



OFFICIAL REPORT

OF THE

EXTRAORDINARY MEETING

OF CHIEF PLEAS

OF THE

ISLAND OF SARK

HANSARD

Assembly Room, Sark, Wednesday, 23rd November 2017

*All published Official Reports can be found on the
official Island of Sark Chief Pleas website www.gov.sark.gg*

Volume 3, No. 13

Present:

Deputy Seigneur

A Bache CMG JP Esq.

Speaker of Chief Pleas

A J Rolfe Esq.

Prévôt

Mr K N Adams

Greffier

Mr T J Hamon

Treasurer

Mrs W Kiernan FCA

Constable

Mr P Burgess

Conseillers:

Diane Baker
Edric Baker
Charles Maitland
Nicolas Moloney
Elizabeth Norwich
Dr Roger Norwich
Helen Plummer
William Raymond
Stephen Taylor
Robert Cottle
Antony Dunks

Hazel Fry
Reginald Guille MBE
Peter La Trobe-Bateman
Sebastien Moerman
Christopher Nightingale
Cormac Scott
Anthony Ventress
Paul Williams
Sandra Williams
Pauline Mallinson

Business transacted

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Extraordinary Meeting of Chief Pleas

Chief Pleas met at 7.00 p.m.

[THE SPEAKER *in the Chair*]

PRAYER

The Greffier

ROLL CALL

The Greffier

The Greffier: There are 21 Conseillers, the Deputy Seigneur and the Speaker of Chief Pleas present.

Apologies for absence

5 **The Speaker:** Welcome everybody. I have had apologies from Conseillers Alan Blythe and Peter Byrne. The Lieutenant Governor is unable to attend our meeting due to other commitments and the Seigneur is away attending a family funeral today.

Welcome to the Deputy Seigneur

The Speaker: May I welcome the Deputy Seigneur, Mr Andrew Bache, to our meeting.

Welcome to members of the Ministry of Justice, Crown Dependencies team

10

The Speaker: I would also like to welcome three members of the Ministry of Justice, Crown Dependencies team, who are in the public gallery.

Dominic Lake is the Deputy Director of Human Rights & Intergovernmental Relations, Elaine Cobb, who is revisiting Sark after several trips here before, Head of Human Rights and
15 Intergovernmental Relations and Daniel Gold, a policy advisor in the Department.

You are all very welcome.

Resignation of Conseiller Colin Golds

The Speaker: I have to announce that Conseiller Colin Golds has resigned as a Conseiller. I would like to thank him for his work as a Member of the Chief Pleas, and also for his work on the

20 Agriculture, Environment, Sea Fisheries & Pilotage, Harbours & Shipping and the Road Traffic Committees. He was also a member of the Liquor Licensing Policy Development team.

**Paul Garlick –
Statement by Conseiller Sandra Williams**

The Speaker: First of all a statement by Conseiller Sandra Williams.

25 **Conseiller Sandra Williams:** Thank you.

It is with sadness that Harbours & Shipping has heard of the untimely death of Paul Garlick, and on behalf of Chief Pleas wish to send condolences to his family and friends at this sad time.

Thank you.

30 **The Speaker:** Thank you

There is a notice in today's *Guernsey Press* announcing that a service of celebration of Paul Garlick's life is to be held at St James Concert Hall on Thursday, 30th November at 2 p.m. for relatives and friends.

**Medical & Emergency Services Committee –
Statement by Conseiller Diane Baker**

The Speaker: Statement by Conseiller Diane Baker on behalf of the Medical Committee.

35

Conseiller Diane Baker: At Easter Chief Pleas this year the final draft of the Regulation of Health Professions (Medical Practitioners) (Sark) Ordinance, 2017, was approved and then came into effect on 1st June this year.

40 These regulations were put in place to ensure that any medical practitioner wishing to work in Sark would be fully licensed and on the British Medical Register of Medical Practitioners, fully able to practise within the UK and the Channel Islands. The next part of the legislation covers other practitioners such as physiotherapists, dental nurses, occupational therapists, chiropodists and other professions. The list of all the professions covered by this section is listed within the law to be found on the Guernsey Legal Services website. It is important for residents and visitors
45 alike on Sark to be sure the person treating them or helping them is fully qualified and registered and is following current professional practice and standards.

Sark deserves the same standards as other jurisdictions such as the UK. Some members of these professions may be visiting from Guernsey and meet the legislation and regulations in Guernsey. However, currently there is no requirement for such professionals to be on a register
50 for Sark or to meet any particular standards.

The Medical & Emergency Services Committee will continue their work on the Regulation of Health Professionals, Part 2, and return to Chief Pleas when we have a draft Ordinance ready for consideration and debate.

55 **The Speaker:** Thank you.

**Britain in Bloom –
Statement by Conseiller Diane Baker**

The Speaker: Statement by Conseiller Paul Williams regarding Britain in Bloom.

Conseiller Paul Williams: Thank you, Mr Speaker.

This is a brief report on the achievement of Sark, who represented the Bailiwick in the Village
60 category at the annual Britain in Bloom awards, held this year in Llandudno, North Wales. Three
members of Sark Community Blooms, including myself, attended the awards along with almost
500 people representing cities, towns and villages from all over Great Britain and Northern
Ireland. An excellent meal was provided, with the awards being announced between courses. No
one was aware of how they had fared in each category and the atmosphere was electric with
65 anticipation from the 78 finalists, all vying for top honours.

Fortunately, for the Sark attendees, our category was announced early on in the proceedings
with, as I am sure a lot of you know, the award of a Silver Gilt. This was certainly more than we
anticipated and it was very thrilling when the announcement was made. Two bloomers went to
70 the stage to collect the award, both appropriately draped in the Sark flag. After the awards, and
very informative speeches, in which, incidentally, Sark was mentioned, we were treated to a
concert by the Welsh Male Voice Choir. All in all, a very worthwhile trip and a good exercise in
promoting our Island.

The next day there was a debriefing session where we met the judges. I will now read from
the judges' marking sheet and their comments, I hope you will find them interesting and it will
75 show how close to an overall Gold we were. The marking sheet comprises of three categories:
horticultural achievement, for which we got a Silver Gilt; environmental responsibility, Silver
Gilt; community participation, a Gold.

And the comments: 'Congratulations on your award. Sark can be very proud of its Bloom
team and your achievements.' 'Community initiatives are excellent and the way in which you
80 communicate and celebrate your success is a great credit to everyone engaged in projects
throughout your beautiful Island.' 'Sark is a wonderful place to visit and is certainly sustainable,
very well done to the whole team and thank you for a great day.'

Section A, Horticultural, areas of achievement: 'Throughout the Island you have an excellent
tree scape supplemented by some very good, sustainable plantings. Where you have used
85 annual bedding in tubs and baskets, particularly at the Information Centre, these have been well
done. The playing fields and church yards are a credit to you all, as well as the vegetable plots in
the hotel owned by Helen and Alex. Areas for development: give consideration to the co-
ordinated design of horticultural features aimed at creating a welcome and building upon the
brilliant displays of agapanthus. Repeat the quality designs of those found outside the Post
90 Office and in the residence of the Seigneur, encourage the development of a series of talks and
workshops to achieve this objective.

Section B, Environmental Responsibility, areas of achievement: 'You have a rich local ecology
and coastal resource which has been recorded and demonstrated in the Heritage Centre. The
judges noted that the Island is clean and obviously cared for and by a wide range of age groups.'
95 Areas for development: 'Continue to interpret the wonderful local ecology and consider creating
natural flora, many such plants are edible and of benefit to wildlife. You are steeped in local
heritage which can be further interpreted in the countryside by the installation of signage.'

And section C, Community Participation: 'An excellent community based tour where so many
committed people appreciated and deliver an inclusive and well created Bloom programme.'
100 Many congratulations on the last three years. The judges look forward with excitement and
anticipation of what lies ahead.' Area for development: 'Continue to implement your
programme, take on board the advice within this report and feel free to contact the judges if
you need help and guidance.'

105 In conclusion, I would like officially to thank Chief Pleas for its assistance, also thanks to all
our helpers here on Sark and all the help and support from our colleagues at Floral Guernsey
Foundation, without whom this would not have been possible. And lastly, our two new friends,
new Sarkophiles as well, Malcolm Cleal from Guernsey and Sue Wood from Harrogate, in
Yorkshire, whose advice and encouragement has been invaluable. We intend to enter Floral
Guernsey again next year, so watch this space.

110 Thank you. *(Applause)*

The Speaker: Thank you, Conseiller Paul Williams.

I am sure I speak for Chief Pleas – you have just hear the applause – please take back our
hearty congratulations to the ‘Sark Bloomers’, if they will pardon the phrase.

115

Conseiller Paul Williams: Thank you, I will.

Procedural – Electronic devices

The Speaker: In accordance with the Rules of Procedure, I would remind all present that
mobile phones, cameras, recording devices and other electronic equipment should be switched
off now, less for those allowed for Chief Pleas Members in accordance with Rule 16.

Business of the Day

1. Extraordinary Meeting, 23rd August 2017 – No matters arising

Matters arising from the Extraordinary Meeting held on 23rd August 2017.

120 **The Speaker:** We now go to Agenda Item 1, Matters arising from the Extraordinary Meeting
of Chief Pleas on Thursday 23rd August, 2017. Are there any matters arising?

2. Questions not related to the Business of the Day – None

Questions not related to the Business of the Day.

The Speaker: In that case we go to Agenda Item 2, Questions not related to the Business of
the Day. There are none.

**3. The Regulation of Production of Alcoholic Products
(Commencement and Exemptions) (Sark) Ordinance, 2017 –
Policy and Performance Committee Report –
Proposition carried**

To consider a Report with Proposition from the Policy & Performance Committee entitled 'The Regulation of Production of Alcoholic Products (Commencement and Exemptions) (Sark) Ordinance, 2017' and to Approve the Ordinance entitled 'The Regulation of Production of Alcoholic Products (Commencement and Exemptions) (Sark) Ordinance, 2017'.

Proposition:

That Chief Pleas approves the Ordinance entitled 'The Regulation of Production of Alcoholic Product (Commencement and Exemptions) (Sark) Ordinance, 2017'

125 **The Speaker:** Agenda Item 3, to consider a Report with Proposition from the Policy & Performance Committee entitled, 'The Regulation of Production of Alcoholic Products (Commencement and Exemptions) (Sark) Ordinance, 2017' and to approve the Ordinance entitled 'The Regulation of Production of Alcoholic Products (Commencement and Exemptions) (Sark) Ordinance, 2017'.

Conseiller Jane Norwich to introduce the Report.

130

Conseiller Elizabeth Norwich: Thank you.

I would just like to clarify a point in the Report. In paragraph 1, just to be clear, the Ordinance has not yet been approved. The draft Ordinance seen prior to the stakeholder consultation was supported by Chief Pleas at Easter to progress in the normal way. The completed Ordinance is attached to the Report and it is this I ask for Chief Pleas' support today.

135

The application process has been road tested and the first inspection has been undertaken by a qualified environmental health inspector. So I would like to ask Chief Pleas to support the Proposition.

140

The Speaker: Are there any questions or comments from the floor? None. In that case I will put the Proposition that Chief Pleas approves the Ordinance entitled The Regulation of Production of Alcoholic Products (Commencement and Exemptions) (Sark) Ordinance, 2017. Those in favour; any against. That is **Carried**.

**4. Budget Requests for Additional Roles –
Policy and Performance Committee Report –
Proposition carried**

To consider a Report with Proposition from the Policy & Performance Committee entitled 'Budget Requests for Additional Roles'.

Proposition:

That Chief Pleas approves the expenditure of £26,000 on the roles outlined in this Report and agrees that this expenditure should be included in the 2018 Budget.

145 **The Speaker:** We now go to Agenda Item 4, to consider a Report with Proposition from the Policy & Performance Committee entitled 'Budget Requests for Additional Roles'.
Conseiller Stephen Taylor to introduce the Report.

Conseiller Taylor: Thank you, Mr Speaker.

150 Budget requests for these additional roles have been presented to Chief Pleas by the Policy & Performance Committee. It sets out three budget requests for funding for two new roles as well as for a professional and training development fund. Funding for these roles in the training budget has to be approved by Chief Pleas before they can be included in the 2018 Budget.

155 The economic development role: the purpose of this role is to promote Sark as a place to live, work and do business. This would be similar and hopefully work in association with Locate Guernsey. It is intended that the budget of £10,000 would be used to contract with either an individual or an organisation with proven skills to work with existing businesses as well as promoting Sark in order to attract new businesses, increase the tax base and revitalise the Island's economy.

160 The communication, media and public relations role again, is an additional resource of £10,000 and this will enable the Government to contract with professionals within this field in order to improve communications by the Government with a range of audiences in Sark and elsewhere. This is intended to be proactive, not just reactive, and also to make the Government as transparent as possible.

165 With regard to professional development and training provision, a budget of £6,000 is requested to meet the costs of training and professional development identified for public employees and officials to maintain and promote the skills required for their roles. Additionally, younger people may be encouraged to work in these roles if a planned skills development package could be made available.

170 So hopefully, I ask for approval of the Proposition that Chief Pleas approves the expenditure of £26,000 on the roles outlined in this Report.

Thank you.

The Speaker: Thank you.

175 Are there any questions or comments from the floor? Conseiller Sebastian Moerman. Before you get up, actually, I will take all the names down.

Conseiller Sebastian Moerman.

Conseiller Moerman: Thank you, sir.

180 I would like to stress that economic development should be a key focus in our declining economy. Our tax base is reducing but our expenditures are increasing, and will increase further as we want to operate with due process and modern, professional standards. The easy solution, of course, is to increase tax year after year and do nothing until there is absolutely no economy left. I do not say there should not be any increase in taxation, but this should be carefully considered and properly tested. Resources should be allocated to nurture and develop our economy to make Sark an attractive place to move to and to operate from.

185 As Chairman of the Finance & Resources Committee I intend to fully include all stakeholders in this initiative. I will, of course, support this Proposition.

Thank you.

190 **The Speaker:** Thank you.

I have got Conseillers Sandra Williams, Rob Cottle and Reg Guille, is there anybody else?
Conseiller Sandra Williams.

Conseiller Sandra Williams: Thank you, sir.

195 I was surprised to see this back on the table quite so quickly after it was withdrawn last year. I have got two questions, really. The first question is: is this a one-off payment we are being asked to find out of this year's budget, next year's budget, or is this going to be a continual rolling £26,000?

200 I also would like to ask that I would have liked somebody from this Committee to have
spoken to Tourism because I think not a lot of people actually know how much work is done by
Tourism, how much promoting of the Island we do ourselves. My senior visitor officer works
between 30 and 38 hours a week in the summer, and most of the year 20 hours, and she only
gets paid £13,000 herself for a full-time job. I just think it looks a bit strange that we are offering
205 to pay somebody £10,000 to do the job of what, I believe, should be done by the Tourism
Committee and the visitor officers.

The Speaker: Thank you.
Conseiller Rob Cottle.

210 **Conseiller Cottle:** Thank you.

Just to answer Conseiller William's question first, this is a role that would be for forthcoming
years, it is not a one-off. All three roles would be proposed for inclusion in budgets going
forward. It is not a thing that can be done in one year and left at that; it is a proposal for the
future, for the benefit of the Island.

215 The roles set out in this Report are all intended to provide benefit to the Island and the
Government of Sark. They should not be viewed as unnecessary expense but as an investment in
the future financial security of Sark.

The Finance & Resources Committee has identified how these new roles and training would
be paid for, if approved, and has included them in the Budget that will be presented this
220 evening. That has required no additional tax raising due to better targeting of the income that
will be raised. Next year's budgets have been set more realistically. To illustrate that, I would
point out that to the end of October this year the latest figures we have received from the
Treasurer indicate that the Douzaine and Harbours & Shipping Committee are both on target to
underspend their budgets for the year by around £30,000 each, continuing the trend that has
225 occurred in the past. We could better spend that money rather than putting it in a budget that is
not going to be used.

Economic Development is different to what the Tourism Committee does at the moment and
the proposed roles could potentially pay for themselves many times over, if put in place
properly. Attracting more business to Sark is essential to boost the economy, attract inward
230 investment and income and thereby increase the taxation paid by individuals moving here as a
business base. It would only require a few small businesses locating here to repay this
investment.

Moving to communications: Sark Government does not currently communicate particularly
well because it does not have the resources. If we could put across the messages that we wish to
235 send out to present ourselves effectively to the outside world, and all our colleagues and people
that we engage with, that could open us up for opportunities that we do not currently take
advantage of.

On training: an undertrained workforce is not efficient and inefficiency costs money. It is hard
to see how not spending on training makes any sense. It needs to be properly identified and
240 targeted training to enable employees to do their job better, quicker and hopefully without
mistakes. I would go as far as to say it is a no-brainer to ensure an up-to-date, efficient work
force. It just is common sense to me. I strongly support the three proposed provisions.

Thank you.

245 **The Speaker:** Thank you.
Conseiller Reg Guille.

Conseiller Guille MBE: Thank you, Mr Speaker.

I have raised my concerns in committee regarding the two new roles being proposed. I am in
250 support of the professional development and training provision which is a third part of the

Report. I was also against the single Proposition being put before us today. I did ask that there be three Propositions, one for each sum of money being asked for, so that we could vote on approving, or not as the case be, on each part of the Report. I believe that the Committee would be amenable to amending the single Proposition to multiple Propositions, if requested by
255 Conseillers.

To my mind, the purpose of the two new roles are not explained any more fully than the report provided to Chief Pleas at the Midsummer 2016 meeting, where that report gave more information in appendices that were attached. Even those appendices did not find favour with the majority of Conseillers and the Propositions were withdrawn by the Committee.

260 Let me read out what those appendices said, Sark Economic Development resource:

As this resource may need to be varied over time depending on its success rate it should be offered out to competitive tender for interested parties (Companies or individuals) to bid for the work. The invitation to tender competitively should include all the usual contractual conditions as advised by the Law Officers and require the following;

1. A presentation setting out, but not restricted to, examples of work done for other clients, references, testimonials, experience qualifications and expertise etc.
2. A plan of action to maximize interest from others outside of Sark in living, working and doing business in Sark by jurisdiction (Bailiwick, Jersey, IOM, UK, Europe. Rest of the world) and by business sector.
3. Media and channels to be used to maximize exposure and generate genuine interest.
4. Metrics to report proactive and reactive performance and conversion rates.
5. A contract for up to 3 years for the services
6. A budget of up to £10,000/year for the duration of the contract.

The second appendix was a resource to provide professional communications with media and public relations services. This resource, in larger organisations, is usually provided by an in-house team of employees and would come under full terms of employment conditions. However, for
265 the Sark Government it could be established in either of two ways: (1) as an additional responsibility to the Economic Development resource, as Appendix 3 above, or (2) as a separate resource that is offered as a contract for services and uses the same process as set out in Appendix 3 for competitive tendering from companies or individuals. In either case, the invitation to tender competitively should include all the usual contractual ... and that is the same
270 as the first Appendix. Then the same six points were raised again. It concluded by saying both resources outlined in Appendix 3 and 4 fall within the mandate of the Policy & Performance Committee, therefore they are accountable to that Committee and are to be contract managed by the Senior Administrator with the assistance of the Treasurer.

The Report before us today says that £10,000 is required for each role, that is correct for
275 2018, and Conseiller Cottle has informed us that they would be ongoing roles, so the three years that were spoken about at Midsummer last year may be extended beyond that. But I would hope, if it was put through, that there would be a time limit on the contract so that we do not end up paying somebody £10,000 a year and get nothing back for it year after year after year.

As you can see from the appendices, or heard from the appendices I have just read out, it
280 could be for three years each, therefore we would be spending up to £60,000 to get what in return? Where is the business plan for these items, other than this being a nice thing to have; where are the facts and figures to support spending these sums of money? We have been waiting for some time for a report from Locate Guernsey on the P&P. It has not arrived and it might be that money could be made, but we do not know.

285 I will decide on how to vote when I have heard the debate. I will be voting for Part 3.

Thank you.

The Speaker: Thank you.
Conseiller Jane Norwich.

290 **Conseiller Elizabeth Norwich:** Thank you and thank you, Conseiller Guille, for reminding us of what was said over a year ago, and we have still not done anything.

I would like to talk about the three roles each at a time, or the three sections I should say. It makes total sense for a jurisdiction that wishes to grow to have someone or some system in place to promote Sark as a place to live and work, and not just as a tourist destination unless, of course, that is part of the reason for a business. The amount is small, but in the right hands that can go a long way. If Sark is to have more taxpayers, at whatever level tax is set at in the future, it needs more people. People to work, purchase services, provide services and goods. That does not come from our holiday adverts. I know some people visit, as I did, but they do not all decide to stay and be part of the community.

300 On the communication and media section it is very clear from my short time in Chief Pleas, and watching Chief Pleas before this, that we could and should communicate better with the outside of Sark. I have heard many Conseillers say, 'It is not my thing' or, 'I am too busy,' so if not by us then who will do this? Who has the professional competences and time to undertake the necessary work?

305 The training budget: if we have the skills available on Sark to support government, but they need updating and broadening, why not do it? If we have others who would do government work if they could be trained why not? Maybe some of our youngsters – it is an investment, not a cost. There is a risk to proper government if we do not train and update. Failure to train and support and educate is failure of good government. P&P have not brought this forward because it is the latest good idea. These two roles and the training function are just plain common sense, and I will be supporting the Proposition.

The Speaker: Thank you.
Conseiller William Raymond.

315 **Conseiller Raymond:** Thank you, sir.

I just wonder whether in fact we are putting the cart before the horse. If people are not coming to live and to work here then why are they not coming? Have we actually analysed why they are not coming and actually taken action to make the Island more appealing to them? So that when we do actually put a marketing person in place to develop the economy they are actually developing and promoting an economy that other people find acceptable. It has not worked so far. Whether that is because people are ignorant of us or whether we do not appeal to them is not clear to me, and I would like to know that some research on that subject has been performed.

325 Recruiting professionals is actually quite an involved process and I would like to know how this process will happen; who will conduct the interviews and on what sort of a timescale and once people are engaged how is it envisaged that they will be supervised and monitored and that they will be reviewed so that reports are made back to Chief Pleas?

Thank you.

330 **The Speaker:** Thank you.

I intend to call Conseiller Stephen Taylor to answer the points that have been made, particularly the procedural one about separating the Propositions, but is there anybody else who wishes to speak?

335 In that case, Conseiller Stephen Taylor.

Conseiller Taylor: If I may just have a minute or so just to confirm with colleagues on P&P about the change in Proposition to three. It is one Proposition at the moment but you were saying about changing it to three.

340

The Speaker: Well I am not; I do not have that –

Conseiller Taylor: I am sorry, I misunderstood you, sir.

345

The Speaker: Somebody suggested it, Conseiller Guille suggested it actually, I am sure.

350

Conseiller Taylor: I accept comments made, especially by Conseiller Raymond and others about the procedural elements of this, but the main purpose of the Report that I agreed to put together for this was to try and have a broad outline so that we could get the money in the Budget, because the Budget has to be approved at the current time. I fully understand the concerns and will ensure, through P&P, that the procedural and monitoring aspects are developed and also hopefully develop some form of business plan for this as well. But the reason for this Report today was because we had to have it in place today to get it included in the Budget for 2018.

355

The Speaker: Okay, thank you.

If you are ready we will go to the Proposition that Chief Pleas approves the ... sorry, Conseiller Sandra Williams.

360

Conseiller Sandra Williams: Can I just second the proposal by Conseiller Guille to have the Proposition broken down into three, please?

365

The Speaker: Well it was not a Proposition, it was a suggestion, I think. But the fact is that you have heard Conseiller Stephen Taylor speak and I think really and truly he is asking for the one Proposition to go for which you can vote on.

Right, the Proposition is that Chief Pleas approves the expenditure of £26,000 on the roles outlined in this report and agrees that this expenditure should be included in the 2018 Budget.

Those in favour; those against. That is **Carried** by a small majority.

**The Regulation of Production of Alcoholic Product
(Commencement and Exemptions) (Sark) Ordinance 2017 –
Number XV of 2017**

370

The Speaker: Before we proceed to the next Item, may I just go back to the previous Item, Agenda Item 3, the Ordinance entitled, 'The Regulation of Production of Alcoholic Product (Commencement and Exemptions) (Sark) Ordinance 2017' will be numbered XV of 2017.

I should have made that announcement as you voted.

**5. The Role of the Treasurer –
Finance & Resources and Policy & Performance Joint Report –
Proposition carried**

To consider a Joint Report with Proposition from the Finance & Resources and Policy & Performance Committees entitled 'The Role of the Treasurer'.

Proposition:

That Chief Pleas approves that the amount of £24,200 be allocated in the Expenditure Budget for 2018 for provision of the Treasurer's Office function.

The Speaker: Agenda Item 5, to consider a joint Report with Proposition from the Finance & Resources and Policy & Performance Committees entitled 'The Role of the Treasurer'.

375 Conseiller Sebastien Moerman to introduce the Report.

Conseiller Moerman: Thank you, sir.

This Report is self-explanatory but I would like, however, to stress the following: first, it is with deep regret that we see our current Treasurer retiring at the end of this year. She has been
380 instrumental in controlling our finances and leaving us probably as the only western government with no debt. We are very grateful to her and wish her well.

Second, going forward we have serious challenges ahead of us. Increased expenditures are required to fund the operation of a proper government against reduced tax revenues. In these
385 difficult times it shall be vital to rely on a professionally qualified person that will support us in controlling our finances and developing tax and economic strategies and proper internal business processes. I am afraid the current level of resources allocated to the Treasury function is inadequate and we are therefore proposing to raise this to £24,200 while we work out a comprehensive plan to move forward.

Thank you.

390

The Speaker: Thank you.

Conseiller Charles Maitland, your name is on this Report, do you wish to speak at the moment?

395 **Conseiller Maitland:** Just to fully support it, sir. I think this is a very reasonable amount for the next part of the process which will be seeing the way ahead.

The Speaker: Okay, thank you.

Are there any questions or comments from the floor? I have got Conseiller Jane Norwich, 400 Conseiller Reg Guille and there was another one there somewhere, yes, Edric Baker.

Conseiller Jane Norwich.

Conseiller Elizabeth Norwich: The Sark Treasurer is an important role here, just as it is in any jurisdiction, it is a senior civil servant role. It is not just simple bookkeeping, paying bills and
405 paying staff on time. The role has wide ranging responsibilities, as clearly laid out in the Report.

Mrs Kiernan has worked hard for Sark, and that includes those many hours she is not being paid for. Currently the role is specified in the Reform Law as requiring that person to be resident. Modern technology allows for some of the work, particularly some of the more technical aspects, to be done online, something not thought of back in 1565. We must find a way, quite
410 quickly, how Sark can have the highly skilled, professional work done and meet the responsibility under the Reform Law. This transition period must be paid for and I believe F&R have made a sensible Proposition, so I shall be supporting the Proposition.

The Speaker: Can I just ask for clarification, you say that the Reform Law states that the
415 person must be a Sark resident, is that true?

Conseiller Elizabeth Norwich: Yes.

The Speaker: Okay, thank you.

420 Conseiller Reg Guille.

Conseiller Guille MBE: The same as the Reform Law says *you* have to be a Sark resident as well, sir, and the Greffier and the Seneschal and many other roles.

The Speaker: If you are going to be difficult ... *(Laughter)*

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Conseiller Guille MBE: This Report is well behind the curve. The F&R Committee were informed by the Treasurer at the beginning of this year that she was to resign at the end of the year and very little has been put in place to fill the role on her departure. However, we are being asked to think about what should replace, or enhance, the current setup of Treasurer and Deputy Treasurer, whatever that might be. Any change to that structure must involve amending the Reform Law which lays down the duties and responsibilities of those two officers.

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Sark has always operated on a very simple process of a post holder and a deputy post holder for many of its officers, with a natural progression, all things being equal, of the deputy, after a vote in Chief Pleas, being appointed to the senior role, sometimes by application or by the Appointments Board. It seems to me that insufficient regard has been made to improving the Treasury skills of the current Deputy Treasurer by the Committee in the past 11 months. We have now received another report for debate at the meeting on 7th December and I will have more to say during that debate.

435

Let me just end by saying that for the past 452 years the Treasury function has been conducted by someone resident on Sark. We have never run up a debt because we are not allowed to run a deficit budget, and are we about to outsource our Treasury function? Where will this outsourcing end if we do it for this role?

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At this stage, I can see no other option but to support the Proposition for extra money to be made available to provide oversight of the Deputy Treasurer as the sole person in the Treasurer's office on 1st January next.

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The Speaker: Thank you.
Conseiller Edric Baker.

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Conseiller Edric Baker: Yes, sir.

Following Conseiller Guille's remarks I feel that I am in tune with what he is saying. Under the heading, 'Updating the Treasury function' the second line:

These have not been finalised,

Well, yes they have actually, because we have had the papers. I can see that the Deputy Treasurer has been sidelined in all this, she has been pushed aside. Looking at those papers, and obviously it will come to Chief Pleas again, but I do not like the way this is done at all. It is a very nasty bit of work and I certainly will not be supporting this.

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The Speaker: Conseiller Rob Cottle.

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Conseiller Cottle: Thank you, sir.

I think I should respond to those comments first. At the time of writing the further paper had not been developed, that is why that is stated in the paper that we have before us. There will be a further report brought to the next Extraordinary Chief Pleas, in a fortnight's time, which has got some more detail about how the Treasury function is going to be developed in the future. It is not a straightforward like-for-like replacement of one role with another role. We have been looking at what the Government needs in future, and it is not as straightforward as that. And it is not about personalities or persons or abilities or training, for that matter. We knew when Wendy Kieron gave us notice of her retirement, 18 months or two years ago, that it would be

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470 very difficult to fill her role and we did appoint a Deputy Treasurer to learn the role and take on all the responsibilities and learn what was required there.

In the meantime, things have moved on and we feel that we need extra in the Treasury, not just a single person but an assistant to work on behalf of the Government to look at how we fund the Government in future.

475 In order to continue having Government finances managed soundly and to enable work to be done on longer-term financial planning and taxation policy for the future it is proposed, as we have before us today, to make this financial provision to put in place an interim measure for a planned six month period. During that six-month period there will be consideration given to the Treasurer role and nobody has been ruled out of that role and we have not made any decision about where we are going with that. We are purely asking for the money tonight so that we
480 have the facility to work on this in the six months starting 1st January next year. During that time, that will consist of the current Deputy Treasurer carrying out the bookkeeping and routine work of the Treasurer, while able to call upon Mrs Kieron, if required, for guidance, for information on an as required basis during the busiest time of the year when tax collection is going on.

485 In addition – this is vital what is being brought in a fortnight’s time – it is proposed that we seek the help of a qualified accountancy person who will provide support on a part-time basis both overseeing the Treasurer function and also carrying out a piece of work intended to advise and inform the Finance & Resources Committee on medium-term financial planning and taxation strategy. This is something that we do not have the resources for at the moment, we do
490 not have the knowledge and we do not call on the knowledge within our current set up so we see this as an opportunity to put this piece of work into action. The Committee consider it is a top priority that the finances of the Government are looked after properly, anything else would be false economy.

Second, we need to look at how to finance the Government’s activities for the future and
495 consider alternatives for meeting that need. Our current one year ahead planning, while relatively simple – and it may have served for 452 years – will not meet the needs of the Government for much longer. The resources and the opportunity to investigate this are currently available and we recommend approval of the Proposition to allocate an extra £7,710 to the Treasury function budget for the next year, bringing the total allocation for 2018 to
500 £24,200. That will give additional funding for the proposal that will be brought to the Extraordinary Meeting in a fortnight. This funding has been allowed for in the following budget, which is in Item 7, without any additional need for raising of the funds.

I would also just make one other point. It has been said that we are not allowed to run a
505 deficit budget; we have run a deficit budget on occasion. We do not plan to set a deficit budget and we never have, and it is now in the law that we should set an income budget that matches our expenditure plans but if the outcome at the end of the year is a deficit budget then it is a deficit then that is achieved, and it has happened once in the last 10 years.

Thank you.

510 **The Speaker:** Thank you, Conseiller Rob Cottle.
Does anybody else wish to speak? Conseiller Edric Baker.

Conseiller Edric Baker: Yes, sir, when the Deputy Treasurer put her name forward as Deputy
515 Treasurer surely she would have assumed that by law she would become the Treasurer. Why is this being changed? And it is being changed because the papers are already out. I think it is wrong.

The Speaker: Okay.
Conseiller Reg Guille.

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525 **Conseiller Guille MBE:** I refrained from commenting on the paper that we are going to be debating in two weeks' time, but it has been brought out now with other speakers so I think they were wrong to bring that other report into this debate, it is not part of this debate, it is a debate for two weeks' time. As I said at the beginning, I see no other option because of what has not happened over the past 12 months but to support this proposal for an increased budget and I will do so, I will vote for it. But we are not debating the report we are discussing in two weeks' time.

530 **The Speaker:** Thank you, Conseiller Reg Guille.
I think it is reasonable to comment on how things may pan out in the future, particularly as it is coming that closely.
Does anybody else wish to speak? Conseiller Rob Cottle.

535 **Conseiller Cottle:** Can I just clarify one point: the Reform Law under which the Treasurer and the Deputy Treasurer, the terms of appointment are there, there is no understanding that the Deputy Treasurer automatically succeeds to the role of the Treasurer. That is not in the law, just as a point of clarification.

540 **The Speaker:** Okay, thank you.
Anybody else? In that case we will go to the Proposition that Chief Pleas approves that the amount of £24,200 be allocated in the Expenditure Budget for 2018 for provision of the Treasurer's Office function. Those in favour; those against. That is **Carried**, with one against.

**6. Proposed upgrade of Sark Slaughterhouse –
Agriculture, Environment, Sea Fisheries and Pilotage Report –
Proposition withdrawn**

To consider a Report with Proposition from the Agriculture, Environment, Sea Fisheries and Pilotage Committee entitled 'The Amended Cost for the Proposed Upgrade of the Sark Slaughterhouse'.

Proposition:

That Chief Pleas approve the expenditure of up to £142,959.57, from capital funds, for the upgrade of the Sark Slaughterhouse.

545 **The Speaker:** Agenda Item 6, to consider a Report with Proposition from the Agriculture, Environment, Sea Fisheries and Pilotage Committee entitled 'The Amended Cost for the Proposed Upgrade of the Sark Slaughterhouse'.
Conseiller Helen Plummer to introduce the Report.

550 **Conseiller Plummer:** Thank you.
The Committee is withdrawing this Report from today's Chief Pleas Agenda so as to further develop the business case for a slaughterhouse, as a result of an enquiry by the Lieutenant Governor in his final budget approval role under the Reform Law.
The Committee will return to Chief Pleas with an up-to-date report in due course.
Thank you.

555 **The Speaker:** Thank you.
So the Report is withdrawn, Conseillers.
Conseiller Sebastien Moerman, do you wish to comment?

Conseiller Moerman: Yes, sir.

560 I fully support the withdrawal of this ill-conceived Report. I would like, if I may, to take this opportunity to advise the House in general – and we are grateful to the Sea Fisheries & Pilotage Committee in particular – of the existence in Sark of a policy committee named the Finance & Resources Committee. The mandate of this Committee includes the regulation and control of the financial and resources related affairs of Chief Pleas. I am sure this embarrassing debacle could have been avoided if the Finance & Resources Committee had been consulted.

565 That said, we do need a slaughterhouse in Sark, in an adequate location, and F&R look forward to being approached in due course with a properly set out business case.

Thank you.

The Speaker: Thank you.

**7. The Direct Taxes for 2018 (Sark) Ordinance, 2017 –
Finance & Resources Committee Report –
Carried with an amendment**

To consider a Report with six Propositions from the Finance & Resources Committee entitled '2018 Budget and Taxation' and to Approve the Ordinance entitled 'The Direct Taxes for 2018 (Sark) Ordinance, 2017'.

Proposition 1:

- *That the rate of Property Tax remains at £14.25 per quarter for the year 2018.*
- *That the minimum rate of Personal Capital Tax remains at £325.00 for the year 2018.*
- *That the maximum rate of Personal Capital Tax remains at £6,500 for the year 2018.*
- *That the forfait factor for the calculation of Personal Capital Tax remains at 2.0 for the year 2018.*
- *That the net asset rate for the calculation of Personal Capital Tax remains at 0.30% for the year 2018.*
- *That individuals over 69 years of age on 1 January 2018 who have worldwide assets of £150,000 or less pay £Nil Personal Capital Tax for the year 2018.*
- *That the Personal Capital Tax of an individual who is liable to pay Property Tax as Possessor of Real Property which is his principal dwelling shall be £Nil. This will apply to one individual who is the possessor in the principal dwelling where all adult occupants have net capital assets of £108,333 or less for the year 2018.*

Proposition 2:

That the maximum rate of Property Tax that Chief Pleas may by Ordinance prescribe, as set out in section 2(2) of the Direct Taxes (Sark) Law 2002, be increased from £15 to £30 per quarter.

Proposition 3:

That Chief Pleas approves the Ordinance entitled "The Direct Taxes for 2018 (Sark) Ordinance, 2017".

Proposition 4:

That individuals over 69 years of age on 1 January 2016, who declared assets of £70,000 or less for 2015, shall receive a payment equal to the calculated increase above 2015 in their tax assessment total for the year 2018.

Proposition 5:

That Impôt rates for the year 2108 shall be as presented in Appendix 3 of this Report.

Proposition 6: That the budget of Income and Expenditure for the year 2018 be accepted.

570 **The Speaker:** We move to Agenda Item 7, to consider a Report with six Propositions from the Finance & Resources Committee entitled '2018 Budget and Taxation' and to approve the Ordinance entitled 'The Direct Taxes for 2018 (Sark) Ordinance, 2017'.

Under the Provisions of Rule 12(11) of the Rules of Procedure of the Chief Pleas of Sark I have waived notice required under Rule 1(4) and allowed the Finance & Resources Committee to submit a correction to a paper that was circulated at the same time as the Agenda, which has now been circulated to you all. This concerns Appendix 3, 'Proposed Impôt Rates with effect from 1 January 2018.' Please, when you discuss this, refer to the corrected Appendix 3.

Conseiller Sebastien Moerman to introduce the Report.

580 **Conseiller Moerman:** Thank you, sir.

Before I kindly ask Conseiller Cottle to go through the detail of the Report and the Proposition I would like to make the following comment: First, since our mandate was strengthened by Chief Pleas the Committee has been able to question requested expenditures and avoid the recurring practice of raising money and then not spending a significant part of it. This has allowed us to be more accurate with our expenditures budget. However, the spending that we do have does lack robust organisation and control for efficiency.

Second, it is very likely that going forward more resources will be required to fulfil our obligation as a Government, particularly as we want to apply modern professional standards. Extra revenues will have to be raised and a strategy developed in respect of our tax policy.

590 Third, this Committee imperatively requires professional assistance to support the proper financial control and strategical planning of our finances. We are willing to seek that assistance and we feel other committees should do so too. We very much regret the resistance of some of us in recognising the value of qualified professional assistance or seeing the need for it when vital skills are non-existent.

595 Fourth, some adequate recommendation for supporting a soon-to-be smaller Chief Pleas have been rejected, even though this Committee did demonstrate that this would have been funded without any raise in taxation. We have therefore reservation about whether this project is adequate to properly support the functioning of our Government. Unfortunately this House did not share our analysis and therefore, with concerns, we are obliged under section 59(2) of the Reform Law to present [19.53.10]??? containing that report.

600 I will now let Conseiller Cottle go through the details of the Report.

Thank you.

The Speaker: Right, before I call Conseiller Cottle is there anybody else who wishes to speak or shall I wait until Conseiller Cottle has spoken? Okay.

Conseiller Rob Cottle.

Conseiller Cottle: I will just go through the technical details of the Budget. Conseiller Moerman has made a political comment on the Budget.

610 To start with there are a couple of corrections of typos in the Report that I need to bring your attention to. First, at the very heading of the Report it should on the second line say, 'Report

with Propositions', there are six Propositions to the Report so 'Report with Propositions to Extraordinary Chief Pleas, 23rd November'

615 In Proposition 1, if you can turn to near the end of the Report, there are a number of bullet points there and in the final bullet point, at the end of the first line, you will see that 'to pay' has been repeated and the second 'to pay' just needs striking out so that –

The Speaker: I thought tax raising people might appreciate the double. (*Laughter*)

620 **Conseiller Cottle:** Don't give us ideas! (*Laughter*)

So if you just remove one of the 'to pays' so that the Proposition will make sense. It should read, 'liable to pay Property Tax'.

625 Finally, I would like to apologise for the error in the original Appendix 3 that was sent out with the paperwork for tonight. Therefore, as the Speaker has said, that should be replaced with a corrected Appendix 3 that was issued as an addendum. There are only two minor changes, under the beer and cider heading, and I will bring your attention to them in a little while. Therefore Proposition 5 should be changed to reflect that we are looking at the corrected Appendix 3, rather than Appendix 3, and Proposition 5 should read:

630 That Impôt rates for the year 2108 shall be as presented in the corrected Appendix 3 of this Report.

So if the Speaker could read out, 'the corrected Appendix 3' when the Proposition comes up – so that is those out of the way.

635 The Budget presented in this Report is made up of a revenue expenditure estimate based on obligations and the approved requests, including the two requests that have been approved tonight, and to balance that and produce a Budget that fulfils that requirement there is an income estimate to fund that expenditure. The income proposals that we have in this Report are for no increases above the current 2017 rates for property tax and for personal capital tax and those Propositions for no change are set out in Propositions 1 and 4. The quarter rate will remain at £14.25 and the personal capital tax rates will also be unchanged, as set out in the Proposition and the associated Ordinance for 2018.

640 Proposition 5 requests approval of the rates for alcoholic and tobacco products for 2018, as set out in the corrected Appendix 3. Impôt on cigarettes and other tobacco products, wines and motor spirit, or petrol as you would more commonly know it, will remain as for 2017. Impôt on spirits, beers and ciders will be based more directly on their alcohol content. The new rates have been calculated to give an estimated unchanged total income for 2018. The examples given at the bottom of the page in Appendix 3 show that less duty will be charged on less strong drinks than currently and that stronger alcoholic drinks will be subject to extra duty. The corrected areas in Appendix 3 are in the beers and ciders category, as I said before, relating to small breweries and cider producers. On the original Appendix 3 there was a small error where it said that between 1.2% and 4.9% alcohol content and for above 7.5% alcohol these were all included in the small brewery rates, but that is not what we intended. It is intended that there are two bands of between 2.8% and 4.9% alcohol and for over 4.9%, up to 7.5%, there are reduced rates for small brewery products and small cider producer products and they are noted there. Anything that is a weaker drink than that or a stronger drink than that will be subject to the normal rates that are also shown on the page. I hope you follow that, if not it is there in black and white, so that will be what will be collected upon.

655 The total income estimate is as shown in page 3 of Appendix 1 and allows for a small estimated income reduction from direct taxation. I think it goes down from £743,000 to £723,000 for next year, allowing for a small change in population. And at the same time there is a larger increase due to greater property transfer tax being received last year. Property transfer tax is always included on a received basis because it varies so much from year to year, so we only ever include in the Budget what has actually been collected already. Those two combined

together gives an estimated income for 2018 that is £18,700 more than this year. The income estimate is £1,363,700 and that is the basis on which we intend to fund expenditure.

665 Turning to the proposed expenditure, the proposals included in the Budget, including a £6,290 allowance for unforeseen expenditure, come to £33 less than the estimated income, so a surplus budget which it is prudent to set.

670 Finance & Resources Committee are required under section 59 of the Reform Law to produce a budget each year of the estimated expenditure for the following year and for the forecast income to fund that expenditure. The Budget being presented this evening meets that requirement.

675 We have a further Proposition this year, due to us having reached close to the current limit of what we can charge per quarter for property tax, and Proposition 2 proposes an increase in the ceiling on the quarter rate for property tax from the current £15 per quarter to the maximum permitted within the law, the direct taxes law, so that if at some time in the future the rate has to be increased above the current £14.25, beyond £15, then this amendment by Ordinance would permit that. Such an increase is not being proposed for this year, and any tax increase in future would have to be approved by Chief Pleas as part of the budget process, if that became necessary, so this is not anything hidden for this year.

680 That covers all the elements of the Budget presented in this Report and the Propositions are for debate and then for voting. I would echo Conseiller Moerman's reservations about whether this Budget adequately funds an effective Chief Pleas because of what has been already rejected within previous debate within Chief Pleas, but that is for Conseillers to vote upon so therefore we throw it open to debate and then voting.

685 **The Speaker:** Okay, thank you, Conseiller Cottle.

I have Charles Maitland next; does anybody else wish to speak? I have got Conseiller Charles Maitland next, Conseiller Reg Guille, Conseiller Hazel Fry and Conseiller Jane Norwich and Conseiller William Raymond. Anybody else? Okay.

690 Conseiller Charles Maitland.

695 **Conseiller Maitland:** We are coming towards the end of another parliamentary year and there is just one year to go until the elections in December 2018. After three years, which started with great promise, I have to say that I have found recent decisions of Chief Pleas to be deeply frustrating and disappointing; we seem to be going backwards. It all started with last year's proposal to reform the committee structure to a workable five committee model, along the lines suggested by Belinda Crowe in her 2011 review of Sark's administration, which was subsequently derailed and we were left with 10 committees, unreformed and independent of each other, and I do not think this is a workable situation for the future.

700 Then earlier this year, the work of the good governance PDT, which was based on the evidence of an Island wide survey and urged a reduction to 14 Conseillers, with more professional support, was duly watered down with a reduction to 18. I suspect that even this number will be seen to be too many and that Chief Pleas will struggle to find sufficient candidates willing to stand in due course. And then to cap it all the recent rejection of the Senior Administrator's new job description and pay structure, recommended by an independent expert, I note which would have given the post adequate compensation for the lack of pension provision and housing costs, in line with the package offered to Sark teachers, was again voted out. The Senior Administrator role has been undermined and weakened as a result, at a time when the work undertaken has become increasingly important and vital to the good government of the Island. Whether we like it or not, there are major challenges facing us. The education review where reform will have to be properly implemented, the need for economic development and growth, the demographic time bomb facing all jurisdictions, with an increasingly elderly population demanding more health care provision, the question of land reform in Sark and protection of leaseholders, as well as Brexit. These are all challenges

715 steaming down the tracks toward us, together with a whole host of others that have not yet presented themselves.

A reformed Government, supporting the role of the Senior Administrator, and in return being supported by that role, efficient and forward looking, would be in a much better place to deal with these challenges than one that is clinging on to a feudal past that is long out of date.

720 So while I commend Finance & Resources for their Budget, as a matter of principle – and I accept that my vote will be largely symbolic – I will not be supporting this Budget due to the decision of an earlier Chief Pleas that there is adequate provision for vital professional roles at the centre of the Government, because of that decision. Without this provision, it will be impossible to provide a Government which meets the standards expected of a modern jurisdiction.

725 Thank you.

The Speaker: Thank you, Conseiller Maitland.

730 I would remind everybody that we are actually discussing the Budget, as put to us tonight. It is nice to hear your voice on a whole range of issues, Conseiller Maitland, but if people could restrict themselves to what is in front of us.

Conseiller Reg Guille.

735 **Conseiller Guille MBE:** I say at the onset I shall be supporting the Budget and taxation proposals. However, I would ask a question of the Committee and that is regarding Proposition 4. This measure was brought in as a relief to less well-off taxpayers due to the change of emphasis from personal tax to property tax and in turn, this was a measure due to the amount of tax avoidance measures being taken by certain persons in the jurisdiction to reduce their already small personal tax bills. May I ask how long the Committee intend this relief to remain in place?

740 And I have a second question of the Committee; can the Committee tell us how much money has not been paid by some of our wealthier residents this year by refusing to pay their tax?

Thank you.

745 **The Speaker:** I will call Conseillers Moerman or Cottle, or both, at the end of the debate. They can answer those questions, I am sure.

Conseiller Hazel Fry.

Conseiller Fry: Thank you, sir.

750 This will probably annoy you as well, (*Laughter*) but I shall say what I want to say!

The Speaker: You have never failed me so far. (*Laughter*)

755 **Conseiller Fry:** As you know, I unfortunately had to miss Michaelmas Chief Pleas and the Budget debate. Reading through the decisions of that meeting I was sorry not to have been there. I would especially have wished to comment on Proposition 13 regarding the pay increase recommended by Mr Adam Barker for the much extended role of the Senior Administrator. This was defeated and is one of the reasons why the Budget needs to be presented today. I have been accused, by another Conseiller, of standing up for Kath Jones because she is a personal friend of mine. Indeed she is that, but I want to make it very clear that my interest is in the role of Senior Administrator, not in the individual. I cannot agree with a budget that fails to make adequate provision for supporting essential roles.

760 Sark seems to specialise in getting professional reports done and then ignoring the advice given. Isn't it time to bite the bullet and acknowledge that in today's world we need professional help? And, like it or not, that means investing money. We have seen it with the Senior Administrators role and with the Treasurer's role. I should admit that Wendy Kiernan is also a

personal friend of mine. I am wondering about the education review, will it also be dismissed as unnecessary?

770 When I became a Conseiller, nearly seven years ago, my whole aim was to keep Sark as it was, let nothing be changed. The years in Chief Pleas have changed my views. Sark needs to do things properly and professionally if we are to continue to have any degree of independence. With the upmost respect, how many of us have the skills and training to achieve this? Recent issues have revealed serious cracks. Is this good governance? Now here we are being asked to vote through a budget that the Finance & Resources Committee is presenting, telling us that
775 they have reservations about it. To me this seems absolutely ludicrous and I cannot vote for it.

Thank you.

A Member: Hear, hear.

780 **The Speaker:** Thank you, Conseiller Fry.

I would just remind people, I do not like stopping people from speaking, but we really need to address what is before us this evening.

Conseiller Jane Norwich.

785 **Conseiller Elizabeth Norwich:** I think we are addressing what is in the Budget and its implications for the future.

Coming to what I wanted to say before that; I have had considerable concerns about the Budget this year. We do not appear as a jurisdiction to be doing joined up thinking and looking to the future as I would hope. Despite requesting, as laid out in the F&R mandate, the
790 information to substantiate all aspects of the Budget request by each committee has not been done effectively. Even P&P, so it includes me, was late in the day with its explanations. This has given F&R considerably more work.

With my interest in good government I am particularly interested in planning for the future, to make life easier and to be more effective. Be that short term planning like a budget year, as
795 we are looking at now, or more strategic planning for the next five to 10 years for big projects like work on harbours, IT replacement, the Coupée or, in fact, as we have just done, with the education review, and I look forward to that in Christmas Chief Pleas. The draft budget at Michaelmas seemed to be wanting to plan longer term but this one is not achieving that today. This denuded Budget is minus a proper remuneration package for a Senior Administrator and a
800 government support team for the future shape of Chief Pleas. You cannot have a support team for all the operational committees, going forwards with our new 18 sized Chief Pleas, without a planned budget, and that is not here in the Report today.

We are also expecting a Treasurer to work on fiscal policy without being paid a professional remuneration, and I do not think that is right. So, reluctantly, I really feel I cannot support
805 Proposition 6 today.

The Speaker: Okay.

Conseiller William Raymond.

810 **Conseiller Raymond:** Thank you, sir.

The problem with setting budgets is that it is all a matter of guess work and these are the best estimates that anybody can put forward. The problem I have, particularly just to focus on one item, is the item of unforeseen expenses. Are we really expecting that unforeseen
815 expenditure in the year to come will only be £6,000? We have had to go back to the Lieutenant Governor so many times for considerably larger sums in the last year. We have to pass the resolutions today because we have to raise the tax, but I just sound a word of warning.

The Speaker: Thank you.

Does anybody else wish to speak before I ask the ... ? Conseiller Reg Guille.

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Conseiller Guille MBE: People have been straying off the subject quite considerably and you have been very relaxed – not relaxed, that is the wrong word, sir –

The Speaker: It is a perfectly good one.

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Conseiller Guille MBE: – tolerant, of that happening. There are times in this parliament when I would have liked to have stood up and spoken out, but it was not appropriate to do and I do not think people should. And if people start doing it in this parliament I will stand up and start pressing my button asking for a point of order, because we should not be talking about those issues which we have already debated.

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The Speaker: Thank you.

Does anybody else wish to speak before I call ... ? Conseiller Hazel Fry, you are not going to repeat everything?

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Conseiller Fry: I want to say more! *(Laughter)* I won't Chair.

The Speaker: Conseiller Hazel Fry.

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Conseiller Fry: Just to answer what Conseiller Guille has said, I think this is very much a part of the Budget and you are shaking your head but I really think it is. As a Conseiller I have always said if I was going to vote against anything I would give a reason for doing so.

Thank you.

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A member of the public: Hear, hear.

The Speaker: Excuse me, members of the public gallery need to get elected if they wish to make a comment.

Anybody else? Conseiller Rob Cottle.

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Conseiller Cottle: Just to reply to the two questions that Conseiller Guille raised, that is the only other thing I am going to speak on. The first question was about Proposition 4, about individuals over 69 years of age, when the basis of tax was shifted slightly two years ago to put more emphasis on property tax we found that particular groups of our society would be disadvantaged by some of the things we were putting in place and we did not want that to happen to the less fortunate amongst us, the less well off, the people that were of limited means. We identified a small number of individuals, and it is a small number, and as they were over 69 in 2016 they are now over 71, so that group will not get larger. *(Laughter)* It is a small amount of people and will become smaller as time goes on, but we have not devised a way of not disadvantaging them if we do not keep including this Proposition at the moment, so it has very little effect on the overall income of the Island, just a few thousand pounds at most, so we would prefer to keep that in there so they are not being picked on as a small group of people who have resources as it says, of less than £70,000, that they are eking out the rest of their life off.

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With regard to tax there are some quite large amounts outstanding that are the subject of legal proceedings at the moment which have been adjourned to next year, there are three companies and two individuals who have not yet paid their tax and they are being pursued for that tax though it has been adjourned until March next year the case against them, so that is where we are with that at the moment.

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The Speaker: Thank you.

If you are ready we will move to Proposition 1, with the small amendment to the last bullet point to just remove the double wording 'to pay'. Proposition 1, as amended, is that the rate of Property Tax remains at £14.25 per quarter for the year 2018; that the minimum rate of Personal Capital Tax remains at £325.00 for the year 2018; that the maximum rate of Personal Capital Tax remains at £6,500 for the year 2018; that the forfait factor for the calculation of Personal Capital Tax remains at 2.0 for the year 2018; that the net asset rate for the calculation of Personal Capital Tax remains at 0.30% for the year 2018; that individuals over 69 years of age on 1st January 2018 who have worldwide assets of £150,000 or less pay nil Personal Capital Tax for the year 2018; and finally that the Personal Capital Tax of an individual who is liable to pay Property Tax as Possessor of Real Property which is his principal dwelling shall be nil. This will apply to one individual who is the possessor in the principal dwelling where all adult occupants have net capital assets of £108,333 or less for the year 2018. All those in favour; any against. That is **carried**.

Proposition 2, that the maximum rate of Property Tax that Chief Pleas may by Ordinance prescribe, as set out in section 2(2) of the Direct Taxes (Sark) Law 2002, be increased from £15 to £30 per quarter. Those in favour; any against. That is **carried**.

Proposition 3, that Chief Pleas approves the Ordinance entitled 'The Direct Taxes for 2018 (Sark) Ordinance, 2017'. All those in favour; are there any against? That is **carried**.

Proposition 4, That individuals over 69 years of age on 1st January 2016, who declared assets of £70,000 or less for 2015, shall receive a payment equal to the calculated increase above 2015 in their tax assessment total for the year 2018. All those in favour; any against. That is **carried**.

Proposition 5, with a small amendment, that Impôt rates for the year 2108 (*Laughter*) Is that in the Agenda? (**A Member:** Yes.) Yes, I think I will amend it myself, that should be 20...

A Member: I don't know how I missed that one!

A Member: It is forward planning! (*Laughter*)

The Speaker: Thanks to copy and paste, I missed it too.

Right, that Impôt rates for the year 2018 shall be as presented in the corrected Appendix 3 of this Report and the Appendix you are voting on is the one circulated as an addendum. All those in favour; and against. That is **carried**.

Proposition 6, that the Budget of Income and Expenditure for the year 2018 be accepted.

All those in favour; any against. I think that is **carried**.

That is all six Propositions carried.

The Direct taxes for 2018 (Sark) Ordinance 2017 will be numbered XVI of 2017.

8. Seasonal Regulation No 4 - 2017 – Road Traffic Committee Report – Report noted

To consider a Report for information from the Road Traffic Committee entitled 'Seasonal Regulation No 4 – 2017'.

Proposition:

To consider a Report for Information from the Road Traffic Committee entitled 'Seasonal Regulation No 4 – 2017'.

910 **The Speaker:** Agenda Item 8, to consider a Report for information from the Road Traffic Committee entitled 'Seasonal Regulation No 4 – 2017'.

Conseiller Dunks, do you wish to introduce this? Okay, so that is for information, there is no vote on it. The time is now 23 minutes past eight, I am going to close the meeting –

915 **Conseiller Guille MBE:** Mr Speaker.

The Speaker: Conseiller Reg Guille.

920 **Conseiller Guille MBE:** I thought I would finish off with a funny. Could I please ask the Committee to come up with another description to replace that of the NatWest Bank, which is used twice in the regulation, in regulation 9(b) and (c). Whilst most of us here can probably just remember where the NatWest Bank was, newcomers will not, so if they just could think of an alternative wording for 'NatWest Bank' – Stocks' Popup Shop or whatever!

Thank you, sir.

925

The Speaker: And presumably you are putting up a prize, are you? *(Laughter)*
I am now going to close the meeting for the second time at 25 past eight.
Greffier, the Grace, please.

PRAYER

The Greffier

Chief Pleas closed at 8.25 p.m.