate of the new States Departments, the States of Guernsey recognised accountability as an important criterion of corporate governance and that accountability rests with the Departments. However, this does not absolve ultimate responsibility from resting with the States of Guernsey.

<sup>10</sup> Billet D'Etat VII, 14 May 2002, page 577

<sup>11</sup> Billet D'Etat VII, 14 May 2003, page 917

- 3.2.6 The Harwood Report recommended that there should be a Public Accounts Committee to review Departments' financial affairs and to strengthen the scrutiny of accounts and management<sup>12</sup>. This led to the establishment of a Public Accounts Committee. The Harwood Report also raised the question of an Auditor General.
- 3.2.7 In May 2003, Billet D'Etat VII, a brief mandate of the Public Accounts Committee was described by the former Advisory and Finance Committee, and included the possibility of an Auditor General post<sup>13</sup>.
- 3.2.8 In 2004 the Machinery of Government changes came into place and the Public Accounts Committee was set up with a membership of nine, five politicians and four non States members elected by the States.

## **4. Requirements for the Public Accounts Committee to operate**

### **4.1 Introduction**

4.1.1 Public Accounts Committees in other jurisdictions have strong legal powers to enable them to pursue investigations necessary to fulfil their mandates. In Guernsey, the Public Accounts Committee has been constituted without such powers.

**4.1.2 The Public Accounts Committee is of the opinion that the way in which it operates should be endorsed by States resolution. It does not propose to move towards legislation at this stage, although that is not ruled out in future.**

4.1.3 In the course of their investigations, Public Accounts Committees must deal with sensitive matters. They may need to see confidential documents and will question public officials and those handling public funds. Those officials, and the public at large, deserve re-assurance that the Public Accounts Committee, its members and staff will handle such matters with a high standard of probity.

4.1.4 The rest of this section will highlight specific operational matters that need to be strengthened for the Public Accounts Committee to be able to carry out its mandate and fulfil the expectations of its role.

### **4.2 Rights of Access**

4.2.1 The work of the Public Accounts Committee is evidence based and relies on access to documents held by Departments to help it form an opinion on whether public funds are used for the purposes intended and that extravagance and waste are eradicated.

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<sup>12</sup> Billet D'Etat VII, 14 May 2002, page 589

<sup>13</sup> Billet D'Etat VII, 14 May 2003, page 894

4.2.2 Up to now each investigation has been dependent on the co-operation of Departmental staff in providing and giving accessibility to the information. At staff level, this access has been based on the access rights applying to the Internal and External Auditors. This co-operation has not always been forthcoming and there are instances where **requests for reports, documents and access have been denied.**

**4.2.3 The Public Accounts Committee is of the opinion that accessibility rights must be clearly laid out in order for it to fulfil the requirements of its mandate.**

### **4.3 Access Provided to Staff**

4.3.1 At the present time it has been necessary to make the assumption that the staff and consultants have the same rights of access as the States Internal Auditors whose powers were confirmed in 2002. The accepted powers and rights of access were confirmed through Resolution of the States of Guernsey as being:

**Figure 4**

- “Enter at all reasonable times upon any States premises or land subject to consultation with the appropriate Official.
- Have access to all records (documents, correspondence, computer records etc.) relating to any financial transactions or containing matters which may have an impact on the finances, reputation or the effective and efficient operation of the States. The right of access shall be subject to any applicable legal controls and restrictions and, furthermore, where the information involved is of a sensitive nature, the appropriate Official will be consulted as to the manner in which access is to be given.
- Require and receive such explanations from any States employee as are necessary concerning any matter under examination.
- Require any States employee to produce cash, stores or any other States property or documentation or records of any type under his control.”

*Source: Billet D’Etat XXII, 30 October 2002, page 1807*

4.3.2 In Jersey, the Public Finances (Jersey) Law 2005 details the powers delegated to the three top financial positions within the States of Jersey, namely the Treasurer, Chief Internal Auditor and the Comptroller and Auditor General. It details how they interact with each other and the legal power that the Comptroller and Auditor General has to enter and inspect as:

**Figure 5**

“56 (1) The Comptroller and Auditor General may in the exercise of his or her functions under this Law –

(a) enter and inspect any building or other premises occupied or controlled by any States funded body; and

(b) while in the building or premises inspect any records, stores, goods, plant, machinery, cash and other valuables”

*Source: Public Finances (Jersey) Law 2005*

4.3.3 There is no such Finance Law in Guernsey laying out the roles and responsibilities of senior financial staff although they are documented in States resolution. Specifically there is no guidance on the access rights of the Public Accounts Committee to property and person.

**4.3.4 In order to carry out public financial scrutiny the Public Accounts Committee needs the same rights of access as the States internal auditors as detailed in figure 4 above.** This right of access should be attributed to the staff of the Public Accounts Committee and those commissioned by the Public Accounts Committee to carry out value for money audits and specific investigations.

#### **4.4 Access to Non States Bodies**

4.4.1 The Public Accounts Committee strives to ensure that all public funding is used wisely, efficiently, effectively and economically. This means that it must be able to investigate any organisation receiving public funds whether through direct funding, grant or sponsorship.

4.4.2 In the UK, a review was carried out by Lord Sharman of Redlynch (the Sharman Review) which defined public money as:

**Figure 6**

“All money that comes into the possession of, or is distributed by, a public body, and money raised by a private body where it is doing so under statutory authority”

*Source: “Holding to Account: The Review of Audit and Accountability for Central Government” by Lord Sharman of Redlynch, February 2001, page 15*

4.4.3 The Chairman of the UK Public Accounts Committee, in giving his evidence at the Sharman Review, suggested that gaps, anomalies, constraints and delays in Parliamentary assurance were as a result of the Comptroller and Auditor General having to negotiate rights of access for each review.

- 4.4.4 The Public Accounts Committee is the only committee with the mandate to ensure that the people of Guernsey receive value for money from all recipients of public funds as defined in figure 6 above. There are many recipients of public funds, often of small amount, and the Public Accounts Committee will, naturally, focus on those receiving more substantial sums.
- 4.4.5 Departments, in setting agreements with new third party recipients of States monies, should include provision for access rights for financial scrutiny, where the amount received is significant.
- 4.4.6 The Public Accounts Committee may also question representatives of third party recipients of States funding.
- 4.4.7 The Public Accounts Committee recommends that it is a condition of States funding that recipients may be subject to States financial scrutiny.**

#### **4.5 Accountability and Calling Witnesses**

- 4.5.1 Once an investigation commissioned by the Public Accounts Committee has been completed, or when a report has been received from another source, it is normal for the Committee to test the information and recommendations received. In order to do this, the Committee may hold a hearing, inviting witnesses from the Departments involved to answer questions based on the primary report or sometimes, as an alternative, confirm progress in writing.
- 4.5.2 This report has indicated that financial responsibility and accountability rests with the Boards of the States of Guernsey Departments. However, the underlying systems and provision of services rest with the staff employed by the Departments and, within the Guernsey Civil Service, this responsibility rests with the Chief Officer.
- 4.5.3 In other jurisdictions the most senior civil servant within a Department is legally held accountable and is formally termed an Accounting Officer (Appendix III of this report provides a detailed explanation of accounting officers). Guernsey has not clarified this specific responsibility of the Chief Officers although Billet D'Etat XI, 26 May 1999, which covered States financial procedures, set out the responsibilities of the States Treasurer and senior financial officers of the committees. That Billet recommended that every committee had a senior financial officer and that they had a duty to ensure that the committee complied with relevant professional, financial and accounting standards and procedures.
- 4.5.4 In 2003/4, under the Machinery of Government Review, job descriptions for the chief officer posts included provision of achieving best value and ensuring performance and quality of service delivery. However, unlike the senior financial officers, this has not been formalised by the States of Guernsey, and is insufficiently binding to ensure that each Chief Officer is accountable to the

Public Accounts Committee in Guernsey. This does not absolve the Chief Officer nor prevent him/her from giving evidence.

**4.5.5 The Public Accounts Committee recommends that the Policy Council should continue to include in the job descriptions of Chief Officers this accountability referred to in 4.5.4.**

4.5.6 Since inception, the Public Accounts Committee has adopted an approach that it will operate at staff level, gathering information direct, whether in writing or verbally at hearings, from civil servants and officers of Departments. The opinion of the Public Accounts Committee is based on factual evidence provided by the Departments' staff. In order to achieve this, civil servants should be able to respond to political requests for evidence.

4.5.7 As the Chief Officer is not expected to be expert in all aspects of work of the Department, he/she may elect to be accompanied by support colleagues who will only reply to questions directed to them through the Chief Officer. However, it is the Chief Officer who is responsible for all financial aspects of the work of the Department and should he/she be unable to attend on the chosen date due to illness or bereavement, the hearing may be postponed and reconvened at a later date.

4.5.8 The hearing is not a court, it does not set out to lay blame, nor is it the only opportunity for witnesses to provide evidence to the Public Accounts Committee. Chief Officers have the opportunity to present written supplementary evidence to amend and update evidence which was incorrect or unavailable at the time of the hearing.

4.5.9 In some instances it may be that, following the evidence given or supplied by the Chief Officer in order to get to the root of the matter, the Public Accounts Committee may call Ministers as witnesses at a further hearing.

4.5.10 In addition, the Public Accounts Committee in gathering its facts, may elect to call as witnesses Chief Officers no longer in post due to retirement, leaving the employ of the States or moving to another Department. Similarly, the Public Accounts Committee may invite former States Members to give evidence.

**4.5.11 The Public Accounts Committee must be able to invite and require attendance at hearings of any person in order to ensure openness and transparency from those accountable for the underlying system being reviewed.**

4.5.12 A senior staff representative from the Treasury and Resources Department may be present at each hearing, in order to give information on the financial situation or States wide procedures.

## **5. The Way in which the Public Accounts Committee operates**

### **5.1 Hearings**

5.1.1 The main thrust of the work of the Public Accounts Committee is to clarify facts and ensure action is being taken by Departments and other bodies to implement recommendations from third party reports. Whether a hearing is held or not, the Public Accounts Committee will form its own opinion and may make recommendations to the States of Guernsey.

5.1.2 Usually only members of the Public Accounts Committee, witnesses and the Committee support staff will attend hearings. Members of the Public Accounts Committee will not discuss the proceedings of the hearing with anyone else until a States Report has been published. In some circumstances it may be desirable to hold a hearing in public.

5.1.3 Should a hearing be held, it is in the States interest to gain assurance from the witnesses on the factual content and implementation of recommendations within the third party report. Witnesses should not be restricted in their comments to the Public Accounts Committee through their terms of employment and should be open in their responses at such hearings. Witnesses will have parliamentary privilege on what is said at a hearing, following the inclusion of “Witnesses at Hearings” in the legislation approved by the States of May 2005<sup>14</sup>, when that law is enacted.

5.1.4 Since inception, the Public Accounts Committee has become aware of issues which are highly sensitive, some of which, due to the potential damage they could cause to Guernsey and its negotiation of legal issues, have delayed the Public Accounts Committee from carrying out its work. This has led the Public Accounts Committee to require confidentiality from its members in respect of information disclosed during the course of its investigations.

**5.1.5 Members, staff and consultants will not divulge any information relating to an investigation until the publication is final, unless the Public Accounts Committee is holding the hearing in public.**

5.1.6 There are procedures already in place to ensure confidentiality. Members of the Public Accounts Committee, including the non-States members, are bound by the Code of Conduct for Members of the States of Deliberation. Civil servants are bound by the declaration of secrecy upon appointment to the Civil Service and in addition, professional staff by their code of ethics.

### **5.2 Auditors General**

5.2.1 Auditors General are independent offices, appointed by government to

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<sup>14</sup> Billet D’Etat V1, 25 May 2005, page 999

complement Public Accounts Committees and to provide value for money reviews. It is usual for Auditors General to have a comprehensive mandate to investigate any matter in the field of public finance, and to have powers to examine documents, enter premises and question persons in furtherance of those investigations. It is truly an independent post. The Auditor General decides what matters should be investigated, and may, should it be thought appropriate, decline to look into matters suggested by the Public Accounts Committee or others in government.

5.2.2 In regard of such an establishment within Guernsey, there is more work to do before a substantive proposition can be made to the States. The costs of such an operation must be established and a justification of those costs assessed. The exact mandate for an Auditor General must be worked out, together with the relationship with the Public Accounts Committee.

**5.2.3 In due course the Public Accounts Committee will report to the States on whether an Auditor General should be appointed, thus fulfilling the mandate given by the States in 2003. Such an appointment would require legislation to define the powers and responsibilities of the Auditor General.**

## **6 Conclusions**

6.1 Openness, transparency and accountability are all important factors in what is expected of modern government. It is the role of the Public Accounts Committee to play its part in ensuring that these are achievable.

6.2 In order to comply with best and international practice the States of Guernsey needs to set out clearly the powers that the Public Accounts Committee should have to carry out its duties.

6.3 The next stage of the development of financial scrutiny may be the appointment of an Auditor General and the Public Accounts Committee undertakes to consider this further and to return to the States with proposals.

## **7 Recommendations**

7.1 The Public Accounts Committee recommends the States to:

- a) Note the contents of this report
- b) Approve that the Public Accounts Committee has the same rights of access as were afforded the States Internal Auditors by Resolution X Billet D'Etat XXII, 30th October 2002 and as set out at paragraph 4.3.1 of this Report.
- c) Approve that it should be a condition of any new or continuing States' Funding (of whatever nature and where the amount received is significant) that the recipients of such Funds do agree to make themselves subject to financial scrutiny in the same manner as afforded to the Committee under 7.1.b) above.

- d) Recognise the accountability of each Chief Officer for the most effective provision of services within the budgetary and staffing limits of his/her Department to ensure best use of resources and that the job descriptions of the Chief Officers continue to include reference to that accountability.

Yours faithfully

Leon Gallienne  
Chairman

**APPENDIX I**

## The Mandate of

**PUBLIC ACCOUNTS COMMITTEE**

Constituted with effect from 1st May, 2004 by Resolution of the States of [ ] 2003.

**CONSTITUTION**

- A Chairman, who shall be a sitting member of the States.
- Four members, who shall be sitting members of the States.
- Four members, who shall not be sitting members of the States.

**MANDATE**

- a)
  - i) To ensure that proper scrutiny is given to the States' assets, expenditure and revenues to ensure that States' bodies operate to the highest standards in the management of their financial affairs.
  - ii) To examine whether public funds have been applied for the purposes intended by the States and that extravagance and waste are eradicated.
  - iii) To recommend to the States the appointment of the States External Auditors and their remuneration.
- b) To liaise with the Scrutiny Committee to ensure there is appropriate coordination of the entire scrutiny process.
- c) To develop, present to the States for approval as appropriate, and implement policies on the above matters which contribute to the achievement of strategic and corporate objectives.
- d) To exercise the powers and duties conferred on it by extant legislation and States resolutions.
- e) To be accountable to the States for the management and safeguarding of public funds and other resources entrusted to the Committee.

**APPENDIX II****History of Financial Scrutiny within the States of Guernsey**

- 1840s Jurat, Rectors and Douzeniers review States Supervisors States accounts
- 1887: Independent review of States accounts by firm of accountants
- 1954: Black, Geogehan and Till introduce provision of internal audit
- 1984: States Requête on Reviewing Expenditure on Revenue Accounts
- 1985: Advisory and Finance Committee announce creation of Internal Audit Department
- 1986: A report by Peat Marwick Mitchell and Co on structure, organisation and role of Advisory and Finance Committee including the approach to the development of internal audit and review of value for money.
- 1987: Internal Audit Department was set up
- 1990: Internal Audit Department's role, responsibilities, rights of access and areas of authority were approved by the States in July 1990
- 1995: A dedicated sub-committee of Advisory and Finance Committee was set up to oversee the internal audit function
- 1997: States approved the formation of a statutory authority entitled the States Audit Commission.
- 1998: First members of States Audit Commission elected
- 1999: States report on Financial Procedures outlining responsibilities of States Committees, States Treasurer and Senior Financial Officers
- 2000: States Audit Commission Strategic Business Plan published
- 2002: Review of States of Guernsey Audit Arrangements by the NAO
- 2003: Review of Machinery of Government outlined and mandate of Public Accounts Committee approved
- 2004: Machinery of Government with the Audit Commission subsumed by Public Accounts Committee
- 2004: Chairman and members of Public Accounts Committee elected.
- 2004: Public Accounts Committee establish links with Internal and External auditors.

## APPENDIX III

**Accounting officers**

It is established practice for Public Accounts Committees in the UK and Ireland, and other countries following the UK model, to call in civil servants and not ministers as witnesses, although some jurisdictions do call in their ministers. In general, Public Accounts Committees do not question policy and emphasise this by taking evidence from departmental officials. Figure 7 provides details on the results from a questionnaire sent to 70 CPA Branches and gives details about who are invited as witnesses:

**Figure 7**

<b>Who are normally summoned as witnesses?</b>		
	Yes	No
Ministers	31%	69%
Departmental Officials	97%	3%
Auditor-general	79%	21%
Interest groups/civil society bodies	29%	71%

*Source: "The Overseers; Public Accounts Committees and Public Spending" by David G. McGee, QC, page 98*

In order to clarify who should be called as witnesses, in 2000 the UK Government Resources and Accounts Act led to the appointment of Accounting Officers for each Department. In practice, in the UK, the Accounting Officer is the most senior civil servant within the Department. It is this principal Accounting Officer who is invited to give evidence to the hearings of the Public Accounts Committee at Westminster.

Jersey has followed the UK model as The Jersey Public Finances Law 2005 includes the creation of the Accounting Officer posts. The Accounting Officer must ensure that:

- Expenditure does not exceed the amount allocated to a head of expenditure and it must be used for the purpose to which it was intended
- All money owed is promptly collected and paid into the appropriate bank account
- Proper accounts and records are kept of all its financial transactions
- Records are provided to the Treasurer for the production of the annual financial statements
- The Department is administered in a prudent and economical manner
- Resources are used efficiently and effectively.

In practice, it is acknowledged that Accounting Officers may have delegated some of their authority, but that should not give them cause to disclaim responsibility, nor can they decline to answer if events happened before their appointment.

**(NB While being generally supportive of the main thrust of the Public Accounts Committee report, the Policy Council has two significant concerns.**

**Firstly that Public Accounts Committee states in paragraph 4.2.2 "Up to now each investigation has been dependent on the co-operation of Departmental staff in providing and giving accessibility to the information. At staff level, this access has been based on the access rights applying to the Internal and External Auditors. This co-operation has not always been forthcoming and there are instances where requests for reports, documents and access have been denied."**

**The Policy Council believes that if the Public Accounts Committee is to make such accusations in its report, it should be prepared to name in its report the Departments concerned and the circumstances surrounding the perceived problems. However, despite a request from the Policy Council, the Public Accounts Committee has not been prepared to do this.**

**The second concern relates to Recommendation 7.1.c. The Policy Council considers that the blanket approach to Non-Government Organisations having to give Public Accounts Committee access to their organisations records etc may be counter-productive, and that if this is approved as drafted the result may be a loss of good will, co-operation and quite possibly some of the very valuable contributions that these organisations make to the community in Guernsey. In order to avoid this the Policy Council believes that it is necessary for the Public Accounts Committee to define in its report exactly what it means by the word "significant" in relation to any States funding both in terms of the percentage of such funding in relation to the organisations overall budgets and in terms of minimum amounts of States support below which there would be no requirement for such access." Again the Public Accounts Committee has declined to do this.)**

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

XIII.- Whether after consideration of the Report dated 27<sup>th</sup> April 2007, of the Public Accounts Committee, they are of the opinion:-

1. To note the contents of that Report.
2. That the Public Accounts Committee has the same rights of access as were afforded the States Internal Auditors by Resolution X Billet D'Etat XXII, 30th October 2002 and as set out at paragraph 4.3.1 of that Report.

3. That it should be a condition of any new or continuing States' Funding (of whatever nature and where the amount received is significant) that the recipients of such Funds do agree to make themselves subject to financial scrutiny in the same manner as afforded to the Committee under 7.1.b) above.
4. To recognise the accountability of each Chief Officer for the most effective provision of services within the budgetary and staffing limits of his/her Department to ensure best use of resources and that the job descriptions of the Chief Officers continue to include reference to that accountability.

## **HOUSE COMMITTEE**

### **ARRANGEMENTS FOR 2008 GENERAL ELECTION**

The Presiding Officer  
The States of Guernsey  
Royal Court House  
St Peter Port

30<sup>th</sup> April 2007

Dear Sir

#### **Executive Summary**

This report proposes that:

- a General Election be held on Wednesday, 23<sup>th</sup> April, 2008;
- the Electoral Roll for the 2008 General Election shall close on 1<sup>st</sup> February, 2008;
- the maximum sum for electoral expenditure in elections for the office of People's Deputy be increased to £1,400 with corresponding increases for the offices of Constable and Douzenier.

#### **Interpretation**

In this report reference to Articles relate to articles of The Reform (Guernsey) Law, 1948, as amended.

#### **Report**

##### ***Day and Date of Election***

1. Article 29(3) states that the date for the holding of any election shall be appointed by Ordinance and Article 29(1) provides that General Elections shall be held in the month of April.
2. Traditionally General Elections of People's Deputies have always been held on Wednesdays. Representations have been received by the House Committee to the effect that moving election day from Wednesday to Saturday would make it easier for the parishes to obtain scrutineers to staff the polling stations and also that it may increase voter turnout.

3. The Constables and Douzaines of the parishes have a vital role in the running of elections and the Committee is aware of the long hours spent by parish officials and helpers from the opening of the poll through to the declaration of the result. The House Committee takes this opportunity of thanking them publicly for their services. Each Douzaine was asked to indicate whether it would prefer elections to be held on Wednesdays or Saturdays.
4. Five Douzaines favoured, or raised no objection to, moving election day to Saturday; four preferred remaining with Wednesday and one Douzaine was equally divided. The Douzaines were thus fairly evenly divided as to whether elections should be held on Wednesdays or Saturdays.
5. Research conducted in other jurisdictions indicates that pros and cons of weekend as opposed to weekend elections are broadly in balance. That being so, and having regard to the mixed views of the Douzaines, the Committee believes that the arguments in favour of holding the General Election on a Saturday are inconclusive and therefore recommends that the elections should continue to be held on a Wednesday for the time being.
6. Easter Day in 2008 will fall on the 23<sup>rd</sup> March (it last did so in 1913 and will next do so in 2160). The earliness of Easter has resulted in the Education Department deferring the school holidays which means that the summer term will not start until the 22<sup>nd</sup> April. The House Committee has already received representations (with which it concurs) that it would be inappropriate for the General Election to be held during school holidays. Consequently Wednesday 23<sup>rd</sup> April is proposed as the date on which the 2008 General Election be held.

***Closure of Electoral Roll prior to Election***

7. The Electoral Roll can now be amended at any time but the Law provides that it shall be closed for a period prior to an election. Article 34 (11) (a) provides that the Electoral Roll shall be closed, in respect of an election for the office of People's Deputy, on the date appointed by Ordinance of the States and, during the period beginning on the date of closure and ending on the date of the election, no entry in the Electoral Roll shall be made or amended. Mindful of the considerable work involved in compiling and printing copies of the Electoral Roll for candidates and for use at the polling stations, the Committee proposes that, in respect of next year's General Election, the Electoral Roll be closed on 1<sup>st</sup> February, 2008.

***Electoral Expenditure***

8. Article 44 (1) provides that no candidate in any election shall in respect of such election expend any sum of money or give any value in money's worth otherwise than in accordance with such provisions as shall, from time to time, be prescribed by Ordinance.

9. The maxima prescribed by the Elections Ordinance, 2004 are as follows:

People's Deputies: £1,200

Constables and Douzeniers:

St Peter Port	£600
St Sampson, Vale, Castel & St Martin	£400
St Saviour, St Pierre du Bois & St Andrew	£250
Torteval & Forest	£150

10. A fine balance has to be maintained in determining the appropriate level at which electoral expenditure must not be exceeded. On the one hand it has to be high enough to allow a candidate a reasonable chance of carrying out a campaign in which he can, by various means, get his views over to all of the electorate in the District. On the other hand it must not be so high as to give a wealthy candidate an unfair advantage over a candidate of more modest means.
11. The Committee believes that the base-line set for the 2004 elections was reasonable and proposes that the maxima then specified be increased broadly in line with the change in the retail price index, that is

People's Deputies: £1,400

Constables and Douzeniers:

St Peter Port	£700
St Sampson, Vale, Castel & St Martin	£465
St Saviour, St Pierre du Bois & St Andrew	£290
Torteval & Forest	£175

***Provision of Subsidized Postage***

12. In 2003 the States resolved to defray 50% of the cost of postage at the minimum local postage rate, for each candidate in an election for the office of People's Deputy who wishes to send, on one occasion only, letters, manifestoes and/or other communications through the post to each elector in the electoral district where that candidate is standing, provided that:
- (a) where candidates group together to reduce their combined costs, the amount payable by the States towards the postage of a single envelope to each elector for those candidates shall be an amount not exceeding the actual cost thereof, or 50% of the minimum local postage rate multiplied by the number of those candidates, whichever is less; and

- (b) the mailing must be delivered on one occasion to Sir Charles Frossard House, in accordance with arrangements specified by the States Procedures and Constitution Committee, and accompanied where appropriate by the balance of the postage due.
13. The House Committee is of the opinion that the scheme introduced prior to the 2004 election generally worked well. That being so the Committee proposes no change to assisted postal arrangements currently sanctioned by States resolution.

### **Recommendations**

The House Committee recommends the States to agree that legislation be enacted to provide that:

- (a) a General Election of People's Deputies be held on Wednesday, 23<sup>rd</sup> April, 2008;
- (b) in respect of the aforesaid General Election, the Electoral Roll shall be closed on 1<sup>st</sup> February, 2008;
- (c) the maxima for electoral expenditure shall be prescribed as follows:
  - (i) in elections for the office of People's Deputy £1,400;
  - (ii) in elections for the offices of Constable and Douzenier –
 

St Peter Port	£700
St Sampson, Vale, Castel & St Martin	£465
St Saviour, St Pierre du Bois & St Andrew	£290
Torteval & Forest	£175.

Yours faithfully

B M Flouquet  
Chairman

**(NB The Policy Council supports the proposals.)**

**(NB The Treasury and Resources Department has no comment on the proposals.)**

The States are asked to decide:-

XIV.- Whether, after consideration of the Report dated 30<sup>th</sup> April, 2007, of the House Committee, they are of the opinion:-

1. That a General Election of People's Deputies be held on Wednesday, 23<sup>rd</sup> April, 2008.
2. That, in respect of the aforesaid General Election, the Electoral Roll shall be closed on 1<sup>st</sup> February, 2008.
3. That the maxima for electoral expenditure shall be prescribed as follows:
 

(i)	in elections for the office of People's Deputy	£1,400;
(ii)	in elections for the offices of Constable and Douzenier –	
	St Peter Port	£700
	St Sampson, Vale, Castel & St Martin	£465
	St Saviour, St Pierre du Bois & St Andrew	£290
	Torteval & Forest	£175.
4. 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 STATES HOUSING (RENT AND REBATE SCHEME) (GUERNSEY)  
(AMENDMENT) REGULATIONS, 2007**

In pursuance of Section 3 (1) of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Rent and Rebate Scheme) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, are laid before the States.

## EXPLANATORY NOTE

These Regulations amend the States Housing (Rent and Rebate Scheme) (Guernsey) Regulations, 2005 by making changes to the charges applied to non-dependent persons residing in the household of a statutory tenant.

The regulations come into force on 5<sup>th</sup> May 2007.

**THE STATES HOUSING (STATUTORY TENANCIES) (GUERNSEY)  
(AMENDMENT) REGULATIONS, 2007**

In pursuance of Section 2 and 5 of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Statutory Tenancies) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, are laid before the States.

## EXPLANATORY NOTE

These regulations amend the States Housing (Statutory Tenancies) (Guernsey) Regulations, 2005 by adding a new circumstance for termination of States tenancies (contained in regulation 3(c)(iii)), namely where the Chief Officer decides to allocate a different sized property to the tenant, following a decision to dispose of, demolish or re-develop a property.

The regulations come into force on 5<sup>th</sup> May 2007.

**THE STATES HOUSING (TRIBUNAL AND APPEALS) (GUERNSEY)  
(AMENDMENT) REGULATIONS, 2007**

In pursuance of Sections 2 and 5 of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Tribunal and Appeals) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, are laid before the States.

EXPLANATORY NOTE

These Regulations amend regulation 16 of the States Housing (Tribunal and Appeals) (Guernsey) Regulations, 2005 by providing that appeals against relevant decisions of the Housing Department, or Guernsey Housing Association, include decisions made in consequence of a review of the occupancy of the property that the tenant should be allocated a different sized property, where it is intended that the property be demolished, disposed of or re-developed.

The regulations come into force on 5<sup>th</sup> May 2007.

# **IN THE STATES OF THE ISLAND OF GUERNSEY ON THE 27<sup>th</sup> JUNE, 2007**

**The States resolved as follows concerning Billet d'État No XVI  
dated 8<sup>th</sup> June 2007**

## **TREASURY AND RESOURCES DEPARTMENT**

**TAX DEDUCTED UNDER THE EMPLOYEES TAX INSTALMENT ("ETI")  
SCHEME: PROPOSAL TO ALTER THE BASIS ON WHICH SUCH TAX MAY  
BE OFFSET AGAINST INTERIM ASSESSMENTS**

- I.- After consideration of the Report dated 15<sup>th</sup> May, 2007, of the Treasury and Resources Department:-
1. To approve the changes to sections 61 and 81A (3) of the Income Tax (Guernsey) Law 1975, as amended, as set out in that Report.
  2. To approve the Projet de Loi entitled "The Income Tax (Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council, praying for Her Royal Sanction thereto.
  3. That, pursuant to section 1 of the Taxes & Duties (Provisional Effect) (Guernsey) Law 1992, the said Projet de Loi shall have immediate effect as if it were a law sanctioned by Her Majesty in Council and registered on the records of the island of Guernsey.

## **HOME DEPARTMENT**

**AMENDMENTS TO PROCEEDS OF CRIME AND  
DRUG TRAFFICKING LEGISLATION**

- II.- After consideration of the Report dated 21<sup>st</sup> May, 2007, of the Home Department:-
1. That the legislation to amend the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 and the Drug Trafficking (Bailiwick of Guernsey) Law, 2000, proposed in Article XVIII of Billet d'État XIV of 2007, shall be extended to include the issues set out in that Report.
  2. To approve the Projet de Loi entitled "The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

3. To approve the Projet de Loi entitled "The Drug Trafficking (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

### **PROJET DE LOI**

entitled

#### **THE CRIMINAL JUSTICE (INTERNATIONAL CO-OPERATION) (BAILIWICK OF GUERNSEY) (AMENDMENT) LAW, 2007**

- III.- To approve the Projet de Loi entitled "The Criminal Justice (International Co-operation) (Bailiwick of Guernsey) (Amendment) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

### **PROJET DE LOI**

entitled

#### **THE FORFEITURE OF MONEY, ETC IN CIVIL PROCEEDINGS (BAILIWICK OF GUERNSEY) LAW, 2007**

- IV.- Are of the opinion to approve the Projet de Loi entitled "Forfeiture of Money, etc in Civil Proceedings (Bailiwick of Guernsey) Law, 2007" and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

### **POLICY COUNCIL**

#### **ROYAL COURT REFORMS**

- V.- After consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council:-
  1. To enact legislation to implement the reform of the Royal Court as set out in that Report.
  2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

## **POLICY COUNCIL**

### **MAGISTRATE'S COURT REFORMS**

VI.- After consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council:-

1. To repeal the Magistrate's Court (Guernsey) Law, 1954, as amended, and to replace it with a comprehensive legislative framework within which the Magistrate's Court will continue to administer summary justice in both its criminal and civil aspects, as well as in its inquest jurisdiction, such legislative framework to include the reforms set out in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

## **POLICY COUNCIL**

### **OVERSEAS AID COMMISSION: 2006 ANNUAL REPORT**

VII.- After consideration of the Report dated 14<sup>th</sup> May, 2007, of the Policy Council:-

1. To note the Report.
2. To note the Policy Council's ambition to recommend further real term increases when funding becomes available.

# **IN THE STATES OF THE ISLAND OF GUERNSEY ON THE 28<sup>th</sup> JUNE, 2007**

(Meeting adjourned from 27<sup>th</sup> June 2007)

**The States resolved as follows concerning Billet d'État No XVI  
dated 8<sup>th</sup> June 2007**

## **TREASURY AND RESOURCES DEPARTMENT**

### **REVIEW OF TAX ON RATEABLE VALUES**

VIII.- After consideration of the report dated 15<sup>th</sup> May, 2007, of the Treasury and Resources Department:-

1. To agree to the introduction of Tax on Real Property, as set out in that Report.
2. To note that in Alderney, land be zero-rated for TRP liability.
3. To note the Department's intention to continue to consult and investigate means of safeguarding persons on low incomes.
4. That an Alderney specific range of property groups be created to enable different charges to apply in Alderney that take into account the economic, demographic and physical differences between Alderney and Guernsey.
5. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

## **TREASURY AND RESOURCES DEPARTMENT**

### **DUTY ON MARINE FUEL**

IX.- After consideration of the Report dated 21<sup>st</sup> May, 2007, of the Treasury and Resources Department:-

1. That diesel for marine use shall continue to be exempt from all duty.
2. That, from 1 January 2008, petrol for marine use shall attract a concessionary rate of duty that excludes the increase to be applied following the abolition of motor vehicle taxation.
3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

## **TREASURY AND RESOURCES DEPARTMENT**

### **AURIGNY AIRCRAFT REPLACEMENT**

- X.- After consideration of the Report dated 22<sup>nd</sup> May, 2007, of the Treasury and Resources Department:-
1. To endorse the Treasury and Resources Department's conclusion that the purchase of two new ATR 72-500 aircraft by the Aurigny Group at a cost of \$37 million is the best strategic and financial option.
  2. To authorise the Treasury and Resources Department to facilitate, if necessary by providing guarantees, the Aurigny Group's borrowing from third parties to finance the purchase of the aircraft.

## **ENVIRONMENT DEPARTMENT**

### **EXTENSION OF PERIOD OF VALIDITY OF URBAN AREA PLAN (REVIEW NO. 1)**

- XI.- After consideration of the Report dated 2<sup>nd</sup> May, 2007, of the Environment Department:-
- That the Urban Area Plan (Review No.1) shall continue to have effect until 31<sup>st</sup> December, 2010 or such earlier date as when the States formally adopt a revised Urban Area Plan.

# **IN THE STATES OF THE ISLAND OF GUERNSEY ON THE 29<sup>th</sup> JUNE, 2007**

(Meeting adjourned from 28<sup>th</sup> June 2007)

**The States resolved as follows concerning Billet d'État No XVI  
dated 8<sup>th</sup> June 2007**

## **HEALTH AND SOCIAL SERVICES DEPARTMENT**

### **NUTRITION, EXERCISE AND WEIGHT STRATEGY**

XII.- After consideration of the Report dated 3<sup>rd</sup> May, 2007, of the Health and Social Services Department:-

1. That, based on the recommendations set out in that Report, an integrated corporate strategy be formulated on nutrition, exercise and weight.
2. To direct the Health and Social Services Department to report back to the States by June 2008 (earlier if feasible) with firm proposals based on the further investigations required, taking into account the views expressed by the States, together with the consultations undertaken with other interested parties and identify the resource implications of the strategy.

## **PUBLIC ACCOUNTS COMMITTEE**

### **OPERATIONS AND PROCEDURES**

XIII.- After consideration of the Report dated 27<sup>th</sup> April 2007, of the Public Accounts Committee:-

1. To note the contents of that Report.
2. That the Public Accounts Committee has the same rights of access as were afforded the States Internal Auditors by Resolution X Billet D'Etat XXII, 30th October 2002 and as set out at paragraph 4.3.1 of that Report.
3. That it should be a condition of any new or continuing States' Funding (of whatever nature and where the amount received is significant) that the recipients of such Funds do agree to make themselves subject to financial scrutiny in the same manner as afforded to the Committee under 7.1.b) above.

4. To recognise the accountability of each Chief Officer for the most effective provision of services within the budgetary and staffing limits of his/her Department to ensure best use of resources and that the job descriptions of the Chief Officers continue to include reference to that accountability.

## **HOUSE COMMITTEE**

### **ARRANGEMENTS FOR 2008 GENERAL ELECTION**

XIV.- After consideration of the Report dated 30<sup>th</sup> April, 2007, of the House Committee:-

1. That a General Election of People's Deputies be held on Wednesday, 23<sup>rd</sup> April, 2008.
2. That, in respect of the aforesaid General Election, the Electoral Roll shall be closed on 1<sup>st</sup> February, 2008.
3. That the maxima for electoral expenditure shall be prescribed as follows:
  - (i) in elections for the office of People's Deputy £1,400;
  - (ii) in elections for the offices of Constable and Douzenier –

St Peter Port	£700
St Sampson, Vale, Castel & St Martin	£465
St Saviour, St Pierre du Bois & St Andrew	£290
Torteval & Forest	£175
4. 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 STATES HOUSING (RENT AND REBATE SCHEME) (GUERNSEY) (AMENDMENT) REGULATIONS, 2007**

In pursuance of Section 3 (1) of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Rent and Rebate Scheme) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, were laid before the States.

**THE STATES HOUSING (STATUTORY TENANCIES) (GUERNSEY)  
(AMENDMENT) REGULATIONS, 2007**

In pursuance of Section 2 and 5 of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Statutory Tenancies) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, were laid before the States.

**THE STATES HOUSING (TRIBUNAL AND APPEALS) (GUERNSEY)  
(AMENDMENT) REGULATIONS, 2007**

In pursuance of Sections 2 and 5 of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, the States Housing (Tribunal and Appeals) (Guernsey) (Amendment) Regulations, 2007, made by the Housing Department on 30<sup>th</sup> April, 2007, were laid before the States.

**K H TOUGH  
HER MAJESTY'S GREFFIER**