



OFFICIAL REPORT
OF THE
MICHAELMAS MEETING
OF CHIEF PLEAS
OF THE
ISLAND OF SARK

HANSARD

Assembly Room, Sark, Wednesday, 3rd October 2018

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

Volume 4, No. 4

Present:

Seigneur

Maj. C M Beaumont Esq.

Speaker of Chief Pleas

A J Rolfe Esq.

Deputy Prévôt

Mrs J Godwin

Greffier

Mr T J Hamon

Deputy Treasurer

Mrs L Higgins

Constable

Mr P Burgess

Vingtenier

Mr M Fawson

His Excellency the Lieutenant-Governor:

Vice Admiral Sir Ian Corder KBE, CB

Conseillers:

Diane Baker
Edric Baker
Nicolas Moloney
Elizabeth Norwich
Helen Plummer
William Raymond
Stephen Taylor
Antony Dunks

Reginald Guille MBE
Peter La Trobe-Bateman
Sebastien Moerman
Christopher Nightingale
Anthony Ventress
Paul Williams
Pauline Mallinson

Business transacted

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Michaelmas Meeting of Chief Pleas

Chief Pleas met at 10.00 a.m.

[THE SPEAKER *in the Chair*]

PRAYER

The Greffier

ROLL CALL

The Greffier

The Greffier: There are 15 Conseillers, the Seigneur and the Speaker of Chief Pleas present.

Welcome to the Lieutenant Governor

The Speaker: First of all, may I welcome the Lieutenant Governor to our meeting.

Apologies for absence

5 **The Speaker:** I have apologies from Conseillers Alan Blythe and Roger Norwich, who I understand is in London having medical tests, and also from Conseiller Sandra Williams.

Procedural –

Items 18 and 19 to be taken after Item 4

10 **The Speaker:** There is an Addendum comprising Items 18 and 19, to elect a Procureur and Deputy Procureur. I propose that these two Items are taken immediately after Item 4. Can I put that to the vote? Those in favour; any against? Thank you, that is **Carried**.

Floral Guernsey –

Statement by Conseiller Paul Williams

The Speaker: Statement by Conseiller Paul Williams regarding Sark's recent success in Floral Guernsey.

Conseiller Paul Williams: Thank you, sir.

15 I am pleased to stand up and report some positive aspects of our Island. Members will be aware from the full page coverage in the *Guernsey Press* that Sark, represented by Sark Community Blooms, was again overall winners in the Floral Guernsey competition, gaining an overall Gold.

The award is divided into three sections and Sark Community Blooms gained Gold in sections 2 and 3, related to community participation, environment and year-round involvement and Silver Gilt in section 1, related to impact on horticultural practices and cultivation. We were advised by our judges that improved impact on the Avenue area would have raised this section to Gold, so food for thought for next year.

As overall winners, Sark Community Blooms will represent Sark and the Bailiwick of Guernsey in RHS Britain in Bloom next year.

25 Sark Community Blooms also won the Ozzy Falla trophy for an outstanding level of work on a community entry. In addition, we were able to nominate the Stocks Hotel for a new cup for horticultural excellence, which Stocks won, despite a high level of competition. Head gardener at Stocks, James Harrison, was singled out by the judges for a certificate for outstanding work.

If you have not seen the trophies yet they are in display in the Gallery window.

30 The Steering Committee of Bloomers would like to thank the many residents who assisted in Sark's success by attending working parties, watering and deadheading through a very dry summer, providing funding and providing tea and rather delicious cakes at the end of our working parties.

Thanks also to the Seigneur, who has been an active and supportive patron. We hope that you will be able to support Sark Community Blooms again next year, when we once again hope to gain valuable free positive publicity, as well as enhancing our already beautiful Island home.

Thank you.

The Speaker: Thank you and my congratulations to Sark Bloomers.

**Remembrance Sunday; Operation Hardtack 7 commemorations –
Statement by Conseiller Reg Guille MBE**

40 **The Speaker:** Statement by Conseiller Reg Guille regarding the programme for Remembrance Sunday and also the Operation Hardtack 7 commemorations

Conseiller Guille MBE: Thank you, sir.

45 Remembrance Sunday: I gave a very brief update at the last meeting but I forgot to bring the paperwork so I shall say it again. Remembrance Sunday this year, we are participating with the whole of the United Kingdom in regard to the Battle's Over programme. The activities will commence at six o'clock in the morning, when the piper, Mr Jimmy Martin, will play *The Battle's Over* and this will be played at the Men of Sark Memorial Cross. At 10.45 a.m. there will be the usual parade and congregation assembled for the act of homage at the Men of Sark Memorial Cross, followed by the two-minute silence and the church service. At one o'clock there will be a Remembrance Sunday lunch at the Island Hall, organised by the Sark branch of the Royal British Legion, and to include a small display of memorabilia as part of that lunch.

50 At quarter to seven that evening, there will be a vigil and lighting of candles at the Men of Sark Memorial Cross; at five to seven the sounding of the *Last Post* by Mr Ash Jarman, once again at the Cross. At seven o'clock we will be lighting a World War I beacon of light and that will be just inside the Cemetery gates. At 7.05 p.m. there will be church bells pealing, ringing out for peace and at the same time as that is going on, the Town Cryer will call a Cry for Peace Around the World, and the Town Cryer is Mr Peter Plummer. Ceremonies will end at approximately 7.30 p.m. There will be posters going up with that detailed programme in due course.

60 Members will recall, and members of the public will recall, that a very successful Operation Basalt commemoration was held last October, on 3rd and 4th October. This year the Royal British Legion is organising a commemoration for Operation Hardtack 7, which is the 75th anniversary, and the programme will occur on 28th December.

65 The outline programme is that the 10 a.m. ferry departs Guernsey with any guests coming on it and they will be met at the Harbour and be taken to the Bel Air Inn for refreshments. Sark residents may join at the Bel Air Inn to greet our guests, or be at the Hog's Back for 11.45 a.m. At 11.30 a.m. approximately we will depart the Bel Air Inn for the Hog's Back, where the commemoration is to take place.

70 At 12 noon there will be an unveiling of the commemorative stone and a welcome address is to be given by the Seigneur, followed by the unveiling of the stone with the Union and Legion standards to be paraded, plus any French standards, as we are hoping that there may well be some French military involvement in this ceremony. The stone is to be draped with the Union flag and French flag and to be removed at unveiling. This raid was by No. 1 Troop of No. 10 Commando, which was an Inter-Allied Commando, and No. 1 Troop was a French Commando.

75 At one o'clock there will be a hot buffet lunch at Stocks Hotel and then at 2.30 p.m., after the buffet lunch, and before the four o'clock ferry departs, respects will be made at the headstone in the church cemetery to Corporals Bellamy and Private Dignac, who were killed on the raid. Then the ferry departs back to Guernsey at four o'clock. Once again there will be a detailed programme coming out in the coming months.

80 Thank you, sir.

The Speaker: Thank you.

**Slaughter House; food regulations –
Statement by Conseiller Helen Plummer**

The Speaker: Statement by Conseiller Helen Plummer regarding the slaughterhouse and other issues.

85

Conseiller Plummer: Thank you, sir.

90 On 19th September 2018, Tobin Cook, Director of Environmental Health, Charlotte Jones, Environmental Health Officer and David Chamberlain, States' Veterinary Officer, came from Guernsey to Sark to discuss with the Agriculture, Environment and Sea Fisheries Committee Guernsey's new food and feed legislation. This has important implications for Sark over its ability to export meat, dairy, fish and animal feed to Guernsey, and will take effect in early 2019.

95 From the end of 2019 the law will also affect all other food and drink products being exported, e.g. chocolate, beer etc. The UK currently complies with EU standards and legal requirements applicable to food manufacture, preparation and sale, and intends to continue to use this legislation post-Brexit. Guernsey exports foodstuffs to the UK and EU, which they wish to continue. Guernsey therefore has to bring its regulations into exact line with the UK and EU regulations in order to be able to continue their exports.

100 One of the requirements will be that any food imported into Guernsey from Sark will have to comply with EU and UK regulations and no derogations can be applied, unlike the present arrangement. Sark food regulations and law do not comply with the EU, UK or the impending Guernsey regulations, therefore Sark has three options: (1) stop exporting any food and just supply the Sark market – this will have severe implications on a number of farmers and, after December 2019, other food-related businesses that export; (2) adopt a mirror image of the Guernsey regulations now so that export trade can continue; or (3) adopt a mirror image of Guernsey regulations later. The main practical changes under options (2) and (3) will be the

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current voluntary arrangements, whereby Guernsey Environmental Health make inspections and recommendations on Sark, will become mandatory to ensure that any food made and sold on Sark or exported complies with UK, Guernsey and EU regulations. It will apply to all enterprises preparing food, including dairies, meat production, food and drink manufacturers – e.g. chocolate and beer – food outlets, restaurants, hotels, food shops etc. homemade juices, jam and cake and also feed for animals destined for the human food chain. A side benefit of adopting (2) or (3) is that it will open the opportunity for Sark to export to the UK and the EU, unlike the present. This is a potential workaround, whereby the current trade in wet fish and crustaceans being exported to France can continue, as the fishing takes place in Guernsey waters using Guernsey-registered vessels.

If Sark adopts the new Guernsey regulations then the Director of Guernsey Environmental Health indicated a willingness to stand the cost of providing the environmental health staff involved in supervising and inspecting Sark food businesses.

This is having to be done at great speed, due to the short time available before Brexit and the relevant information only being provided very belatedly to Guernsey by the UK Government. Guernsey Environmental Health have therefore only very recently been in a position to brief the Sark Agriculture and Fisheries Committee with hard facts, hence the short notice for this report to Chief Pleas. Guernsey expect to put their legislation in place by early 2019, after which Sark will not be able to export to Guernsey. Sark farmers will be contacted by the Committee to warn them of this impending situation and to encourage them to export any meat they may have planned to before the end of this year.

The operation of Sark Slaughterhouse has therefore become urgent in order to comply with current and forthcoming legislation. In addition, the Seigneur does not wish to extend the lease of the present slaughterhouse at La Seigneurie farm. It is now proposed to site a new building at the bottom of Les Laches on Island-owned land; the Douzaine have agreed to this in principle.

John Robinson is finalising a new design which has been scrutinised by the States' Veterinary Officer and Environmental Health Specialist. All three officials from Guernsey also visited the site. This will lead to a planning application being put to the DCC and a firm price being obtained for budgeting purposes. Prices will also be sought for the supply of water and power.

As far as it is possible, it is proposed to employ local labour and materials. Work has also been started out on a proper business plan and this will be finalised as soon as possible.

Thank you.

The Speaker: Thank you.

Procedural – Electronic devices

The Speaker: Now in accordance with the Rules of Procedure, I would remind all present that any 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 18.

Business of the Day

1. Midsummer Meeting, 4th July 2018 – Matters arising

Matters arising from the Midsummer Meeting of Chief Pleas held on Wednesday, 4th July 2018.

The Speaker: We go to Agenda Item 1, matters arising from the Midsummer Meeting of Chief Pleas held on Wednesday, 4th July.

I have just one: on page 6, line 29, I listed the Committees Peter Byrne served on and omitted to include his service on the Tourism Committee.

Are there any other matters arising? Conseiller Tony Dunks.

Conseiller Dunks: Item 11, on page 34, Consultation Regarding the Deregulation of Electric Cycles on Sark Roads. In that Item Chief Pleas approved the Road Traffic Committee to carry out appropriate consultation with the residents of Sark. The first stage was a house-to-house questionnaire sent out in the first two weeks of August. While there was some confusion regarding questions 2, 3 and 4, question 1 on should the law change or not, and questions 5 and 6 asking for perceived advantages and disadvantages of a change to the law are still valid.

For information, 20% of the 650 forms sent out to the residents of Sark were returned. Of these, 91 indicated there should be a change in the law, 42 indicated that it should stay as it is. The Road Traffic Committee has not been able to collate responses to questions 5 and 6 in time to bring a report to this Chief Pleas. A report will instead be brought to a future meeting, most likely early in 2019.

Thank you.

The Speaker: Thank you.
Conseiller Reg Guille.

Conseiller Guille MBE: Three parts, sir. Item 5, the Future Shape of Chief Pleas: I can inform Chief Pleas that the Guernsey equivalent of our Transfer of Functions Ordinance, the Sark Machinery of Government (Guernsey) Ordinance, 2018 was approved by the Guernsey Legislation Review Panel on 2nd September. That Guernsey Ordinance makes the necessary provisions in Bailiwick legislation, as ours does for Sark legislation.

Item 8, Development of Budget Policy: after the Midsummer Meeting I was contacted by a member of the electorate to tell me that at the Easter Meeting I had miscounted the six months that the Law Officers advise that Sark should not go beyond in leaving the Treasurer of Sark role unfilled. I had said that the six months would be up on 1st June whereas, of course, the six months from becoming vacant on 1st January would be 30th June. At the Midsummer Meeting I just said that we were now in the seventh month of a vacancy and I can now say that we are in the 10th month of that vacancy, with the current Deputy Treasurer still filling in for that position, at remuneration of less than the role commands.

Item 16, Data Protection: the information report at Midsummer gave notice of further training to be undertaken by members of the Government. I can confirm that the training took place as scheduled over the period 31st July to 2nd August. Committees and Departments were left to complete their audit documents, the data protection asset registers and to develop their draft fair processing notices and were reminded of this by email from me on 13th September.

Having this morning spoken with Mrs Claire Eley, I can tell you that she is meeting tomorrow with the IT assessment needs colleague to prepare a joint draft report for Policy & Performance and F&R. We also agreed that a meeting in Sark would be needed after receipt of the draft report.

Thank you, sir.

190 **The Speaker:** Thank you.
Conseiller Edric Baker.

195 **Conseiller Edric Baker:** Page 31, line 1015, it appears that I caused confusion by my statement in regard to properties that were maintained by the Douzaine Committee. There are properties that do not come under the management of the Douzaine and they are, very simply, the school teachers' houses, the medical centre and the buildings at the harbour.

If it is the wish of F&R that our mandate is changed, then they will have to come back to Chief Pleas with a report and Propositions.

200 **The Speaker:** Thank you.
Are there any other 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, Agenda Item 2, Questions not related to the Business of the Day: there are none.

3. Election of a Constable – Mike Fawson elected

Douzaine: to Elect a Constable to replace Mr P Burgess, whose term of Office expires.

205 **The Speaker:** Agenda Item 3, Douzaine: to elect a Constable to replace Mr Paul Burgess, whose term of office expires, and a report from the Constable is enclosed at the end of the Agenda. Normally I would ask you to make comments but I think the Constable would like to say a few words – yes? Sir.

The Constable: Now?

210 **The Speaker:** Yes. *(Laughter)* So you are not hanging around.

The Constable: Sorry.

Obviously you have seen my report and I just want to add a couple of things to it, I have done a little bit here:

215 Almost every Constable before me will vouch, the job of Constable is the most thankless and frustrating task anyone can take on. Life on Sark is changing more and more, we have to accept the role of the Constable is becoming more and more involved. My comments are meant as a positive contribution to enable my successors to carry out their important work.

220 Unfortunately the Constables of Sark/Sark Police Force are not equipped with the tools to deal with these issues. By 'tools', I do not mean breathalysers, speed guns etc. but the laws in place so that when an arrest is made we know that we have the full support of the laws and the judicial system.

To show this is not always the case, here are three examples of which members of Chief Pleas and the public have criticised us on doing our job:

225 (1) The unsprayed dog law – after spending hours and hours on this, we were ready to go to court but after checking with the Law Officers they advised us it would be futile to continue as an advocate would rip us apart and the result would be in favour of the plaintiff.

230 (2) After spending nearly two years with loads of man hours by the Constables, Vingteniers, Assistant Constables, Guernsey Police and the Law Officers, again we were ready to caution and place a restraining order on a subject. Again, we were told by the Law Officers that Sark Chief Pleas had not enabled a second part of the law so the court had no powers to enforce this restraining order.

235 And finally, (3) Constables ask every employer to get their staff to fill in a police check/worker's registration form so that we can check their history. But a Projet de Loi entitled the Employment Permits (Sark) Law, 1987 was never enabled.

240 Also there is no budget for this, so all the forms are just filed away in a cupboard and nothing is done further. The only way we ever find out anybody's history, which is serious, is through Guernsey Police or afield from other forces. This should be a matter of urgency to get this law enacted, as we need to have a police check system in place so all employers and their staff are of good character and members of the public, as best as we can make sure, feel safe on our lovely Island of Sark.

So may I invite those in Chief Pleas to take action on these matters in order to enable our Police Force to carry out their duties that are expected.

Thank you.

245

The Speaker: Thank you.

Chairman of the Douzaine, Conseiller Edric Baker, to speak on the outgoing Constable.

Conseiller Edric Baker: Yes, sir, thank you very much.

250 I would like to thank Mr Paul Burgess for his duty as Constable of this Island. It is appreciated by a lot of people in Sark, or most people in Sark.

I was not expecting his statement so I have been slightly thrown by that, but we have already arranged to meet with the Constables in due course and hopefully at that time we will listen to their grievances from a political point of view and hopefully help them with them that.

255 But I would like to propose the name of Mr Mike Fawson as Constable, please.

The Speaker: Thank you.

Mr Mike Fawson has been proposed as the Constable. Can I ask those in favour; are there any against? Could I just ask you, Conseiller William Raymond, were you voting –?

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Conseiller Raymond: I was in favour; I was just a bit slow. *(Laughter)*

The Speaker: Oh, well I will buy you an alarm clock for Christmas! *(Laughter)*

I declare that Mr Mike Fawson becomes the Constable. **Carried.**

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May I add my personal thanks to Budgie for what he has done and for also the way in which he has come here with some positive views on what he feels his successors find necessary, and also to thank Mike Fawson for stepping up to the plate and taking on the job.

**4. Election of a Vingtenier –
April Rose Diaper elected**

Douzaine: to Elect a Vingtenier to replace Mr M Fawson, whose term of Office expires.

The Speaker: Agenda Item 4, the Douzaine: to elect a Vingtenier to replace Mike Fawson, whose term of office expired and he is now the next Constable.

270 Chairman of the Douzaine, I would ask you to propose the person selected by Mike Fawson, approved by the Independent Policing Panel, and brought forward by the Douzaine to be appointed to the office of Vingtenier for the election by Chief Pleas.

Conseiller Edric Baker: Thank you, sir.

275 I am very pleased to announce that Ms April Rose Diaper is the person proposed.

The Speaker: Right, so Ms April Rose Diaper has been proposed as a Vingtenier. Can I ask for those in favour; are there any against? **Carried.**

280 Again, may I thank April Rose for stepping up to the plate and for offering to do this very important job.

**18. Election of a Procureur des Pauvres –
Estelle Day elected**

Douzaine: to Elect a Procureur des Pauvres to replace Ms L Belfield, whose term of Office expires.

The Speaker: We go to Agenda Item 18, Douzaine to elect a Procureur des Pauvres to replace Ms Lucy Belfield whose term of Office expires.

Chairman of the Douzaine, Conseiller Edric Baker to speak on the outgoing Procureur.

285 **Conseiller Edric Baker:** Yes, sir, again I would sincerely thank Ms Belfield for a wonderful term of office that she has completed. I am amazed at the time that the Procureurs spend on their various functions, and they are carers first and foremost. I think it is just absolutely brilliant and Lucy has done a first class job.

I would therefore like to propose Estelle Day to succeed her as Head Procureur.

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The Speaker: Okay. I will put that to the vote: that Estelle Day becomes the Procureur des Pauvres. Those in favour; are there any against? That is **carried.**

May I add thanks from all of us to you, Lucy, for what you have done; and also to Estelle for stepping up to do the job.

**19. Election of Deputy Procureur des Pauvres –
Stephanie Guille elected**

To elect a Deputy Procureur des Pauvres to replace Ms E. Day whose term of office expires.

295 **The Speaker:** Agenda Item 19, Douzaine: to elect a Deputy Procureur des Pauvres to replace Ms Estelle Day whose term of office expires.

Chairman of the Douzaines, Conseiller Edric Baker, to speak on the outgoing Deputy.

Conseiller Edric Baker: Yes, sir.

Again, thanks go to Estelle. They have both worked very closely together, both her and Lucy.
300 Sincere thanks to them.

The name I would like to bring forward, I am very pleased to announce, is Ms Stephanie Guille.

The Speaker: Okay, I will put that to the meeting, that Stephanie Guille has been proposed as Deputy Procureur des Pauvres. Those in favour; are there any against? That is **carried**.

305 Again may I thank Estelle for her year – or two years, in fact, isn't it – and also Stephanie for stepping up to do the job.

**Procedural –
Swearing-in of Constable, Vingtenier, Procureur and Deputy Procureur**

The Speaker: I just want to make a brief comment here that for your information the swearing in of Constable, Vingtenier, Procureur and Deputy Procureur will be done at 2 p.m. today; or if the meeting continues after that, half an hour after the meeting has concluded.

**5. Policy & Performance Committee –
Report on General Election Ordinance, 2018 considered –
The Reform (General Election) (Sark) Ordinance, 2018 approved**

To consider a Report with Proposition from the Policy & Performance Committee entitled 'General Election Ordinance, 2018' and to approve the Ordinance entitled 'The Reform (General Election) (Sark) Ordinance, 2018'.

Proposition:

That Chief Pleas approves the Ordinance entitled 'The Reform (General Election) (Sark) Ordinance, 2018.

310 **The Speaker:** Agenda Item 5, to consider a Report with Proposition from the Policy & Performance Committee entitled 'General Election Ordinance, 2018' and to approve the Ordinance entitled 'The Reform (General Election) (Sark) Ordinance, 2018'.

Conseiller Reg Guille to introduce the Report.

315 **Conseiller Guille MBE:** Thank you, sir.

I have nothing to add to the Report and recommend that the Ordinance is approved. However, I am happy to answer any questions that you might have.

Thank you.

320 **The Speaker:** Thank you.

Are there any questions or comments from the floor? None.

So in that case we will go to the Proposition that Chief Pleas approves the Ordinance entitled 'The Reform (General Election) (Sark) Ordinance, 2018'. Those in favour; are there any against? That is **carried**.

325 This Ordinance will be numbered X of 2018.

**6. Finance & Resources Committee –
2019 Budget considered –
Propositions 1-3 carried; Proposition 4 lost**

To consider a Report with four Propositions from the Finance & Resources Committee entitled '2019 Budget' and to approve the Ordinance entitled 'The Direct Taxes for 2019 (Sark) Ordinance, 2018'.

Proposition 1

That Chief Pleas approves –

- The rate of Property Tax remains at £14.25 per quarter for the year 2019.*
- The minimum rate of Personal Capital Tax remains at £325.00 for the year 2019.*
- The maximum rate of Personal Capital Tax remains at £6,500 for the year 2019.*
- The forfait factor for the calculation of Personal Capital Tax remains at 2.0 for the year 2019.*
- The net asset rate for the calculation of Personal Capital Tax remains at 0.30% for the year 2019.*
- Individuals over 69 years of age on 1 January 2019 who have worldwide assets of £150,000 or less pay £Nil Personal Capital Tax for the year 2019.*
- Personal Capital Tax of an individual who is liable to pay 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 2019.*

Proposition 2

That Chief Pleas approves the Ordinance entitled "The Direct Taxes for 2019 (Sark) Ordinance, 2018" (Appendix 1).

Proposition 3

That Chief Pleas approves impôt rates for the year 2019 as presented in Appendix 2 of this Report.

Proposition 4

That Chief Pleas approves the budget of Income and Expenditure for the year 2019 as set out in this report.

The Speaker: We go to Agenda Item 6 – to consider a Report with four Propositions from the Finance & Resources Committee entitled '2019 Budget' and to approve the Ordinance entitled 'The Direct Taxes for 2019 (Sark) Ordinance, 2018'.

I understood that all three members of the Committee wish to introduce sections of the Report. However, Conseiller Roger Norwich is not here, so I will ask first Conseiller Sebastien Moerman, followed by Conseiller Jane Norwich.

Conseiller Sebastien Moerman.

Conseiller Moerman: Thank you, sir.

I have tried to find a red bag, but have not, so it is in there!

As previously discussed with you, sir, the introduction of this Report, given its size and the collaborative method used to prepare it, we would wish for each member of the Committee to present different aspects.

Conseiller Elizabeth Norwich will lead with the reasoning and data used to form the basis of this Budget. Conseiller Roger Norwich, if he was well enough to travel, would have then outlined the financial expenditure allocation, but Conseiller Elizabeth Norwich will step in. I will then

outline some of the consequences of this Budget and the future workstream required by Chief Pleas for the development of a viable economy in Sark.

Conseiller Norwich.

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The Speaker: Conseiller ... Norwich.

Conseiller Elizabeth Norwich: There is only one of us today! (**The Speaker:** Yes!)

350 Before we start, I did just want to support our Constable in updating our Laws. I think that is very important. The Employment Permits Law, F&R has been looking at it and it is definitely found wanting, so I would like to support you on that.

Coming back to the matter in hand today.

355 The first part of the introduction to the Budget Report today, which we hope informs the debate, concentrates on the technical aspects which you will find starting on page 14 in your tome of words. I would hope that you have all read it and come prepared to debate the contents of the Report.

360 Overall this year marks a significant change – a change that has been very difficult for some, but we must implement matters from earlier debate and decisions of Chief Pleas. We have adopted a functional, proportionate, comprehensive approach that is more accountable to the people of Sark.

365 I have no wish to expand significantly on the contents of this section, but for those members of the public who are here today and read *Hansard* later, I do want to summarise the most significant points. I will comment where necessary following approximately the format of the Report to aid you turning pages. This will also include answers to questions or requests for expansion that have come in lately.

370 Background to the process: why are we doing the Budget this way? We have to produce a balanced Budget. It is a requirement of the Reform Law. That means Sark can afford what is in the Budget, that income covers foreseen expenditure and that one Committee's unbudgeted expenditure has an effect across Government. The Budget must meet the reasonable expectations of the people of Sark. Whilst it is not possible for a jurisdiction to provide for everything, we are, because we are mandated to do so, expected to produce a full and comprehensive Budget supporting the work of Government, including the services and support structure of a democratic independent jurisdiction. Whoever writes the Budget has to consider and present all the relevant points and join the dots; that is being responsible.

375 Moving on to page 16 and the Financial Review, we as Conseillers are collectively responsible for all that we spend. It is the view of the Committee that the public would prefer that the Island finances be controlled so that we do not have to react to a situation, that we should as a body plan, advise, plan some more and intervene before a problem becomes critical. To do this we need information and the capabilities to do this. The Annual Financial Review itself has a cost, a cost for a professional service and any act by spenders that causes this process to take longer than necessary increases the cost to Sark.

380 Procurement and Purchasing Policies, also on page 16: currently Sark Government has no formal procurement policy or process. This causes significant issues. It is one thing to introduce financial controls but these controls cannot be strong or efficient without a strong control on procurement. Items to be purchased, whether for maintenance or capital – and for those that are not sure, they are different – must be within budget. Treasury function must know that purchases are being ordered, validated and from which part of the Budget they belong, as well as accurate, timely invoices. This supports our cash flow and our ability to keep money in interest-bearing accounts. The rates may not be high but every penny counts. It is no longer acceptable to the people of Sark for Committees, or individuals on Committees in isolation, to place orders without checking that these are properly budgeted and accounted for. This is normal and reasonable practice that meets the standards required of a Budget. No Committee can go off *piste* with no control of expenditure, as has been recently described by a resident.

390

395 Moving on to page 18 and Budget Approval: this current year's spending and Budget approval
was painful and chaotic; it cannot happen again. We all have to control our budgets and
communicate between Committees – that is a basic, essential matter. This is normal and
reasonable behaviour. As all Conseillers are aware, it is a prerequisite of obtaining budget
approval that we meet basic standards of budgeting, risk control and have sensible procedures in
place. All Committees have undertaken in writing, and they are here with me today; if you need
400 clarification I will read them out, but to be concise they include: to follow good practice in
controlling their individual budgets; to undertake risk analysis of spending and of not spending to
avoid unforeseen consequences; to fully support the necessary tasks required in the preparation
of the 2019 Budget.

Some Committees have undertaken these tasks willingly and thoroughly, and in this I would
405 like to highlight the civil servants in Tourism and the Education Committee for their high standard
of work. Both have worked hard to find duplication and wasted expenditure. You may be
interested to hear that the normal policy of the school over recent years has been to leave
equipment at least on standby or even switched on over all the holidays, even though they are
not in use. By turning every last thing that was possible to switch off, switched off this summer
410 resulted in a saving of £700. I hate to think what this has added up to over the years. This is only
one example of taking proper responsibility for the functions of a Committee.

Some Committees have failed miserably to engage in the Budget process and have
demonstrated a wilful negligence in view of their written assurances. Unless the Committee
concerned and the Treasury function know what is wanted to be included in the Budget for a
415 particular task, service or facility, and at what cost, including why this may be varied from previous
Budgets, we cannot reasonably allocate funds.

To demonstrate further, we are being asked to provide more funds for public works, in
particular for roads. We would consider a request if we knew what funding we are talking about.
When systematic underspend has taken place for three years but the roads have been repaired
420 we cannot give more without some proper costing. That would be acting irresponsibly with
someone else's money. The public want to know why roads are not repaired as well as they expect
while £30,000 remains unspent at the end of a year – which is surely an amount that would make
a serious dent in road repairs. It just does not make sense. I certainly cannot understand it.

The statement that, 'You do not give us enough money,' does not make sense either without
425 supporting evidence, which a Committee with a finger on the pulse of their budget would know. I
wish someone could explain why this has happened over three consecutive years. I personally
would like a review of our roads and the different methods of maintenance possible – roads that
need to cope with 4-wheel drive vehicles on the roads today. I do not mean an in-depth
independent review; I just mean using local expertise. Then a decision can be made on what is the
430 most cost-effective way, for what roads need to be maintained and when. Stating that, 'Materials
ordered and delivered in 2017 have been allocated funds from 2018 and that is why we are short
of funds', is simply incorrect. Engaging with the Budget process by giving a one-page wishlist, as
we have here, is not enough.

Going on to the Asset Register, which is on page 20: our current register is not complete or
435 accurate enough. This work needs completing before mid-January to comply with the needs of
the Island's insurer. Some Committees are working on this with support from F&R. I can also say
that the Island workforce have been extremely helpful in this matter in coming up with a very
useful list.

Incidentally, on a sideways matter of insurance, every year for at least 35 years we have paid
440 a premium to cover compensation to farmers for compulsory slaughter of cloven-hooved animals.
We have never claimed. Because of the buyer security controls here and in Guernsey, we are at
low risk. Guernsey, because of the low risk, have decided to self-insure. A report will come to
Christmas Chief Pleas to debate if we should continue with this cover. Currently the premium is
over £3,000 per annum. I dread to think what we have paid over the years. It is another cost to be

445 considered to look at the risks and then decide. It may not be the right thing to change, but we
should look at it and then decide; that is proper decision-making.

Also on page 20, on the Risk Register, this is work that needs to be done by F&R but will require
significant professional support to do this, as the expertise does not exist within the Committee
or, we believe, within Government.

450 Moving on to the IT Needs Assessment on page 22 and referring to what Conseiller Guille has
already said, F&R who are responsible for resources overall are already undertaking processes
needed to be ready for January for the tax and financial year end within this year's Budget. More
information and a report will be needed for Christmas Chief Pleas. We still need on-Island practical
support; that does not change.

455 Establishment Review on page 23: we are getting there. Considerable work has already been
completed, as noted in the report. Most importantly though, we need proper human resources
support: setting out of contracts, assisted by the Law Officers. Amateur versions are not
appropriate in a modern time – it is unreasonable for Island employees who do not have proper
modern contracts, sensible terms and conditions, and ring-fenced salaries within the Budget.
460 Employees, rightly, worry that their pay could be used to prop up a Committee's method of paying
for unbudgeted items by reducing their hours. We do not as a Committee, being responsible for
all staff, believe it is right that they should worry.

Questions have been raised in respect of the independence of the Tax Assessor. Currently, the
Tax Assessor works without a deputy and whilst necessarily working independently, he is an
465 employee of Chief Pleas and should be supported. Politicians cannot do this; they are not
independent. We may be independent-minded but we are not independent. Therefore, for the
avoidance of doubt 'line management of the Tax Assessor' in this Report means support and
co-ordination along with other parts of the Treasury function to enable the most efficient
functioning of all those engaged in taxation on behalf of Chief Pleas as required by the relevant
470 Law.

Questions, too, have been raised on why administration costs are budgeted to increase. If we
have fewer Conseillers but the level of work remains the same, either existing Conseillers have to
work harder and do even more than they are doing now or we have to have more support. Sadly,
proper support does not come for free.

475 Moving on to the Senior Administrator – so it has gone back just a touch – this topic is the one
causing the most debate in and out of Chief Pleas and I suspect will swing Conseillers one way or
the other today. But I would ask that you consider what is best for the people of Sark, and that
may not be what you like. Budgets are not necessarily about what we like. It is about what is right
for the people of Sark. Sark Government needs proper support to function properly. That should
480 be accountable and meet the reasonable standards required by the taxpaying residents and our
visitors. Whilst our tradition of volunteers has a long history and coped to a degree before 2008,
we live in a different world today.

I personally am very supportive of keeping our traditions but if those traditions no longer meet
what Sark needs today they need to change. It is not a matter of paying ridiculous salaries; it is a
485 matter of paying for professional service. As someone here today would say, it is about chargeable
hours for a proper service. We have professional teachers; they are paid a professional rate or
package. Whilst the teachers are looking after the future of Sark, a proper Government Treasury
function and administrative service is vital to our viable future as a functioning independent
democracy. Without it we fail. Without it we fail to attract those future taxpaying residents that
490 will lead to Sark having a functioning economy. We will also fail to attract qualified staff to work
for the people of Sark if we do not treat them with respect. Sark employment values should meet
the standards of the Bailiwick at the very least. We cannot treat employees like a certain President
does across the pond.

Included in this allocation item is the work of the Deputy Treasurer. So far in 2018 she has
495 worked approximately on average 23 hours per week, rather than 15. This situation cannot
continue without adequate remuneration or additional support.

Discussions on the job description contract etc. for the Senior Administrator are ongoing. Whilst the F&R Committee is responsible for this, to provide for any change in possible financial provision without including it in the Budget for 2019 is not being reasonable or responsible. It is a chicken-and-egg thing.

We are being responsible by including financial provision so that Chief Pleas only needs to debate the level and will not need to do an extra Budget Report that will need approval all over again. Similarly, thinking that you can vote for this Budget excluding financial provision for a professional Civil Service could be seen as a suicide note. We all know we must meet proper modern standards to provide proper services. We believe this cannot be done without accountable and independent professionals working without fear or favour – and that actually means they need legal appropriate employment contracts. Volunteers without qualifications who are not monitored and are therefore not accountable, sadly are no longer a viable option.

The next section would have been led by Conseiller Roger Norwich covering financial expenditure comparisons and allocations. He is still receiving hospital treatment so I will continue – and I cannot do his voice!

We would like to thank the public and Conseillers for the technical questions and observations received to date, which have all been answered I believe. Mr Darren Smith, management accountant from Guernsey, is not able to be with us today so we are limited in being able to address technical questions, and for that we apologise.

The Report lays out which Committee has been allocated what funds for which budget lines. Effectively, Committees are to receive, if this Budget is approved, very similar levels to recent years, ensuring services, facilities etc. are maintained at the current level.

The most significant change and of particular note is the moving to a central Budget of all pay matters. This ensures more careful control, flexibility and will also give confidence to the employees of Chief Pleas. This will also assist an easy introduction of the cross-Government human resources function, which is something that we have all asked for in the Establishment Review.

As was noted earlier, Education has worked tirelessly to remediate several serious and significant deficiencies that have surfaced since the detailed budget workshops were begun. Funding for secondary education is still to be discussed and F&R will work with Education to prepare the necessary reports in due course. Education have also commenced providing short, concise reports on their progress and this is very much appreciated. It alerts us to problems before time.

Of course considerable work remains to provide a functional work schedule for the Douzaine Public Works. Considerable progress has been made in the past two weeks and this is vital to be able to produce a Budget for 2020, for the next lot, so we have already got significant work – and colour-coded for those that need it, for the different categories of maintenance and timescales.

F&R do not think it is unreasonable to develop this, particularly as it is up to the Committee how they prioritise and reprioritise their tasks; they have that flexibility, it is not imposed upon them by F&R. Saying it is not possible to plan because the works in a given year vary and varies between years, that they just have to respond to situations, is unhelpful. Sark is not the only place that has variable tasks that are weather dependent and difficult to prioritise, but without looking at all the work undertaken over several years we cannot make informed budget allowances.

Speaking with residents, they too cannot understand why this is not normal practice. For example, we should know how often a building or a window needs to have paint re-done, so putting the work out to tender can be straightforward. We are not reaching for the stars here.

Of course, increasing Government income is important and you will have seen the shortfall of income over expenditure for the subsequent years. This must be addressed and the work on this by F&R, with the necessary professional expertise and support, will continue over the next few months, being reported to Chief Pleas in the usual way. It has to be tackled.

Taxation though, as you can see, remains static for 2019, except for Impôt, but as Conseiller Roger Norwich is unable to be here, I will now pass over to Conseiller Moerman, via the Speaker,

550 to address the economy aspects of this supporting statement. We need to move on to some of
the harsher aspects of the Budget and the process to provide a Budget that meets the assurances
given by all Committees and therefore should lead to a straightforward approval of the Budget
this year. Conseiller Moerman will also summarise the challenges that must be considered today.

The Speaker: Thank you.
555 Conseiller Sebastien Moerman.

Conseiller Moerman: Thank you, sir.
Once upon a time there was a small island without any resources that became the most
successful society since human history began. This society was not created 453 years ago but 53
560 years ago; it is called Singapore – not Sark – and the annual income per capita has increased there
from \$500 to \$55,000 today. This success was achieved by strong political *leadership* – an
interesting word, ‘leadership’ – implementing the following exceptional policies: meritocracy,
pragmatism and honesty. Whilst Sark is slightly smaller, those policies should apply here too,
wouldn’t you think?

565 With this reasonable Budget we are not trying to run; we are merely trying to walk upright,
steadily and properly. It is a change but it continues the work of previous Finance & Resources
Committees, the work of all past Treasurers and decisions of Chief Pleas. We have tried with this
proposed reasonable Budget to put the house in order – that is the ‘house’ in lower case, sir –
implementing various controls and processes in order for public finances to finally be fully
570 transparent, efficient and organised, and for the people of Sark to clearly see how and where their
tax contributions are being applied.

I would like to reiterate that Sark is facing a number of challenges which have injected
considerably higher levels of risk into the Budget forecast compared with recent years. I am
thinking, for example, of the additional cost of implementing the recommendation of the recent
575 independent review of Education or of course the certainty of further unplanned capital
expenditure.

With this proposed reasonable Budget for the people of Sark, we focus on injecting greater
accuracy into expenditure forecasting specifically aligning future provision closely with previous
actual expenditure. The days of institutionalised underspend are gone and so is this disguised form
580 of taxation. This year, with the exception of Impôt, which regrettably is increased by 5% to support
the protected Procureur Fund, we do not propose to raise the current level of tax which is already
too high for our liking, particularly property tax. Increasing taxation is the obvious answer from
those that are incapable of developing policies and facilitating economic development. Tax, tax,
tax and re-tax – how many times have we heard those words within these walls?

585 I will state again, which to some of us are horrible words, that we must apply modern
professional standards in the administration of a government and its finances, like any responsible
independent jurisdiction. It is impossible to argue against these words unless you have prepared
a Budget which still meets the necessary standard and all Committees meet their written
assurances. That is no different to any other jurisdiction and it is a suicidal mistake to think that
590 we can carry on like dinosaurs segregated from the outside world as an independent Jurassic Park
applying to ourselves very old standards that we persistently fail to achieve. As up to now, I fully
appreciate and respect the past but we must embrace the future and lead Sark into an era of
sustainable economic development.

I have been accused in the past of wanting to run Sark like a company. This is absolutely true.
595 I might even prefer it to be like a hedge fund and I believe this totally. Through this Committee we
are handling the funds of Sark Plc, and our focus should be to bring maximum return for all
shareholders – the people of Sark. The route to economic recovery lies with being responsible and
diligent in the management of our public finances. To do so, we need strong control, strong
systems, strong policies and this is only achievable with qualified Treasury and civil servant
600 functions able to operate and support a reduced Chief Pleas in January. The unbelievable fiasco

of this year's foreseen and unforeseen expenditure is an embarrassing example of ineptitude when it comes to planning, budgeting and handling public money.

Some of you may feel this statement is too acerbic and to some it may be perceived as a threat. I assure you it is very far from being a threat. It is now the time to actually be acting responsibly for the people of Sark that we all represent, responding to the demands for transparency, accountability, integrity and efficiency of Government services to and for the people of Sark. The people of Sark must have confidence that they receive value for the money they pay to run Sark. Whilst we might not want a big Civil Service, we want quality and a base sufficient to support a reduced Chief Pleas which would wish to be fully representative of the voting population of Sark.

It is deliberate that there is only one Proposition for approving the Budget today. The Budget is by necessity a complicated, interconnected, comprehensive, reasonable and responsible Budget. To split it up and to divide the Proposition does not provide a responsible Budget, but split, disconnected different aspects of the budget, and will result in an unbalanced budget, something we have tried to avoid. We believe it meets the required standards and supports the necessary assurances required of Chief Pleas. We will not be splitting or cherry-picking the Budget; this is not what the people of Sark expect.

So, having highlighted points on how we got to this Budget present here today, I would ask that you debate and consider and in due course vote for the Proposition accepting the 2019 Budget. We will be asking for a named vote, so giving your reason during debate for voting for or against will help the debate and inform the public.

Thank you.

The Speaker: Thank you.

Can I just say when you are asking for a named vote, are you asking for a named vote on every Proposition?

Conseiller Moerman: Only for the Budget.

Conseiller Elizabeth Norwich: The acceptance of the Budget.

The Speaker: Proposition 1; Proposition 4, okay.

Well, the 2019 Budget has been well and truly moved. Can I ask for any questions or comments from the floor? Can you put your hands up? I have got Conseillers Edric Baker, Pauline Mallinson, Reg Guille, Diane Baker, Tony Ventress, Helen Plummer and William Raymond.

I will ask Conseiller Edric Baker first.

Conseiller Edric Baker: Thank you, sir.

I do not want to get into a lengthy discussion on underspend because I have got a totally different approach to that. I was there through all the meetings that we had. We could not get the materials when we wanted them, we could not get the manpower to help us and we could not get the machinery at the same time. I will say no more on that.

We have in front of us an extremely well-prepared document. It is detailed and consequently lengthy and takes a long time to read and assimilate.

After the last Chief Pleas and right up to today, the Douzaine public works have engaged with Darren Smith, Guernsey civil servant, in fact in three face-to-face meetings and many emails. We have also had many discussions with the members of F&R, which I personally found extremely helpful. The meetings, although friendly, centred on two main points: our Committee's several years of underspend and the need to expand Sark's Civil Service. Using our mandate, we emphasised the need to have a large enough budget to deal with problems and incidents that happen when you least expect them to over a wide range of activities that our Committee is responsible for. We also pointed out the huge problems that we were having with this year's

Budget allowance, which was in our view inadequate to cope with the roads and the emergencies that were detailed.

655 When the Budget report was first circulated, and only then, we could read that our pleas were to a large extent ignored. To cope with the situation we found ourselves in, many of us, and also people outside of Chief Pleas, are completing tasks that would normally be done by paid staff. It is what the people in Sark do. Civil servants in Guernsey cannot cope with this; it is not in their book of rules.

660 When I first read this Report, what stood out was the fact that the Committee, F&R, had ignored previous decisions of Chief Pleas, decisions that had been voted on, and had produced a paper with an expanded, enhanced, elevated Civil Service – call it what you like – there in detail. I could support a complete Treasury personnel – I think it is essential for Sark – but I cannot vote for us spending a huge amount of taxpayers' money now and in the future for a different top civil servant. I have to emphasise 'different'.

665 When people I speak to ask me why the Island spends hundreds of thousands on office staff – and the most frequent question is, 'What do they all do?' – you then try to explain but you know that their concerns are tax, the roads, health insurance and our devoted visitors that have become lifelong friends.

Because Proposition 4 covers the whole Report, I am unable to support it.

670 Thank you, sir.

The Speaker: Thank you.
Conseiller Pauline Mallinson.

675 **Conseiller Mallinson:** Thank you, sir.

Mine is a much more specific question. I have not managed to see in the Report any reference to funding for work on the business case for the border post. My understanding is that that would come under Policy and Performance's mandate in terms of economic development, and I just wondered whether allowance had been made in their budget figures for work to be carried out in 2019 on that business case.

680 Thank you.

The Speaker: Can I just ask – since that is a single, specific point – if one of you from F&R would like to respond? Conseiller Jane Norwich.

685

Conseiller Elizabeth Norwich: Funding for an approved port status investigation – and we have known about this for some couple of months or so – no one has come to F&R from P&P, who would be the responsible Committee, to ask for any such funding. I am sure we can still work on it, it would not be ignored, but no specific funding has been requested from any Committee of Chief Pleas.

690

The Speaker: Okay, thank you.
Conseiller Reg Guille.

695 **Conseiller Guille MBE:** Thank you, sir.

I have got some typographical corrections to suggest to the Report and they have not been raised in the introduction.

At page 9, chart B, the last date in that heading should be July 2018 and not 2017.

700 Page 13, table H, against 'Corporate computers' the lead Committee is given as F&P. It should, of course, be P&F, unless of course it is meant to be F&R, which will not exist in 2019.

Page 14, section 2, 'Taxation for 2019': the years in the second line of the second paragraph say 2018 and 2017 when they should be 2019 and 2018, which is the title of the Ordinance at Appendix 1.

That does not alter the Budget Report in any way, but it just corrects some mistakes.

705

The Speaker: Can I just ask you, Conseiller Reg Guille, whether you have already notified F&R of these?

Conseiller Guille MBE: No, I have not. I was waiting for it to come up in their introduction.

710

The Speaker: I will give them time to mull it over.

Conseiller Guille MBE: I think they are pretty factual. *(Interjection by Conseiller Moerman)* I have some further comments on the Report.

715

The Speaker: Yes.

Conseiller Guille MBE: In previous years to this, the Finance Committee have taken to coming to the Midsummer Meeting with a draft Budget for discussion. That happened last year and resulted in a very different Budget being put before Chief Pleas at Michaelmas. However, that Budget still did not get the approval of Chief Pleas and resulted in Proposition 2 of that Budget Report being withdrawn, with a final Budget being put before an Extraordinary Meeting held on 23rd November.

720

Of course, what was removed last year were assumptions about a salary increase for the Senior Administrator and various other sums of money that had not been authorised by Chief Pleas to be spent, such as the economic development role, communications, media and public relations etc. Some of these returned at the November meeting and were approved, but no report on that of the Senior Administrator, which we all know we are still discussing.

725

We know that despite our approval of the Budget, 21 Members being present, the Budget did not find approval with the Lieutenant-Governor, and we Conseillers were put through a horrendous time before and after Christmas 2017 and over and around New Year to provide the Lieutenant-Governor with assurances prior to his giving qualified approval in early January for the Budget for 2018. That episode almost brought this Government to its knees and I, for one, was ready to resign my seat, had approval not been forthcoming.

730

The Reform Law, at section 59(2), does indeed give the Lieutenant-Governor an approval role with the words 'and such Budget if approved by the Chief Pleas shall be submitted to the Lieutenant Governor for approval.' However, I would submit that the Lieutenant-Governor represents a constitutional monarch, who does not interfere in parliament and, to the best of my knowledge, that provision in the Law has never – since it first appeared in the Constitution (Sark) Law, 1922, further retained in the Reform Law, 1951 and after much debate retained in the Reform Law, 2008 – been exercised. So, for the very first time in our constitutional history, going back 95 years ... no Lieutenant-Governor has ever done anything other than approve the Budget presented to him, until last year.

735

As Conseiller Diane Baker pointed out to us in an earlier meeting, Chief Pleas resolved to remove that power from the Lieutenant-Governor because of interference in our Budget process by the late Peter Walker, the last Lieutenant-Governor, and without his untimely death the provision would have been removed from the statute book.

745

A Proposition approved at the Michaelmas Meeting of 2014, four years ago, was brought by the then Conseiller Andrew Bache for the GP&A Committee and read:

That Chief Pleas requests the Law Officers to draft an amendment to the Reform (Sark) Law, 2008 to remove the requirement for the Office of the Lt. Governor to approve the Sark budget and the requirement to approve non-budgeted expenditure.

750

That is an extant resolution of this parliament, which has been frustrated by prevarication and hurdles put in the way by some to frustrate that legitimate resolution of Chief Pleas.

755 What if we do not like some of the Budget proposals put before us today? Will we be told to get on with it or approval will be withheld? I very much hope not. And remember, the Budget set last year was produced with a hugely experienced Treasurer and, by their own words, the most experienced Finance Committee, to whom we have given vastly increased control over the finances of Chief Pleas.

Let me now turn to the details in front of us. On page 2, at point V of the headlines for 2019, it says:

Investment in the Sark civil service function to best support the needs of government for 2019 onwards.

760 I ask: what investment? Chief Pleas turned down last year the proposals to reduce Conseiller numbers to 14 and expand the Civil Service and the Conseiller group set up because the Good Governance PDT declined to do any more work on the future shape of Chief Pleas. That Conseiller group did not identify in their report, which was supported and approved by Chief Pleas, an increased need for an enlarged Civil Service to support 18 Conseillers, only that there must be a dedicated CSO for the new Policy & Finance Committee. However, in table A, pay costs are due to rise next year by £86,366. How much of that is being put aside for an increase in Senior Administrator salary and indeed this un-costed qualified Treasurer, neither of which have been brought to Chief Pleas in a separate report for our consideration? I fear last year's shenanigans are being tried again. More of those issues later.

770 On page 3, under 'Policy & Finance', there are three bullet points. It would have been nice for the Policy element of that new Committee to have been appraised of these measures before we got to read of it in this Report. We hear the mantra from the Members of F&R all the time about too much power being in the hands of the new Committee, but it is the F&R Committee that are pulling everything into the centre and away from the operational Committees, with the proposal in the second bullet point putting all staff under the direct line management of the Senior Administrator. Will that be in the new job description? We have not discussed it yet. That could be another example of too much power in one set of hands.

780 The first bullet point cannot be taken as permission of Chief Pleas for the appointment of the new full-time Treasurer. Since last year, there has been no report to Chief Pleas setting out propositions for this to happen. We have had some information reports. We need to know and approve the job description, the contract and the remuneration proposed for this enhanced post.

I am pleased to see that F&R have recognised that a sensible amount of money needs to be set aside for unforeseen expenditures. Last year's amount set aside was risible.

785 Table C then goes into further detail of the likely increase that F&R wish to give the Senior Administrator with a jump of £19,142, taking that salary to very nearly £60,000, strangely just a few hundred pounds more than they attempted to push through last year. Then, in the Treasury function we jump from £24,200 this year to £69,700 for 2019, a whopping increase of £45,500, which I can only assume is the level of salary that they pitched the remuneration for this post at. That is nearly £30,000 more than we paid our last Treasurer.

790 The next few sections deal with education, tourism, agriculture and the rest of the Committees' title, harbours and shipping, medical and emergency, Douzaine and public works. Well, they can fight their own corners today; however, I would just say to them that F&R have no executive powers and if they believe they are being treated unfairly then they should have come to Chief Pleas with alternative proposals to overturn the F&R proposals by the executive, Chief Pleas. However, I do acknowledge that many did not see any Budget proposals, like myself, until the papers were circulated three weeks ago.

800 On page 13, under the subject 'Other Reserves – Economic Development Fund', there is a proposal here that a fund should be set up with a spend value of £50,000 for 2019. The current P&P Committee are the lead Committee on this subject and brought a report with Proposition to Chief Pleas last year, yet we on P&P have not been consulted on this new measure, nor can I find it in the Budget. I cannot find that figure anywhere. And whilst in the text it says a 'proposal', there

is no proposition unless you take Proposition 4 to cover it very opaquely. I submit, neither should there be. This is such a significant change from the request in the report last year for £10,000 that this must surely be the subject of an entirely separate report to Chief Pleas. However, we are told it is for 2019 expenditure, so I must assume it is there somewhere. I am opposed to the measure for 2019 until it has been the subject of a report that we can consider carefully. I request the F&R to remove it from the Budget today.

Page 18, 'Budget approval for 2018'. It says:

Each budget, once approved by Chief Pleas, is passed to the Lt Governor for final approval.

I have already had words about that.

This process is included in the Reform Law. This is the same as in other jurisdictions such as Guernsey and Jersey.

I challenge that statement. I have spoken to the Bailiff's Chambers in Guernsey and the Guernsey budget is not subsequently approved by His Excellency. I spoke to the President's office in Alderney and said, 'Was your budget approved by the Lieutenant-Governor?' and they said no. I then phoned Jersey, our big sister, and said, 'Does your Governor approve your budget?' and the Bailiff's Chambers replied, 'Certainly not – this is a democracy and somebody who is not in parliament should not be interfering in politics,' and they would not allow it in Jersey. So that statement is wrong.

I think it was there to bolster the fact that our Lieutenant-Governor still has that in the Reform Law. However, I was the presiding officer of this parliament for 16 years and at no time in those 16 years was anything other than approval given for our Budget. The Lieutenant-Governors might well have queried matters prior to the Budget debate, but approval was always given as a constitutional norm.

'Treasury Function', page 21: this was the subject of several separate reports to Chief Pleas last year, but at no time did F&R make a proposition in those reports to bring the enhanced professional role of Treasurer into being. Instead, they have once again slipped it into the Budget. Much was said about this at a PDG meeting we had last week, and we Conseillers at that meeting requested a statement from them that they would not implement this and the enhanced salary for the Senior Administrator without coming to Chief Pleas for approval.

I know that Conseiller Norwich in her introduction said the money is only being put in there as a contingency for future reports of Chief Pleas before it is spent. I, for one, am against F&R having the power to bypass Chief Pleas over the appointment of a professional Treasurer and just pay that role a sum that they consider to be the right one. That must be for the executive, Chief Pleas, to authorise by way of a report and propositions. If we are about to pay a Treasurer the sum of between £40,000 and £60,000 per annum, then where is the job description, the terms and conditions and contract? This is way above a simple like-for-like replacement of a Treasurer as laid out in the Reform Law.

F&R are trying very hard in this Budget Report, in my opinion, to take on executive powers traditionally reserved to Chief Pleas. Once again they state that an enhanced Treasury function is proposed – line 1: it is proposed – but where is the proposition at the end of the Report? It cannot be a proposal. There is not one because they are trying to slip it through as part of the overall Budget package.

A point I raised at the Midsummer Meeting was the line management of the Tax Assessor, and that was mentioned again this morning. I asked a direct question of the Committee and asked them to investigate when I said the Assessor is not a servant or agent of Chief Pleas or the Committee, but is a holder of public office and is under a duty to discharge the function of that office with complete fairness, impartiality and independence. I went on to say, you will need to read that Law and schedule for yourselves but I would urge the Committee to seek legal advice on that point. To my way of thinking, if you are line-managed, you are subordinate to another person.

Who manages the Electricity Commissioner? He is not a servant or agent of Chief Pleas, under exactly the same rules as the Tax Assessor. Were those enquiries made, as the Treasurer is deemed to be the line manager in this Report? I do not agree with it and I believe that must come back to Chief Pleas as a separate report.

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Page 23, 'Establishment Review': this is a P&P matter under its mandate and I see no good reason why F&R have included this in the Budget Report. It has never been discussed with P&P. The first we saw of it – and it is *our* mandated responsibility – was when we opened the papers. It also relies heavily going forward on the Good Governance PDT, but that PDT reports to the P&P Committee, and as we all know, under the new shape of Chief Pleas, PDTs are to be disbanded in the new parliament and their work will be undertaken by their sponsoring committee, a subcommittee or a special purpose committee, but as determined by the mandated Committee.

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Page 26, 'Senior Administrator Role': this role was established by Chief Pleas and approved by Chief Pleas, as were the remuneration, terms and conditions, and job description. I acknowledge that all three aspects are now out of date and need updating, which we are in the process of doing. I cannot subscribe that the executive authority is removed from Chief Pleas and taken over by F&R by way of lines in a Budget report. Chief Pleas has not delegated this authority to F&R. F&R have constantly been saying that the new P&F Committee is too much power in too few hands. Well, there are six in that new Committee, whereas there are only three in F&R at the moment, who have been trying to garner more and more power to themselves.

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With the new job description, when it is completed, must come a new contract setting out the terms and conditions of employment, because if people are saying the job description was not terribly satisfactory then I submit neither were the contract and terms and conditions and they need tightening up as well.

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I take real exception to the last paragraph in this section. What a power grab! I say again the only executive in this Government is Chief Pleas, unless Chief Pleas has mandated and approved authority being taken on by a Committee. We are being asked to approve a Budget, not a transfer of powers by the back door. Does approval of the fiscal needs of the Island as proposed in Propositions 1 through 4 then give *carte blanche* to the Committee to implement everything else? I say no, and that those other areas should have been debated separately before the Budget Report.

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Page 27, 'Budget narrative': I would like to hear from the spending Committees if they agree that they have the same funding available to them as in the past three years. That is not what I am hearing in conversation with some members of those Committees.

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The Propositions: when I support and vote for Propositions 1, 2 and 3, I have no qualms because they deal with the fiscal aspects of the Budget. I am very uncomfortable about supporting Proposition 4, and if a named vote had not been already asked for I was going to call for one myself as this is too widely drawn, as it covers the whole Report, many parts of which, as I have said, I do not agree with. I would like that redrafted by the Committee to make it clear that we are only approving the fiscal element and not all those other assumptions in the Report. I would like to see a fifth Proposition as a very minimum, such as the non-fiscal elements of the Report are noted. That would ensure they are not acted upon until a substantial standalone report is presented to Chief Pleas at a future date.

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One final question, Mr Speaker: can the Committee tell us how much of taxpayers' money has been spent on defending in court the Electric Commissioner's price control order? I see nothing about this in the Report or separately on the Agenda.

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Thank you, sir.

The Speaker: Thank you, Conseiller Reg Guille.

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Conseiller Diane Baker.

Conseiller Diane Baker: The Finance and Resources Committee have done superb work to give us all the information they have done, but of course we have paid for this with our employment

of Mr Darren Smith. The information is all there and jiggled about to make it clearer. The drop in
900 the education budget is welcome but will not be sustained. The Medical and Emergency Services
Committee is fairly straightforward, as we know what we need, but we are looking at a reciprocal
agreement with the UK and how Guernsey are managing the transportation of purpose. This may
well bring in some unexpected costs if Sark have an involvement, and if we do I have no idea what
the costs may be.

905 It is the drop in some Committees' ability to spend when they need to. The Douzaine is a prime
example, as is Tourism. I understand Finance is trying to tighten the belt for Sark, but what I do
not understand is the cost for matters which are important that are too much. Employing Mr
Smith is a cost I do not feel we can continue to fund. I can understand the work needs doing, but
910 buying the help in the way we have done seems too expensive. The Senior Administrator we
accept is needed and while we are discussing the work needed to be done by the Senior
Administrator we will continue to discuss the salary of this role, but we have twice chosen not to
increase the salary.

I can see clearly that the capital programme at table H makes sense and it shows anyone who
wishes to take the time to read it where we are heading with Finance. I asked a number of
915 residents to look at the Budget, if nothing else, in the Chief Pleas paperwork. One comment was,
'I lost the will to live at page 19.' A little unfair, really, when you consider how important it is to
everyone.

There is, I believe, an appetite to have final approval for our Budget within Chief Pleas, and of
course we want to demonstrate proper fiscal control and we are learning some very hard lessons.

920 I would like to understand more about the future of IT on Sark. We certainly do need to have
a system fit for purpose. I went to have a chat with our IT support, John Hunt, who assists many
of us when we need it with Government emails and the Government website. I understand from
page 22 in the Budget Report there have been talks with the Chief Information Officer for
Guernsey States and F&R, once again taking another aspect of Government work out of Sark. IT is
925 a subject I think we could manage within Sark at a cost – maybe a lesser cost than going to
Guernsey, maybe not. Do we want a better website? I assume yes, although I am happy with the
one we have. Do we want a secure email system? Yes. Do we want a system where everything is
managed in such a way as our computers are not blocked full of paperwork we all feel the need
to keep? Being able to enter a system where we can access Committee work direct from the
930 Committee, rather than have a full computer at home appeals to me.

I cannot give you any information or explain what it is we need, but I do not understand why
the one person who does know is not part of these discussions. If Chief Pleas says what we want,
our technical support assistance chap could be an enormous help but he needs to know what we
want and advise us accordingly. Yes, we can have better than we have now, but as always, we
935 have to pay for it. Please, use our IT support. Let's discuss this with as many Conseillers as are
interested, let them understand what we need and let's try and keep it here on Sark, where we
can access help easier. Why look to Guernsey until we have done all of that?

Our IT support is able to look at costings suitable for the Government of Sark – why isn't he
involved in these discussions? None of us like change, but we do like simplicity. Having worked
940 with John Hunt within Chief Pleas for some years, I have no problem at all in trusting his judgement
and honesty. Please, do not come to Chief Pleas with a final decision to be made without
consulting Conseillers or our IT support in the early stages. I am aware he was consulted some
time back but not for at least the past two years. We can make our own decisions when we have
the information in front of us. Just because someone does not like iCloud or Microsoft does not
945 mean that system is wrong for us. Do not continue to ignore our IT support, and please do not
come back to Chief Pleas without speaking to Conseillers before you have a brand-new system all
wrapped up.

I think we have made Finance and Resources aware that some of us are not completely happy
with the Budget. We want to work together, we want to vote for a Budget we are happy with, but

950 sadly I feel some of us are being ignored. Working together would help this Budget go through today, so I am hoping we are working together, but I will not be supporting Proposition 4.

The Speaker: Thank you.
Conseiller Tony Ventress.

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Conseiller Ventress: Thank you.

Firstly, I will be voting for the first three Propositions – I am not so sure now about Proposition 4 – but there are some points which give rise to concern, some already commented on by other speakers. I must compliment the proposers for this and the very extensive opening speeches they have given on this, providing such great detail.

960

We have been and are going through, both internationally and locally, times of rapid technical and political change, also economic uncertainty, especially with hard, soft or no Brexit. This is probably the longest, most detailed Budget Report for a long time and does address to an extent that in the past the Island has acted reactively, but in this complex age it needs to be proactive and to anticipate those problems likely both internally and externally.

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Under the Douzaine section it is noted that it is difficult to establish what repairs are needed to which buildings. This was highlighted recently when one building was vacated which in just a month would be needed for the new tenant. Substantial repairs costing thousands of pounds were found and no funds were available without the substantial period needed to approach and await a decision by F&R and having it approved by the Governor; but luckily a private individual came forward and subsidised it. This we cannot continue with. This clearly shows the need for all-Island properties, whether owned directly by the Island or by various trusts etc., to be specifically controlled by a manager and management body, as part of the Douzaine probably, to draw up regular maintenance schedules and also for the occupant to know who to contact when there is a problem. At the moment, very often they do not and it can be very obscure.

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I was intending to comment on the Tourism budget but that will be covered by a later speaker. I will just reiterate that tourism is the main source of income for the Island and needs as much support as possible, both financial and practical.

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Sark is at a crisis point with agriculture. Do we need a dairy, and therefore a beef industry with slaughterhouse up to modern standards? This is going to cost money and will, for once, require taxpayer assistance.

In summary, this Report has shown that Sark's finances can be placed on a firm, proactive and monitored basis. This will be welcomed by the Bailiwick and Westminster. Sark taxpayers will welcome the more open and effective management of what is, in fact, their monetary contribution to the Island's future and well-being.

985

Thank you.

The Speaker: Thank you.
Conseiller Helen Plummer.

990 **Conseiller Plummer:** Thank you.

I am speaking on behalf of Tourism. The Tourism Committee understands the need to plan projects and associated financial costs with someone with a Treasury function in order to avoid overall Government overspend. It likes the idea of having an Economic Development Fund, which presumably Tourism will need to play a role in from time to time to support ideas and proposals and will work hard to raise self-generated income of £34,500 this year and £38,000 for the following two years, but respectfully suggests that a further meeting is held in which to iron out the various creases where the Committee is affected.

Before F&R approve the Budget as currently drawn, Tourism currently are of the opinion that the advertising income target is unrealistic. Income may need to be sourced from alternative means if Chief Pleas are unable to provide Tourism with additional financial support. It has become apparent that it is believed that £114,000 is required to operate Tourism but only allocated £79,500 and expected for Tourism to generate an income of £34,500. The Tourism Committee does not believe it is feasible to generate an income of £23,500 from advertising and marketing only.

1000 The brochures, £6,400; the map, £900; website, £1,500; accommodation permits £3,600. Total, £12,400. We are now at the stage where we need to start producing the 2019 brochure, so how can we be certain that this level of income is achievable?

1005 IOSS, Sark Shipping, agreed to allow Tourism to create the one and only Sark guide. At the moment, last year they split – Tourism went on with Sark Shipping. Tourism did most of the work, Sark Shipping did a little bit, but they had to split the proceeds on this, therefore lowering everything. Darren Smith said at the time, would it be possible for the Isle of Sark Shipping to just do their own brochure on ferry timetables and let the Tourism Committee go and do the brochure and accommodation guide? Therefore, instead of having to split it, the whole total would go from the brochures to Sark Tourism.

1010 We were just asking too if it was any good or could F&R perhaps assist at all with trying to bring up the time of the total for Tourism, because it is really very serious.

Thank you.

1015 **The Speaker:** Thank you.
Conseiller William Raymond.

Conseiller Raymond: Thank you, sir.

This Budget statement is the first which has been prepared looking at a three-year programme of forecasting. Having advocated a three-year timeframe for financial forecasting, I agree entirely with that approach, especially as it highlights possible deficits in that timeframe.

1025 I would like to start by asking the Committee to consider a reordering of their Propositions. The debate on the Budget statement should, in my view, precede the passing of the tax rates as the principles articulated in the statement justify the tax rates proposed. If the statement is not approved, then I would question whether the tax rates may need to be altered.

1030 Now to the statement, the overall thrust of this –

The Speaker: Can I just ask for clarification, Conseiller Raymond: are you suggesting that Proposition 4 should come first?

1035 **Conseiller Raymond:** I feel that the explanation of the tax rates which are proposed is contained in the Budget statement and therefore perhaps the Budget statement should precede the voting on the tax rates, or the consideration of the tax rates.

The Speaker: So how would you renumber?

1040 **Conseiller Raymond:** Proposition 4 would become 1, and then –

The Speaker: Okay, that is what I thought. Thank you. Please, continue.

1045 **Conseiller Raymond:** Now dealing with the statement, the overall thrust of this is that
expenditure allocations to the Committees that run the Island have been reduced in order to
support increased expenditure in the administrative function with no increase in taxation. It is a
straightforward change of emphasis but is only valid if each of the spending Committees can
confirm that they are happy that they can fulfil their delegated functions with the funds which
have been allocated to them. I say this as it is vital that our service levels are maintained. Overall,
1050 the statement has been prepared to show a breakeven position, but I repeat there are warnings
of deficits to come.

On the income side it has been the practice to include property transfer tax receipts on an
actual received basis in the Budget. I would ask if that practice has been discontinued, as the
Budget shows the same amount for four years. In response to a question, I was told yesterday
1055 that the total 2017 receipts were some £52,000 instead of the £78,000 which is shown in the
Budget.

There is a proposal to move all employees to the line management of the Senior Administrator.
Approval of this statement will make that a reality with no proposition to that effect. I would
expect that Chief Pleas would determine this after a full debate.

1060 On the matter of unforeseen expenditure, I warned last year that this was likely to prove
inadequate, and this has been the case. In that context, in response to a question that I raised I
was told yesterday that last year's unforeseen Budget reserve of £6,000 has not been used. I
would refer you again to what Conseiller Guille said about the legal expenses that may be incurred
at the moment.

1065 Tightening expenditure budgets makes the need for realistic unforeseen expenses allocation
even more necessary as the likelihood of calls is that much greater. Again, this year I question the
amount. I would also wish Chief Pleas to be aware of the unforeseen calls that have been made
this year, which I have just dealt with.

The Douzaine budget: I note the proposal to take £200,000 out of reserves for the Procureur
and use it effectively as a float. It appears that it will receive £170,000 of funds in the first year
and it is intended that the amount will remain level. If this results in an overall erosion of reserves,
then I have a concern. Reserves are being appropriated without a specific Chief Pleas resolution.

1075 I understand the concept of capital investment. I do, however, have a concern that certain of
the specified works are actually of a maintenance nature and should be paid for out of annual
income, even if they are treated as deferred revenue expenses. I apologise for that term – it is
what we use in the profession. The present proposals, albeit for future years, will have the effect
of taking funds from the reserves, as it appears that the expenditure does not create an asset in
some cases. I hope that it is the intention of the Committee to bring proper cases before Chief
Pleas for each of these capital expenditure items.

1080 Economic Development Fund at £50,000: this is an appropriation of reserves and there is no
explanation of how the funds can or will be recovered. It will certainly not be from taxation, as the
Sark tax system does not work in that way. So, may we please know how this is intended to work?
As it is removing reserve funds from the control of Chief Pleas, the House needs to have more
explanation. The concept of appropriating reserves in this way has not been approved by Chief
1085 Pleas. I further believe that the Committee's attention should be directed towards addressing the
forecast deficits, rather than promoting this appropriation.

Treasury function: I note the outline responsibilities enumerated in the Report. I am concerned
that they appear to transfer the Tax Assessor to line management by the Treasurer. Under the
provisions of the Direct Taxes Law, 2002, as we have already heard, the Assessor is not a servant
1090 or agent of Chief Pleas but is a holder of public office. I consider that it is wrong to seek to manage
the office in the way proposed. Chief Pleas should be consulted, as well as the Law Officers, in
case a change in legislation is needed. However, this does not mean that the office should not be
subject to scrutiny.

1095 The Report seeks to remove the regulation of the Senior Administrator's salary from the control of Chief Pleas, as the role was not envisaged and included in the Reform Law. I believe that all higher-paid employees of Chief Pleas should have their salaries approved by the House. In addition, the role of the Senior Administrator is still the subject of discussion in the Policy Development Group.

1100 I have asked that the Proposition to approve the statement should precede those that fix the tax rates. If we approve the tax rates first, then the statement is inconsequential, but there are proposals in the statement that need to be considered, as they affect the future of the Island: management of staff and the use of reserves in particular.

1105 I fully understand that the shrinking size of Chief Pleas inevitably leads to a need for more support staff, but I question whether it is being effected in the right way. There are also proposals in the Budget Report which, in my view, should be considered as a part of the establishment review regarding management responsibilities as well as control of higher-paid employee rates.

These reasons concern me, coupled with the appropriation of the Island reserves. As a result, I cannot support this Budget Report and I will be voting against it.

1110 **The Speaker:** Thank you.

Before I ask Members of F&R to respond to the various points, is there anybody else who wishes to speak from the floor? Conseiller Sam La Trobe-Bateman.

1115 **Conseiller La Trobe-Bateman:** As a member of the operational Committees, I feel pretty chastised, but that is okay.

I agree with the new Budget proposal for the operational Committees. I think it will be very difficult but the structural side of things will allow us to see how we are spending, where we are spending and where we are falling short, so it will bring us into line a little bit.

1120 I will not vote for Proposition 4 unless the fifth proposition is included that Conseiller Guille said, because I believe that is the biggest problem that I have – turning the F&R Committee into an executive spending committee.

The Speaker: Thank you.

Is there anybody else? Conseiller Steve Taylor.

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Conseiller Taylor: Thank you very much.

I have listened with great interest to the comments made by colleagues. I think it is extremely important that through debate today amongst Conseillers we do reach consensus about the Budget, because I think an approved Budget is very important.

1130 Having said that, I agree very much with the Report – the way we are talking about the strategy of how we should be developing policy in the future I totally agree with. But I also agree with my other Conseillers that there are elements in there that have not been discussed fully by Chief Pleas. No decisions have been made to this point and I think, in my opinion, if the writers of the Report were to, as others have said, add another codicil to say that, 'What we are looking for today is purely approval of the fiscal element rather than the approval of the broader Report' ...

1135 Thank you.

The Speaker: Thank you.

1140 Anybody else? In that case, I will go back to F&R and ask you to respond to the detailed points that have been made, and also, since it is your Report, whether you accept – could you possibly listen? (**Conseiller Moerman:** I am sorry, sir.) ... to respond to the detailed comments that have been made by members of the House, but also – it is your Report – whether you accept the reordering that has been suggested that Proposition 4 comes first, followed by 1, 2 and 3.

1145 Who would like to go first? I am going to call one of you – if you would like to indicate which one. Conseiller Sebastien Moerman.

Conseiller Moerman: Thank you, sir.

We do not have a problem with moving Proposition 4 at the beginning.

I will reply to Conseillers' questions and Conseiller Norwich will have the patience of answering

1150 Conseiller Guille.

1155 First of all, on Conseiller Edric Baker's question, I would like to say also that F&R are very pleased by the recent way we have exchanged views and collaborated with the Douzaine. This has improved things tremendously. What I would like to say is on the underspend, yes, it is not a comfortable situation. It was more comfortable before, but as I said, underspend is disguised taxation and with a proper Budget and proper control you should be able to meet your Budget targets. Of course – and I am sorry to mention that as an example, but – with tight budgets if you spend money on something that is not budgeted you are not going to break even at the end of the year; I am sorry to mention it again – your toilets.

1160 You also seem to say that we are taking money away from operational Committees to give it to the Senior Administrator, which is not correct. We are not ignoring the decision of Chief Pleas – the decision made last year or the year before; we are actually looking forward, not backward and we are trying to bring the best for our Island and for the residents.

1165 Turning to Conseiller Diane Baker's question, again it is the same, a tight budget ... if something happens that is a real unforeseen expenditure, we are not fortune-tellers; if you do not tell us and you do not even know yourself what is going to happen, we cannot plan for that.

1170 On provision of IT services I would like to say it is a bit more complicated than actually just handling email accounts and a website. We do not have a problem with John Hunt, whom we trust and who has been working with us. He has been consulted. We have talked to the Guernsey authorities to have cloud computing and storage, so something more complicated, that John Hunt himself would admit: he said we need more and more technical support and John Hunt has been involved in that.

1175 Conseiller Anthony Ventress, thank you very much for your feedback. I just wanted to say your example about the houses – this is not a Douzaine issue. Conseiller Baker has mentioned it already this morning. This is an Island Trustees issue. We had not been approached at the time with a detailed cost to deal with the renovation. Expenses and invoices have now been provided to us, they are in the process of being dealt with.

1180 Conseiller Plummer on tourism: yes of course, happy to have a meeting any time. On the brochure, I do not see why Sark Shipping should be charging half of a brochure when the work is done by the Tourism Committee and I really think that 100% should come to the Tourism Committee.

1185 Conseiller William Raymond, on your tax question I have answered you but I have asked for clarification that I am waiting and as soon as I know from Mr Smith, you will be provided ... I agree with your views in respect of the £6,000 annual amount allocated to the reserve but with a very controlled three years', or five years', rolling budget programme, we should be able to meet that. We do not have a problem with Proposition 4, as I said in the first place. The £50,000, I think, is necessary because we actually have a declining economy and this Island slowly but surely is becoming a retirement home, and I think it is really time that we spent money to attract people to this Island with a clear and construed marketing programme and something a bit more significant, for example advertising in *The Guernsey Press*. We really need to have a marketing programme and I do not think with the miserable £10,000 allocated last year that it is enough – (*Interjection*) and that has not been spent on that actually.

1190 Finally, the Conseiller Taylor question: we are not minded to change the Budget. As we said in the introductory presentation, it is an all-in-one Budget and I really think that you should be supportive, but I would understand if you do otherwise.

1195 Thank you.

The Speaker: Conseiller Jane Norwich.

1200 **Conseiller Elizabeth Norwich:** I hopefully will pick up all of the other bits. I am going to leave the Senior Administrator and Treasury function role just to the end because I had already put a few words together for that.

I will say that a draft Budget was not possible earlier this year because the workshops had not been completed; in fact the last lot of workshops were late in August.

1205 On the aspect of the control of the Lieutenant Governor, as some of you know I am a traditionalist so I like things to stay as they are and something that has hung around since 1920-ish is fine by me in some ways. However, some of you know that I am more than happy to change when there is enough evidence for it. We have to show we can handle our finances – and they are the Island finances; it is not our money, it is the taxpayer of Sark's money.

1210 Conseiller Guille was present at a meeting in which the role of the Governor was being considered. It was believed, it has certainly been reported, that the role of the Lieutenant Governor in the Reform Law was being considered and it was noted that Sark needs to demonstrate it can handle its own financial affairs. The situation – and my apologies, Conseiller Plummer, it is not personal at all – the slaughterhouse issues late last year clearly led us to where we were at Christmas and New Year, and whether the Lieutenant Governor is involved or not, it is important we handle our finances properly.

1215 As we were just saying, economic development is a P&P matter, but that £10,000 for economic development has not been spent by P&P in the last few months and we are actually having to potentially use that for other matters relating to getting through to the end of the year within budget. We have to look for other areas within budget that are not being spent to make up shortfalls.

1220 F&R have no wish to garner power or have any power transferred to F&R. We have got quite enough to do without. To say that we are garnering power is inaccurate and I would actually go further to say is utterly wrong, and I do not feel it is right to say that here because it is not accurate.

1225 Funding for Committees is similar to last year; there are no significant changes. They do look different; they are spread out far more differently than how previous Committees' and previous Treasurer work has been done. When you do look carefully, the amounts are similar, so that should lead to similar services unless there is material change and then F&R needs to know and we will do what we can to sort it out.

1230 There was a question about the Price Control Commissioner costs. So far two invoices have come through and have been paid; one more small one is on its way. I believe it was £17,000 and the second was £35,000. But I cannot confirm that today, I have not got those figures in front of me. But those have been for court preparation costs to ensure that our court case, our representative, our advocate in court, has the necessary information and structure to work on behalf of the Price Control Commissioner. It is not on behalf of Chief Pleas. These costs are part of the Electricity Price Control Law and Chief Pleas cannot interfere with that. However, I will say the costs in court so far have been awarded for us. I was sat at the back and very pleased to note that is so far and I believe the next part of that is in December.

1240 Coming back to the main item that has been discussed as we expected it to be – the question about the Senior Administrator role and the supporting Treasury function. We would actually prefer to take this together because although some people feel it is separate, it should be together, it is co-ordinated.

1245 We are either going to do things properly on Sark or we are fudging in the Sark way. Without proper support we cannot properly function, particularly with a reduced Chief Pleas. We should treat our employees properly with a legal proper contract and treat them with respect. That applies to all employees in all areas, not just the senior administrator and Treasury function.

Discussions are continuing into a sixth year on the Senior Administrator job description – it sounds a bit like the Forth Road Bridge! – but salary provision, if so decided, needs to be allowed for in the Budget to support any decision made in 2019. As we were saying before, it is the chicken

1250 and egg. If we got to a position at some point next year that that is what you do want to have, if the money is not there it is another year before we can sort it out. Sark cannot wait any longer.

1255 The Treasury function, which should include the appointment of a Treasurer, as outlined in the Reform Law, will be reported to Christmas Chief Pleas. We take the Reform Law very seriously, but it should be dealt with properly and not rushed and a year is perhaps stretching it but it needs to be done properly. Without skilled, professional support similar to what was utilised this year, a responsible, reasonable Budget cannot be prepared and put into operation.

The Speaker: Thank you.
Conseiller Reg Guille.

1260 **Conseiller Guille MBE:** If I could ask Conseiller Norwich, what was the figure for the Electricity ... I could not hear – the figure that was the total spent so far?

The Speaker: It was £17,000 plus £55,000 which I ...

1265 **Several Members:** No, £35,000.

The Speaker: Thirty-five! Which I make £52,000. Is that correct?

Conseiller Moerman: We will confirm the exact amounts.

1270

Conseiller Reginald Guille MBE: Fifty-two?

The Speaker: In total: two invoices so far, plus a small one coming.

1275 **Conseiller Reginald Guille MBE:** Thank you.

The Speaker: Okay, we will move to the vote. I will put it to you that we take Proposition 4 first. All those in favour – (**Several Members:** Named vote.) Yes, I know that there is a named vote, but I am asking for agreement that we take Proposition 4 first. All those in favour; any against?
1280 Okay.

A named vote has been called for. Proposition 4 is:

That Chief Pleas approves the budget of Income and Expenditure for the year 2019 as set out in this report.

Greffier.

There was a named vote.

Not carried – Pour 3, Contre 12, No Vote 0

POUR

Conseiller Elizabeth Norwich
Conseiller Sebastien Moerman
Conseiller Pauline Mallinson

CONTRE

Conseiller Diane Baker
Conseiller Edric Baker
Conseiller Nicolas Moloney
Conseiller Helen Plummer
Conseiller William Raymond
Conseiller Stephen Taylor
Conseiller Antony Dunks
Conseiller Reginald Guille MBE
Conseiller Peter La Trobe-Bateman
Conseiller Christopher Nightingale
Conseiller Anthony Ventress
Conseiller Paul Williams

NO VOTE

None

The Speaker: That is lost by 3 Pour and 12 votes Contre.

1285 It now brings us to the other Propositions. It was suggested by Conseiller William Raymond that if that fell, the other fiscal measures should too but I will go through these Propositions in any case so that you can vote for or against.

Proposition 1:

That Chief Pleas approves:

- The rate of Property Tax remains at £14.25 per quarter for the year 2019.
- The minimum rate of Personal Capital Tax remains at £325.00 for the year 2019.

(Interjection and laughter)

1290 **The Speaker:** Sorry? *(Interjections)* Can somebody explain what the joke is?

- The minimum rate of Personal Capital Tax remains at £325.00 for the year 2019.
- The maximum rate of Personal Capital Tax remains at £6,500 for the year 2019.
- The forfait factor for the calculation of Personal Capital Tax remains at 2.0 for the year 2019.
- The net asset rate for the calculation of Personal Capital Tax remains at 0.30% for the year 2019.
- Individuals over 69 years of age on 1st January 2019 who have worldwide assets of £150,000 or less pay £Nil Personal Capital Tax for the year 2019.

And finally.

- Personal Capital Tax of an individual who is liable to pay 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 2019.

Those in favour; are there any against? Okay, that is **carried**.

Proposition 2:

That Chief Pleas approves the Ordinance entitled 'The Direct Taxes for 2019 (Sark) Ordinance, 2018'.

Those in favour; any against? That is **carried**.

1295 Proposition 3:

That Chief Pleas approves impôt rates for the year 2019 as presented in Appendix 2 of this Report.

Those in favour; any against? That is **carried**.

The Ordinance carried in Proposition 2 will be numbered XI of 2018.

I am aware that time is pressing on, but I will go on for perhaps another half an hour and then see where we are.

**7. Child Protection –
Policy & Performance Committee Report considered –
Proposition carried**

To consider a Report with Proposition from the Policy & Performance Committee entitled ‘Child Protection’.

Proposition:

That Chief Pleas directs the Committee to request that the Law Officers of the Crown commence drafting a Projet de Loi entitled ‘The Child Protection (Sark) Law, 2018’.

1300 **The Speaker:** Agenda Item 7, to consider a Report with Proposition from the Policy & Performance Committee entitled ‘Child Protection’.
Conseiller Reg Guille to introduce the Report.

1305 **Conseiller Guille MBE:** Thank you, sir.
I have nothing to add to the Report and recommend that parliament approves the Proposition. I am happy to answer any questions that may be arising.

The Speaker: Okay. Are there any comments or questions from the floor?
Conseiller Pauline Mallinson.

1310 **Conseiller Mallinson:** I just wanted to confirm that we have had discussions with Conseiller Guille and the Education Committee do agree that this should become our responsibility.

The Speaker: Thank you. Anybody else? In that case, the Proposition is:

That Chief Pleas directs the Committee to request that the Law Officers of the Crown commence drafting a Projet de Loi entitled ‘The Child Protection (Sark) Law, 2018’.

1315 Those in favour; are there any against? That is **carried**.

**8. Liberation Day 2020 –
Policy & Performance Committee report considered –
Propositions carried**

To consider a Report with two Propositions from the Policy & Performance Committee entitled ‘Liberation Day 2020’.

Proposition 1:

That Chief Pleas approves the formation of a Constable’s Committee to organise the celebrations on the 75th Anniversary of Sark’s Liberation.

Proposition 2:

That Chief Pleas directs the Finance & Resources Committee to make the necessary funding available in the 2020 Budget for this event.

The Speaker: Agenda Item 8, to consider a Report with two Propositions from the Policy & Performance Committee entitled ‘Liberation Day 2020’.
Conseiller Reg Guille.

1320

Conseiller Guille MBE: Thank you, sir.

1325 The Constable's Committee that is proposed to be formed has persons selected on to it by the Constable. I would suggest that the newly elected Vingtenier be the lead on this Committee as he or she – and we now know it is a she – will be the Constable, all things being equal, at the time of that event. It was also the norm that the Seigneur and Speaker would be members for their inputs and possessions in the community. Lastly, the Royal British Legion are always happy to assist on that Committee.

There was a query raised with me on the wording of Proposition 2 but having taken the query to a P&P meeting it was agreed that the Proposition would remain unamended.

1330 I have nothing else to add to the Report and ask that the Propositions be approved.
Thank you, sir.

The Speaker: Are there any questions or comments? Conseiller Sebastien Moerman.

1335 **Conseiller Moerman:** Again, sir, another example: regarding Proposition 2, it would be nice if we could have a budget or business case explaining how much, when. That would be great.
Thank you.

The Speaker: Conseiller Reg Guille.

1340 **Conseiller Guille MBE:** That is why, sir, the Committee have come forward this year, looking forward to an event in 2020, so that the Committee can look at the costing; what they are going to be doing and the costing involved in it and get that to the Policy & Finance Committee in time for next year's Budget round.

1345 Thank you, sir.

The Speaker: Thank you. So this is for the Budget 2020 rather than 2019?

Conseiller Guille MBE: It will be in next year's Budget for 2020. That is correct, yes.

1350 **The Speaker:** Yes. Anybody else? In that case we will go to the Propositions. Proposition 1:

That Chief Pleas approves the formation of a Constable's Committee to organise the celebrations on the 75th Anniversary of Sark's Liberation.

Those in favour; are there any against? That is **carried**.

Proposition 2:

That Chief Pleas directs the Finance & Resources Committee to make the necessary funding available in the 2020 Budget for this event.

Those in favour; any against? **Carried**.

**9. Securing Sark's Future –
Policy & Performance Committee Report considered –
Proposition carried**

To consider a Report with Proposition from the Policy & Performance Committee entitled 'Securing Sark's Future – 19th Progress Report'.

Proposition:

That Chief Pleas takes note of the contents of this progress report.

1355

The Speaker: We now go to Agenda Item 9, To consider a Report with Proposition from the Policy & Performance Committee entitled 'Securing Sark's Future – 19th Progress Report'.
Conseiller Stephen Taylor to introduce the Report.

1360

Conseiller Taylor: Thank you very much, sir.
As with previous reports, the position is quite self-explanatory. Just to say that since last Chief Pleas there has been a new Policy Development Team formed, which is the Health & Social Care PDT, and on that will be a report coming a bit later on in the Agenda.
Thank you, sir.

1365

The Speaker: Thank you.
Any questions or comments? Conseiller Reg Guille.

1370

Conseiller Guille MBE: Could I ask the Conseiller on the Development Control PDT if there has been any progress on bringing the new Development Control Order to Chief Pleas for approval? It is supposed to be a key component to have in place as land reform gets closer.
Thank you, sir.

1375

The Speaker: Okay. I will ask Conseiller Anthony Dunks to answer that before I call Pauline Mallinson.

Conseiller Dunks: From my point of view, there has been no more development here.

1380

The Speaker: Conseiller Pauline Mallinson.

Conseiller Mallinson: I am just somewhat concerned that our second priority, which is land reform, in the next milestone and date section has no indication of when further reports might be brought to Chief Pleas and I wondered if somebody could comment on the timeframe we could realistically expect for that.

1385

The Speaker: Conseiller William Raymond.

1390

Conseiller Raymond: Thank you, sir.
I share the disappointment because the Propositions were all passed at Easter Chief Pleas. We are awaiting drafting time in St James' Chambers and the only thing that has gone through so far is the legislation to abolish *retrait* and that is now with the Privy Council.

The Speaker: Thank you. Anybody else on that? In that case, I will go to the Proposition:

That Chief Pleas takes note of the contents of this progress report.

Those in favour; are there any against? That is **carried**.

**10. New Assistant Constable –
Item withdrawn**

To consider a Report with Proposition from the Douzaine entitled ‘New Assistant Constable’.

Proposition:

That Chief Pleas approves that ‘name to be provided’ be appointed as Assistant Constable in accordance with Section 53 (1) of The Reform (Sark) Law, 2008 in order that s/he may provide the administrative support to the Constables’ Office.

1395 **The Speaker:** We go to Agenda Item 10, to consider a Report with Proposition from the Douzaine entitled ‘New Assistant Constable’.
Conseiller Edric Baker.

1400 **Conseiller Edric Baker:** Yes, sir, I am sorry to say that at this moment in time the process of interviewing applicants has not yet started. It is likely to start next week. So I cannot bring forward a name.

The Speaker: Okay, so there is no Proposition as such?

1405 **Conseiller Edric Baker:** That is right, it will have to be withdrawn.

**11. Isle of Sark Shipping Company Ltd –
Finances & Resources Committee Report considered –
Propositions carried**

To consider a Report with two Propositions from the Finance & Resources Committee entitled ‘Memorandum of Understanding (“MOU”) with the Isle of Sark Shipping Company Limited (“IOSS”), and Approval of the Appointment of a New Non-Executive Director’.

Proposition 1:

That Chief Pleas approves the execution of the revised MOU and authorises the Chairman of the Finance & Resources Committee to sign the revised MOU on behalf of Chief Pleas.

Proposition 2:

That Chief Pleas approves the appointment of Mr. Andrew Cook as NED of IOSS

1410 **The Speaker:** Agenda Item 11, to consider a Report with two Propositions from the Finance & Resources Committee entitled ‘Memorandum of Understanding (“MOU”) with the Isle of Sark Shipping Company Limited (“IOSS”), and Approval of the Appointment of a New Non-Executive Director’.
Conseiller Sebastien Moerman.

1415 **Conseiller Moerman:** Thank you, sir.
This is self-explanatory. I have nothing to add.
Thank you.

The Speaker: Okay, are there any comments from the floor?
Conseiller Reg Guille, followed by Conseiller Edric Baker. Conseiller Reg Guille.

1420 **Conseiller Guille MBE:** Thank you, Mr Speaker.

In the first paragraph of the Report the third shareholder is deemed to be the Deputy Treasurer. That is incorrect; it is *the* Treasurer. Currently we have a vacancy in the Treasurer role, therefore the Deputy Treasurer assumes the responsibilities of the role until the vacancy is filled. It is correctly written in the MOU at paragraph 1.1.

1425 Turning to the MOU, which is a very different creature from the MOU that it replaces, not least that it is now 13 pages in length, rather than the five pages of the MOU of 2013.

As a general comment, after their mention in paragraph 1.1 there is no further substantial member of the trustees in the remainder of the document and their function seems to have been subsumed into the F&R Committee. Not even in paragraph 7.1 when the shareholder's report is discussed at a meeting between the representatives of the company and the Committee. I cannot see that the shareholders – the three trustees – have any function at all in this MOU.

1430 At paragraph 3.4 the appointment of a liaison officer between the company and the Committee mentioned is mentioned and directs the Committee to appoint, in the words:

will appoint a liaison officer who will act as the principal point of liaison between Chief Pleas, Finance & Resources Committee, Harbours & Shipping Committee and the Company on a day to day basis.

1435 May I ask who they have in mind as this MOU is about to be signed if approved by Chief Pleas today, and I would have thought that would have been an item of interest for this Assembly.

Paragraph 6, the provision of documentation by the company to the F&R Committee, of course that in the future will be the Policy & Resources Committee. At 6.1 it directs that the shareholders' report is provided to them; why, I ask, does it not go to the shareholders?

I would like some answers please to the questions I have just asked.

1440 Thank you.

The Speaker: Anybody else? (**Conseiller Edric Baker:** Yes.) Yes, sorry. Conseiller Edric Baker, I did have you written down.

1445 **Conseiller Edric Baker:** I had similar points to raise, I think. I am very disturbed about this liaison officer, it seems to me it is another branch, another layer; and 3.5 mentions:

... oversight responsibilities through the liaison officer ...

Oversight is another step again. I am very unhappy about this.

The Speaker: Anybody else?

1450 Conseiller Sebastien Moerman.

1455 **Conseiller Moerman:** First of all, answering Conseiller Guille's queries, that document has been drafted by Martin Thornton and has been discussed between the Shipping Committee, F&R and the board of IOSS. On your point, yes it is now F&R but the shareholders of course will be provided with a copy of the report at any time they wish to.

Regarding Conseiller Baker's query, the person, as you know, that is a liaison is to be the Senior Administrator at no cost, and it is in the job description that you have talked to us about for months now.

1460 Regarding Conseiller Edric Baker's comment, I am very surprised that he is unhappy with what is in this Report. The Shipping Committee has been fully involved since the beginning in the preparation of this Report, and I am therefore concerned that no objection has been raised to date in respect of that liaison person, and if it had been the case at the time maybe you would have had a different memorandum of understanding to vote on today.

Thank you.

1465 **The Speaker:** Okay. Conseiller Reg Guille.

Conseiller Guille MBE: I thank Conseiller Moerman for confirming who they will be proposing as the liaison officer. I just feel it would have been nice to have had that up front. Obviously I assume all the other agencies involved – Harbours & Shipping, Island Trustees and the others who are going to be liaised with – were aware of who was going to be their liaison officer?

The Speaker: Conseiller Sam La Trobe-Bateman.

1475 **Conseiller La Trobe-Bateman:** I was in the meeting with the directors and Finance & Resources and Shipping and it was my understanding that we discussed the liaison officer, or the first point of contact, and it was deemed that the Chair of each Committee was ... And I just missed this part in there, so I apologise. But that is what I thought we discussed in the meeting.

1480 **The Speaker:** Are we all done? Do you wish to respond, Conseiller Moerman? No? Okay, in that case we will move to the Propositions.

Proposition 1: that Chief Pleas approves the execution of the revised MOU and authorises the Chairman of the Finance & Resources Committee to sign the revised MOU on behalf of Chief Pleas. Those in favour; are there any against? There is 1 against. That is **carried**.

1485 Proposition 2: that Chief Pleas approves the appointment of Mr Andrew Cook as a non-executive director of IOSS. Those in favour; are there any against? That is **carried**.

12. Committee Elections – No nominations made

Committee Elections: To elect Conseillers to Committees, as required.

The Speaker: I put Items 12 and 13 on the Agenda as normal because I knew I would be criticised if I left them off.

1490 So Agenda Item 12, Committee Elections: To elect Conseillers to Committees as required. Just to remind you there are currently vacancies on Committees as follows: Policy & Performance and Finance & Resources have one vacancy each; Agriculture, Environment, Sea Fisheries & Pilotage has two vacancies; and Medical & Emergency Services has one vacancy, and the mandate of this Committee does call for four members. Road Traffic has one vacancy.

Are there any nominations to any of those Committees? I suppose it is getting close to the election so it is hardly surprising.

13. Committee and Panel Elections – No nominations made

To elect Non-Chief Pleas members to Committees and Panels, as required.

1495 **The Speaker:** Okay, so we move to Agenda Item 13: Committee and Panel Elections, to elect Non-Chief Pleas members to Committees and Panels, as required. Are there any proposals to elect Non-Chief Pleas members to committees and panels?
Conseiller Edric Baker.

1500 **Conseiller Edric Baker:** Sir, I do not know and I certainly have not got a problems with it, but Mr Andy Cook is a co-opted member of Harbours & Shipping, and by being appointed a non-executive director is there a conflict of interest there? Is there a problem with this?
Personally, I do not think there is but I would just like to voice it.

1505 **The Speaker:** Does anybody wish to respond to that?
I think Conseiller Pauline– (*Interjection*) No? Okay, fine.
In that case there appears to be no nominations.

**14. Policy & Performance Committee –
Update on Work of Reform Law (Good Governance) Policy Development Team –
Report considered**

*To CONSIDER an Information Report from the POLICY & PERFORMANCE COMMITTEE entitled
‘Update on Work of Reform Law (Good Governance) Policy Development Team’*

1510 **The Speaker:** We will move to Agenda Item 14: To consider an Information Report from the Policy & Performance Committee entitled ‘Update on Work of Reform Law (Good Governance) Policy Development Team’.
Conseiller Jane Norwich.

1515 **Conseiller Elizabeth Norwich:** Good governance does seem to mean different things to different people in this room, including this Assembly, but I think we can all agree we must do the best for Sark and that does mean meeting the standards of a functioning independent democracy.
I believe that this Government does agree it is necessary that the correct processes are in place to support good decision-making and it is equally important that those processes are managed effectively – something that Chief Pleas has agreed with.

1520 Why do I think that? Well, actually I would like to quote from a recent report from the UK Government Select Committee on Public Administration and Constitutional Affairs – that is the sort of thing we do have to read with a volunteer Civil Service hat on to support the works of the PDT. Incidentally, I am concerned what system will be in place in January: using special committees or others uses Conseillers, of which we will have fewer shortly. PDTs I believe are more flexible. Having this work done on good governance is a basic building block of a democracy.

1525 I would quote from that Committee:

The principle of collective responsibility and decision-making allows Ministers to engage openly and frankly within a private space in order to reach a collective position to present to Parliament and the public. The Ministerial Code and Cabinet Manual provide details on the processes that enable this, by codifying the procedures for Cabinet and Cabinet Committees.

The Government recognises the need to keep these processes under review to ensure that they truly deliver and protect collective responsibility.

Well, we may not yet have a robust manual on the policy for the new Policy Committee but we have the beginnings of a Code of Conduct and Rules and Procedures for Chief Pleas and PDG, but we do need more. On Sark, I think this means there is a very good reason for the Policy Development Group, and Chatham House Rules, to continue to meet.

1530 Scrutiny is another matter that does need some considerable work and I hope that will be taken forward under the umbrella of the Policy Committee. But we will see what happens in January.

Some say Sark lags woefully behind the off-Island world. Maybe we do. However, Guernsey today is voting on Island-wide voting – to do, or not to do. Well, Sark is already there. We have

1535 led the way, albeit reluctantly, on the splitting of the dual role. Jersey seems to be catching up with us.

But back to Sark, I think this report is self-explanatory, there is some work done, more to go; and Sark is still working its way forward. If there are any questions I will try and answer them.

1540 **The Speaker:** Okay, are there any questions or comments from the floor? Right, I have got Conseiller Edric Baker and Conseiller Pauline Mallinson, and one person in the Public Gallery. Conseiller Edric Baker. (*Interjections*)

1545 **Conseiller Edric Baker:** I would just like to say that we are a volunteer Government – we are absolutely unique. We are not paid for any of our duties as civil servants or as politicians for that matter. We are different. Conseiller Jane Norwich has done a huge amount of work on every aspect that she is involved in and I applaud her for that. I wish I could do as much as she does.

That is all I have to say on the matter. Thank you.

1550 **The Speaker:** Conseiller Pauline Mallinson.

1555 **Conseiller Mallinson:** I have a question to do with scrutiny. The paper talks generally about scrutiny: I am really concerned with the merging of the two Policy Committees in January what we are planning to put in place in terms of scrutiny for that new merged Committee, and whether it is our intention formally to request that either Guernsey or the MOJ helps us with the scrutiny of that Committee. The clock is ticking. That merger is supposed to happen in January and I am not aware of any firm plans in place for that scrutiny.

The Speaker: Is there anybody else?
Conseiller Reg Guille.

1560 **Conseiller Guille MBE:** I just wish to provide an update on the section dealing with populating tribunals. The P&P Committee have reported on this matter to the Policy Development Group that met on 25th September. The Committee have been in consultation with the Law Officers of the Crown and have received assurances that there is nothing to prevent the use of a single tribunal panel being populated to deal with any, and all, of the current tribunal matters for road traffic, development control and taxation. And in due course a Leasehold Disputes Tribunal, as was approved to be formed at the Easter Meeting at Proposition 6 of Item 11.

1570 However, we are also advised that this would not be a suitable vehicle for the Conduct Panel, which would require a more specific membership as set out in the Code of Conduct document. To set up the Tribunal Panel we would need to have a Projet de Loi developed and this Projet would also amend the various other enactments to give one overarching panel to look after all disputes on the Island. P&P would hope to bring a report to the Christmas Chief Pleas seeking approval for a law to be drafted.

Thank you, sir.

1575 **The Speaker:** Thank you.
Conseiller Sebastien Moerman.

1580 **Conseiller Moerman:** Excuse me, sir, I would like to ask Conseiller Norwich, it is probably my bad level of English again, but what does 'scrutiny' mean? Is it something we have in Sark?

Several Members: Scrutiny.

1585 **Conseiller Jane Norwich:** We do not have a scrutiny panel. Those that are familiar with UK and Guernsey and other legislatures, and Sark I do not believe is any different, we should look at how

we produce new laws and our procedures – are we following it equally and fairly for everybody? – and that we are in control. It is a matter of household hygiene in a funny sort of way. But it does need some independence with looking at that.

1590 I am glad to hear about the update on the tribunals and I totally agree that the conduct of Conseillers, and in future other officers, is a very specific item and should be kept separate.

Scrutiny: we did discuss briefly, in the meeting with Lord Keen the other day and seeing that it was very important and they are supportive of us undertaking that, but it is something that the new committee will need to look at, and the scrutiny of that committee I think needs to be done from outside it. So there needs to be some form of committee – I hate to say PDT – that looks at that specific point for the future.

1595

The Speaker: Okay, anybody else? Thank you. Okay, that was an information report.

**15. Policy & Performance Committee –
Transformation of Health and Care –
Report considered**

To CONSIDER an Information Report from the POLICY & PERFORMANCE COMMITTEE entitled 'Transformation of Health and Care'.

The Speaker: We go to Agenda Item 15: To consider an Information Report from the Policy & Performance Committee entitled 'Transformation of Health and Care'.
1600 Conseiller Stephen Taylor to introduce the Report.

Conseiller Taylor: Thank you very much, sir.

This is just to report that at the end of September, Kath Jones, the Senior Administrator and myself met with Deputy Heidi Soulsby, who is the President of the Committee for Health & Social Care in Guernsey, with her Chief Secretary, Mark de Garis to discuss collaborative approaches for healthcare across the Bailiwick. This is a result of Guernsey States undertaking the Transformation Programme of their healthcare system and it was seen as an opportunity to try and include the wider Bailiwick in collaborative approaches.

1605

The initial area they are looking at is a joint strategic needs assessment focusing firstly on older people, and they have invited us to be included in that. What this will do is provide a baseline of data and analysis which will help to design and shape future healthcare provision.

1610

Thank you very much for that. I think Conseiller Diane Baker wishes to add, because they have had a visit from the Health and Social Care team in Guernsey to talk about things on a practical level on Sark.

1615 Thank you.

The Speaker: Conseiller Diane Baker.

Conseiller Diane Baker: We usually have a meeting with members of Guernsey's healthcare services in May or June but this year, for reasons beyond anyone's control, the meeting was postponed twice, which is why any interested Conseiller who would like to hear more about the transformation of healthcare was invited to join us last Monday and listen first-hand to what was being explained.

1620

I would like to thank our visitors from Guernsey for their time and patience with the Sark Medical & Emergency Committee – not one of us has experience in dealing with health and care and we learn so much from these visits. Guernsey has several drivers for change which include the community's shifting demographic; the declining proportion of the population in work;

1625

people's expectation when using the services; and supporting the economy to meet the challenges in a competitive world.

1630 Guernsey has a model of health and care in mind and we are invited to take part. In their policy letter to the States in 2017, proposal 20 said:

To direct the Policy & Resources Committee, as part of its ongoing work through the Sark Liaison Group, to engage with the Sark Authorities to establish the merits and cost implications of closer working in respect of health and care, and to report back to the States with recommendations;

There is quite a lot to take in and I feel it may be good for us to take part in the consultation. We asked for information on the meaning of transforming Health and Social Care and you now have the start of it.

1635 In 2019, Guernsey hopes to draft primary legislation, then take the Projet de Loi to the States' Assembly with a full cost proposal. So I guess it would be good to take part in this, which will include the regulation of care. That has implications for Sark. Primary care would be regulated – that is our doctor – and the visiting services would be regulated, such as the dentist. This will not be the person – doctor or dentist – who is already regulated, but the premises and whether they
1640 are fit for purpose. The Sark Ambulance would be classed as a patient transport service rather than an ambulance service so as not to subject it to regulation.

Can I add that Sark has very much wanted to take care of our services here and while they might not be what is expected in Guernsey and the UK, I firmly believe we have a second-to-none service in healthcare at primary level – Dr Stevenson, Dr Counsell, Dr Teunisse all did an enormous
1645 amount of good work. The guys who run our ambulance service are good at what they do.

We have to make sure our regulation of care does not take away from Sark the ability to look after this community. However, I get a little confused with Committees here on Sark: the Sark Liaison Group have obviously had some discussions with Guernsey on this and we have a PDT who have also visited Guernsey for talks. I do not think you need the Medical & Emergency Services
1650 Committee adding a third arm to this, it will simply confuse the issue. We need to decide who will be discussing matters of health and care: the Liaison Group or the PDT? I find this more than a little confusing and I have no wish to sit on a Committee where the efforts to communicate are duplicated.

I asked a question of a member of our Health and Social Care visitors concerning the reciprocal
1655 arrangements with the UK and it may interest you to hear the reply: 'Discussions in respect of the reintroduction of any reciprocal agreement between the Bailiwick and the UK are at a very preliminary stage and significant work would be needed in order to understand the proposed scope and costing of any such regime before either jurisdiction could consider the desirability of re-entering such an arrangement and the practical implications'.

1660 While there is a political interest within Guernsey in respect of the re-introduction of an agreement and accordingly some conversations are taking place with the UK, it is just one element of a broad portfolio of work across Government and I cannot see any immediate solutions. In the context of Brexit I am conscious that the UK, especially, is likely to have more pressing matters at this time. That is not a reason not to continue to pursue the conversations, but to highlight a note
1665 of caution in respect of a likely timeframe.

Thank you.

The Speaker: Thank you.
Conseiller Reg Guille.

1670

Conseiller Guille MBE: Sir, I attended that meeting along with several other Conseillers and I think one very interesting thing that came out was that Guernsey are currently negotiating with the UK on a reciprocal health agreement; and that, when asked, they were very clear that they would be negotiating a Bailiwick-wide reciprocal health agreement, not just a Guernsey and

1675 Alderney one, but it would include Sark as well. From a tourism aspect that is going to be vital for us and a real benefit when that reciprocal health agreement is confirmed.
Thank you, sir.

The Speaker: Anybody else? That is an information report.

**16. Education Committee –
Education Committee update – Michaelmas 2018 –
Report considered**

To CONSIDER an Information Report from the EDUCATION COMMITTEE entitled 'Education Committee update – Michaelmas 2018'.

1680 **The Speaker:** We go to Agenda Item 16: To consider an Information Report from the Education Committee entitled 'Education Committee Update – Michaelmas 2018'.
Conseiller Pauline Mallinson to introduce the Report.

1685 **Conseiller Mallinson:** As term actually only started the day before the papers closed for this Meeting, we were unable to present you with a full report from the new Head of School, so I would like just to take this opportunity to give you a brief update as to the progress so far of the school this term on behalf of the Board of Education.

As you are aware, we are an extremely small school with 33 students, three full-time teachers, one full-time teaching assistant, one part-time teaching assistant and a part-time language teacher five hours a week for French. The school doors have been open for four weeks of the autumn term and in this time we have assessed all children's literacy and numeracy skills using a combination of test-based assessments for Years 1 to 6, and AQA KS3 assessment materials for years 7 and 8. The children's results have been shared with parents during our first parents evening on 24th September and the class teachers also explained where it places each student based on age-related expectations in the UK.

1690 As identified in the education review last year there are a number of gaps in students' learning which will inform our ongoing curriculum. The breadth and variety of individual student needs in terms of huge gaps in understanding of core skills, as well as numerous special educational needs issues will prove a challenge, but can be overcome with the support of all stakeholders. The staff are working extremely long hours and we have temporarily increased the hours of our part-time teaching assistant – strategies which are already bearing fruit in terms of student progress.

1700 Individual education plans have been produced for identified students enabling the school to deliver a bespoke curriculum that meets the needs of all students. We are setting up a new science lab and are looking for benefactors or donations for certain high-value items; we will also be contacting other schools to explore the possibility of purchasing quality second-hand equipment. Our enrichment programme has been in place since day two of the term. We will review the provision before half term and invite parents and volunteers to offer their feedback.

Thank you.

1710 **The Speaker:** Any comments?
Conseiller Reg Guille.

Conseiller Reg Guille MBE: Thank you, sir.

1715 I have no comments to make on the Report as presented; however, like many, I am awaiting a full discussion on many of the Education Review Report recommendations. To date, Chief Pleas has only noted the review report and this was at the Christmas Meeting, with not a great deal of

substantial discussion taking place on that report in this Assembly, albeit that further Education reports were tabled at Easter and Midsummer – and those were very much concentrating on getting in place the systems for this September, and I understand that.

1720 A consultation is, I believe, soon to be launched and I hope this consultation when reported will also include an ability for us to review where we are against the recommendations as set out in the Education Review document. One aspect I am particularly interested in is the notion of education credits being built up by Sark children so that new residents with children do not get full taxpayer support, as has often happened in the past, and which left some indigenous residents
1725 being unable to access funding. This aspect can be found in the Review Report on page 17 under Finances at subparagraphs 5, 6 and 7.

1730 There must be many more areas that we need to discuss in detail and not just be led forward in a piecemeal fashion, and I hope that the consultation will give the opportunity for a root-and-branch review by us of where we are and where we want to go with regard to those recommendations in the review.

Thank you, sir.

The Speaker: Thank you.

Anybody else? That also was an information report.

**17. Development Control Committee –
Solar Farm Application –
Report considered**

To CONSIDER an Information Report from the DEVELOPMENT CONTROL COMMITTEE entitled 'Solar Farm Application'.

1735 **The Speaker:** We go to Agenda Item 17, another information report: to consider an Information Report from the Development Control Committee entitled 'Solar Farm Application'.
Conseiller Edric Baker. *(Interjection)*

1740 **Conseiller Moerman:** Excuse me, if I may, I have no financial interest in what has been discussed today, but I just wanted to disclose to the House that I am a director of a company that has provided advice to the beneficial owner of Sark Energy on non-Sark-related matters.

The Speaker: Okay, thank you for that. Conseiller Sebastien Moerman is a director of that company. Right. *(Laughter)*

1745 Conseiller Edric Baker.

Conseiller Edric Baker: Thank you.

The idea of bringing this Proposition to Chief Pleas was really to stimulate debate and see where Chief Pleas wants to go with this.

1750 Development Control is very limited in its powers: it has got the Law of 1990 and 1991 and the Ordinance, and we approve or otherwise of applications that come before us. We are extremely limited. The actual application refers to a previous application in the north of the Island which the applicant believes is a precedent for this development.

1755 The application in the north of the Island is a very small application which was very much for the person concerned, so it is not about an Island-wide development of any sort. This is far bigger. It refers to several projects around the Island supplying electricity to the Island by way of a new grid. So it utilises the roads and so forth. We want to get a general feeling from Chief Pleas how they want to handle this, because as a Committee we do not feel that we can.

1760 **The Speaker:** Okay, anybody wish to contribute to that?
We have got Conseiller Pauline Mallinson, followed by Conseiller Reg Guille.

Conseiller Mallinson: Thank you, sir.

1765 I am speaking on behalf of the Energy Policy Policy Development Team. We have had discussions about this and I would like to read out our views on this and also we have shared these with the Development Control Committee.

1770 The Sark Government has stated that it will develop an energy policy for the Island, to inform this policy insofar as electricity is concerned it must involve all stakeholders including the existing supplier and any alternative proposals. What is seen as an absolute requirement for the future sustainability of the community is that electricity must be equally available to all and that all electricity consumed contributes to the cost of provision.

1775 Our latest update earlier on the Agenda actually said that during the fourth quarter of 2018 the Policy Development Team will prepare a public consultation document such that it may be sent to inhabitants as soon as the Sark Electricity appeal case has been concluded, and this is because we stated in that report we do not think it is appropriate to carry out that public consultation on energy policy until that court case brought by SEL is concluded and there is a clearer understanding of how an energy policy would be implemented.

1780 The Policy Development Team would suggest that any person or company wishing to be part of the future supply of energy for the Island should take the opportunity afforded by this consultation to forward their proposals. In this application to the DCC the company referred to makes several statements of intent, some seemingly at odds with each other. It says:

I represent Sark Renewable Energy, a company which intends to present a proposal to provide the Island of Sark with a complete renewable energy package in due course.

1785 Surely the proposal should come before starting the implementation? This suggests that a private company wishes to provide Sark with electricity but we already have a supplier of electricity. There is surely not enough demand for two companies to co-exist. This company appears to wish to install a complete new grid, so would we have two parallel grids? Why would Sark want two grids? We just need one good one.

And another quote:

Sark Renewable Energy wishes to enter into close consultation with the DCC when an outline development plan has been completed, but in order to be able to commence this work we need a firm indication that such a plan is possible and welcomed by the Island of Sark and hence we would be grateful if you would consider this specific application favourably.

1790 This statement in the last paragraph of the application letter appears to be asking the DCC whether or not the Island of Sark would welcome their plan to build a private electricity supply system alongside the existing one. Surely the Development Control Committee cannot answer this; only the Government can, after proper consideration and consultation and a full understanding of all the implications, including social and financial.

1795 In conclusion, this application would appear to be asking for planning permission to install a private electricity supply on the Island, regardless of any consequences either social or economic. The fact that it appears to suggest that by receiving permission for this development it is receiving an endorsement from the Island to provide electricity is deluded. If the company wishes to provide electricity for the Island, as stated in the application, then it should make a fully costed proposal to the Island in the first instance, not try to circumvent this and impose an alternative electricity supply by stealth.

1800 We would request, as the PDT, that this application be deferred until the future provision of an electricity supply suitable for *all* the inhabitants of Sark has been agreed.

The Speaker: Conseiller Reg Guille.

1805 **Conseiller Guille MBE:** I have nothing to add to that, sir. *(Laughter)* That was exactly the sort of question I was going to be asking. I thank Conseiller Mallinson for that very good speech.

The Speaker: Is there anybody else?
Have you got enough, Conseiller Edric Baker?

1810 **Conseiller Edric Baker:** I think that is excellent, sir. It really makes a huge difference to DCC to get that sort of input from Chief Pleas. We know our responsibilities, we know where the law takes us and that does help us as well.

Thank you.

1815 **The Speaker:** Okay, thank you.

**Ordinances laid before Chief Pleas –
The Republic of Maldives (Restrictive Measures) (Sark) Ordinance, 2018;
Office of the Sark Electricity Price Control Commissioner – Electricity Prices –
Price Control Order**

The Speaker: We go on to the final Item: Ordinances Laid Before Chief Pleas. The Republic of Maldives (Restrictive Measures) (Sark) Ordinance, 2018: that is laid before you. You have the power to reject it if you wish, but nothing else.

1820 Okay, I will take that. This Ordinance will be numbered XII of 2018.

Price Control Order laid before Chief Pleas: the Office of the Sark Electricity Price Control Commissioner – Electricity Prices – Price Control Order.

I will take that as read.

Okay, the time is 1.05 p.m., I am closing the meeting.

1825 Greffier, the Grace, please.

PRAYER
The Greffier

Chief Pleas closed at 1.05 p.m.