



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 12th October 2016

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Present:

Richard J. McMahon, Esq. Deputy Bailiff and Deputy Presiding Officer

Law Officers

Miss M. M. E. Pullum, Q.C. (H.M. Procureur),
R. M. Titterington, Q.C. (H.M. Comptroller)

People's Deputies

St Peter Port South

Deputies P. T. R. Ferbrache, J. Kuttelwascher, D. A. Tindall,
B. L. Brehaut, R. H. Tooley

St Peter Port North

Deputies, J. A. B. Gollop, C. N. K. Parkinson, L. C. Queripel, M. K. Le Clerc,
M. P. Leadbeater, J. I. Mooney

St Sampson

Deputies L. S. Trott, P. R. Le Pelley, J. S. Merrett, G. A. St Pier,
T. J. Stephens, C. P. Meerveld

The Vale

Deputies M. J. Fallaize, M. M. Lowe, L. B. Queripel,
J. C. S. F. Smithies, S. T. Hansmann Rouxel

The Castel

Deputies R. Graham, L.V.O. M. B. E. C. J. Green, B. J. E. Paint,
M. H. Dorey

The West

Deputies A. H. Brouard, A. C. Dudley-Owen, E. A. Yerby,
D. de G. De Lisle, S. L. Langlois

The South-East

Deputies H. J. R. Soulsby, H. L. de Sausmarez, P. J. Roffey,
R. G. Prow, V. S. Oliver

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean

The Clerk to the States of Deliberation

S. M. D. Ross, Esq. (H.M. Senior Deputy Greffier)

Absent at the Evocation

Deputy J. P. Le Tocq (*absent de l'Île*);
Alderney Representative S. D. G. McKinley, O. B. E. (*absent de l'Île*)

Business transacted

Evocation	1703
Welcome to new H.M. Comptroller and H.M. Procureur	1703
Questions for Oral Answer.....	1704
Guernsey Airport Pavements and Rehabilitation Project – Final expenditure and environmental impact	1704
Billet d'État XXV	1707
The Companies (Treasury Share) Regulations, 2016; The Companies (Treasury Shares) (Amendment) Regulations, 2016.....	1707
I. The Social Insurance (Guernsey) Law (Amendment) Ordinance, 2016 – Approved	1707
II. The Income Tax (Guernsey) (Employees Tax Instalment Scheme) (Amendment) Regulations, 2016 – Approved	1708
III. The Island Development Plan – Development & Planning Authority Recommendations – Debate commenced	1709
<i>The Assembly adjourned at 12.30 p.m. and resumed its sitting at 2.30 p.m.</i>	<i>1744</i>
Billet d'État XXV	1744
III. The Island Development Plan – Development & Planning Authority Recommendations – Debate continued	1744
Procedural	1785
<i>The Assembly adjourned at 5.49 p.m.</i>	<i>1787</i>

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States of Deliberation

*The States met at 9.30 a.m. in the presence of
His Excellency Vice-Admiral Sir Ian Corder, K.B.E., C.B.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The Senior Deputy Greffier

EVOCATION

The Senior Deputy Greffier: Billet D'État XXV of 2016. To the Members of the States of the Island of Guernsey, I hereby give notice that a meeting of the States of Deliberation will be held at the Royal Court House on Wednesday 12th October 2016 at 9.30 a.m. to consider the items listed in this Billet d'État which have been submitted for debate.

Welcome to new H.M. Comptroller and H.M. Procureur

5 **The Deputy Bailiff:** Well, Members of the States, before we move into Question Time, it may have been obvious that we have a new member amongst us. It is a great pleasure to welcome H.M. Comptroller to this, his first sitting of the States of Deliberation.

10 I know from my dealings with Mr Titterington over the years that he brings to this Assembly great experience of States' matters and wisdom – indeed all the qualities expected of a holder of that office. I congratulate him on his appointment on your behalf, and also the appointment as HM Procureur, of Miss Pullum. Crossing the floor of an Assembly in other jurisdictions is regarded as contentious, but in this particular Chamber it is not, it is an example of advancement.

15 We wish them both well in discharging their duties both in and around the States of Deliberation.

Several Members: Hear, hear. (*Applause*)

Questions for Oral Answer

STATES' TRADING SUPERVISORY BOARD

Guernsey Airport Pavements and Rehabilitation Project – Final expenditure and environmental impact

The Deputy Bailiff: Deputy De Lisle, you have some questions for the President of the States' Trading Supervisory Board.

Deputy De Lisle: Thank you, sir.

I would like to ask the President of the States' Supervisory Board questions concerning the Guernsey Airport Pavements and Rehabilitation Project relating to final expenditure and promised works to offset the project's environmental impact.

The first question is: what was the final capital expenditure on the Guernsey Airport Pavements and Rehabilitation Project, with costs broken down by various elements including runway, taxiway, apron reconstruction, draining, pollution control, airfield ground lighting and navigation aids, land purchase, soil treatment, aircraft parking arrangements and environmental offsetting?

The Deputy Bailiff: Deputy Parkinson to reply.

Deputy Parkinson: Thank you, Mr Deputy Bailiff.

The final expenditure on the pavements project is yet to be determined, but as at 31st December 2015 the costs incurred stood at £72 million, against an approved budget of £80.4 million. Minor defect rectification has been ongoing this year, and this has prevented agreement of the final account. Defect work is now largely complete, and the project team anticipate that the final account with Lagan Construction will be agreed in the near future.

The Deputy Bailiff: Next question, Deputy De Lisle.

Deputy De Lisle: The second question, sir: has the project been completed within budget, and are there likely to be any additional costs relating to the project?

The Deputy Bailiff: Deputy Parkinson to reply.

Deputy Parkinson: At this time the project is anticipated to be completed within budget. There are additional costs still to be incurred outside of the main contract with Lagan Construction. A total budget of £150,000 was set aside for the completion of the environmental offsetting project. A budget sum of £3 million was included within the overall budget for the treatment of PFOS contaminated soils that had been locked in to a bund at the front of the terminal. The Airport is now in consultation with the waste regulator to agree a method of evaluation of options for dealing with the contaminated soil over the longer term. It is too soon to assess whether the provisional sum allocated for the ultimate remediation process will be sufficient.

Deputy De Lisle: Can I ask a supplementary on that, sir, please?

The Deputy Bailiff: Supplementary question, Deputy De Lisle.

60 **Deputy De Lisle:** Sir, my understanding is that a temporary five-year licence was given for the
bund, and that time has now elapsed. People living in the Forest Parish alongside the bund are
naturally concerned over the health effects of living next to this storage of toxic material next to
their home long term. The question: is the intention for the toxic carcinogenic material to be
65 removed from the neighbourhood outside the Island where facilities are available to treat
contaminated soils, and when will this be done?

The Deputy Bailiff: Deputy Parkinson, are you able to respond.

Deputy Parkinson: Well, as I said, sir, the discussions are ongoing with the waste regulator to
70 agree a method of evaluation of the options for dealing with the contaminated soil. It is not for
me to pre-empt the outcome of those discussions.

The Deputy Bailiff: Next question, Deputy De Lisle.

75 **Deputy De Lisle:** Thank you, sir.
What has been done to mitigate the loss of a full one kilometre of earth banks, nine fields and
a road for the RISA development and runway extension in the West?

The Deputy Bailiff: Deputy Parkinson to reply.

80 **Deputy Parkinson:** Sir, the Airport worked with Environment Guernsey at the outset of the
pavements project to undertake environmental offsetting work at the Colin Best Nature Reserve in
St Peter's. This work, funded by the project budget, increased the area of the existing conservation
wetland area at L'Eree. This involved the removal of thousands of tonnes of rubble which had
85 been deposited on the site, so increasing the wetland area. This has more than compensated for
the smaller area of wetland lost as a result of adjustments to the safety area to the west of the
Airport.

 Funding has also been committed to a project that will clear and restore former grazing land
around Ecart and Jerbourg. This will bring back into productive use agricultural land covering an
90 area of around 90% of that affected by the essential works at the Airport. Once restored, the fields
are earmarked for grazing by La Société's conservation herd, which will enhance the biodiversity
value of these areas and help re-establish a species-rich environment, and habitat, for a greater
variety of insects and the birds that feed upon them. Although the restoration work has begun, it
has to fit in with the seasons, weather conditions and bird nesting. We expect all the land will be
95 back in good use by the summer of 2018.

Deputy De Lisle: If I can ask a supplementary on that, sir.

The Deputy Bailiff: Supplementary question, Deputy De Lisle.

100 **Deputy De Lisle:** The President does not mention the loss of one kilometre of earth banks.
What is intended with these?

The Deputy Bailiff: Deputy Parkinson.

105 **Deputy Parkinson:** Well, sir, as far as I recall, there was no commitment to replace one
kilometre of earth banks elsewhere on the Island. The conservation work and the work to mitigate
the environmental impact of the Airport redevelopment has been described earlier.

110 **Deputy De Lisle:** That surprises me, sir.

The Deputy Bailiff: That is a comment not a question, Deputy De Lisle.
Question four please.

115 **Deputy De Lisle:** Thank you, sir.

What has been done to mitigate public concerns with respect to noise disruption and safety from lower flying aircraft over properties in the West?

120 **The Deputy Bailiff:** Deputy Parkinson to reply.

125 **Deputy Parkinson:** Sir, the move of the runway threshold West by 120 metres has not impacted on safety margins. If anything that has enhanced through the provision of longer runway and safety areas at both ends of the airfield, which was one of the critical drivers for undertaking this work. These provide safe areas for aircraft to stop in the event of a runway excursion.

130 The angle at which aircraft approach has not changed and remains compliant with the Standard 3° approach, adopted by the vast majority of UK airfields. Higher approach angles would generally only apply where obstacles were likely to encroach on the approach path of aircraft. The projects team undertook base line noise monitoring in 2009 and post-implementation noise monitoring at properties around the western boundary of the Airport in early 2014. The difference as a result of the Airport works was assessed to be within the limits predicted by the environmental impact assessment, carried out prior to the works. The level of change subsequently confirmed by the post implementation survey was plus or minus six decibels which was not considered significant by our EIA advisors. Permanent noise monitoring has been installed on the western boundary of the Airport as part of the project works and this will provide a useful permanent benchmark of noise levels moving forward.

135 **Deputy De Lisle:** Can I ask a supplementary, sir?

140 **The Deputy Bailiff:** Supplementary question, Deputy De Lisle.

145 **Deputy De Lisle:** The President, sir, Charles Parkinson, fails to mention that aircraft approaching to land and touch down, they touch down earlier on runway 09 and further to the west. This displacement alters the position of the 3° glide slope resulting in aircraft coming in 6.3 metres lower in height than previously – that is 20 feet lower. In that, the intention is not to alter the glide slope of incoming aircraft from the west, which would go some way towards alleviating the noise problem, will the President's committee consider fair and responsible mediation measures, such as noise insulation grants to residents' homes affected, as is done elsewhere?

150 **The Deputy Bailiff:** Deputy De Lisle, I do not need to remind you, I am sure, that when you refer to a Member you refer to them as Deputy or Alderney Representative, not just by their name.

Deputy Parkinson to reply, please.

155 **Deputy Parkinson:** Well, sir, as I have said, the effect on the noise levels at both ends of the runway has been assessed and is subject to ongoing monitoring, and it is not considered to have deteriorated significantly since the implementation of the runway works at the Airport. So I think the answer to Deputy De Lisle's question is no.

160 **The Deputy Bailiff:** Deputy Kuttelwascher, supplementary.

Deputy Kuttelwascher: Yes, sir, thank you.

165 In relation to actually Deputy De Lisle's question, he seemed to be interested in the noise level below the aircraft on the approach. Deputy Parkinson's answer related to noise levels all over, including on the ground.

170 Is Deputy Parkinson aware that this 20-foot lower approach produces, obviously, a slight increase in noise levels, but that increase is so small compared to what it was before, that it is not discernible to the human ear. So the people on the ground should not notice any difference. That is what was done at the time, and I was just wondering if Deputy Parkinson is aware of that and can confirm it?

The Deputy Bailiff: Deputy Parkinson to reply to what I am not sure is a supplementary question.

175 **Deputy Parkinson:** No, I was not aware of that specific piece of information, sir, but I also would think that the noise levels on the ground would be much more affected by the type of aircraft in use.

180 **The Deputy Bailiff:** I do not see anyone else rising to ask a supplementary question. That concludes Question Time.

Billet d'État XXV

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

The Companies (Treasury Share) Regulations, 2016; The Companies (Treasury Shares) (Amendment) Regulations, 2016

The Senior Deputy Greffier: The following Statutory Instruments are laid before the States: the Companies (Treasury Share) Regulations, 2016, and the Companies (Treasury Shares) (Amendment) Regulations, 2016.

185 **The Deputy Bailiff:** Well, Members of the States, we note that both of those Statutory Instruments have been laid at this meeting.

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

I. The Social Insurance (Guernsey) Law (Amendment) Ordinance, 2016 – Approved

Article I.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled "The Social Insurance (Guernsey) Law (Amendment) Ordinance, 2016", and to direct that the same shall have effect as an Ordinance of the States.

The Senior Deputy Greffier: Article I, the Social Insurance (Guernsey) Law (Amendment) Ordinance, 2016.

The Deputy Bailiff: Deputy Le Clerc, is there anything to say on this matter?

Deputy Le Clerc: No sir, there is an explanatory note and if anybody has got any questions, I am happy to answer them.

The Deputy Bailiff: Is there any debate on this item of business? No.

There is a single Proposition, whether to approve the draft Ordinance. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare that duly carried.

POLICY & RESOURCES COMMITTEE

II. The Income Tax (Guernsey) (Employees Tax Instalment Scheme) (Amendment) Regulations, 2016 – Approved

Article II.

Whether they are of the opinion:

To approve the draft Projet de Loi entitled The Income Tax (Guernsey) (Employees Tax Instalment Scheme) (Amendment) Regulations, 2016, and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

The Senior Deputy Greffier: Article II, Policy & Resources Committee – the Income Tax (Guernsey) (Employees Tax Instalment Scheme) (Amendment) Regulations, 2016.

The Deputy Bailiff: I invite the President of the Committee, Deputy St Pier, to open the debate.

Deputy St Pier: Sir, this is really a technical matter, which has merely been brought forward for debate because unfortunately the Regulations, when they were laid, were referred to as a Projet de Loi, and hence the necessity to bring it in this way, which has also led to the amendment which we are about to lay shortly.

The Deputy Bailiff: Yes. Do you wish to speak to that amendment then?

Amendment:

To substitute the proposition with the following text:

'The States are asked to decide:

Whether, after consideration of the Report dated 5th August, 2016, of the Policy & Resources Committee, they are of the opinion to approve, in pursuance of section 81A(5) of the Income Tax (Guernsey) Law, 1975, as amended, the draft Regulations entitled "The Income Tax (Guernsey) (Employee Tax Instalment Scheme) (Amendment) Regulations, 2016", and to direct that the draft Regulations shall have force of law with effect from the date of such approval.'

Deputy St Pier: Only, sir, to add to that previous explanation, that this is a technical amendment, which has resulted as an error, unfortunately, which the Income Tax Office, my Committee and the draftsmen did not pick up before it made it through to the Greffe, and that is why it has been necessary to bring this amendment, sir.

I apologise to the Assembly for the error.

The Deputy Bailiff: Deputy Trott, do you formally second that amendment?

220 **Deputy Trott:** I do, sir, thank you.

The Deputy Bailiff: And reserve your right to speak.

Is there any debate, Members of the States, on the amendment, which is P.2016/36 amendment 1?

225 In that case, I will put the amendment to you. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare the amendment duly carried.

Is there any debate on the Proposition as amended?

I hope it is going to go like this for the remainder of the meeting! (*Laughter*)

230 So this is the amended Proposition No. P.2016/36 to approve the Regulations entitled the Income Tax (Guernsey) (Employee Tax Instalment Scheme) (Amendment) Regulations, 2016. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare the Proposition duly carried.

DEVELOPMENT & PLANNING AUTHORITY

III. The Island Development Plan – Development & Planning Authority Recommendations – Debate commenced

Article III.

The States are asked to decide:

Whether, after consideration of the report of the Development & Planning Authority attached to the policy letter entitled 'The Island Development Plan-Development & Planning Authority Recommendations' and all documents attached to that report, they are of the opinion:

1. To adopt the Island Development Plan as published in February 2015 (set out in Appendix 1 of the report of the Development & Planning Authority), comprising the Written Statement and Proposals Maps, amended in accordance with the recommended changes of the Development & Planning Authority set out in Appendices 6, 7 and 8 to its report attached to the policy letter comprising those recommendations of the independent Planning Inspectors supported by the Development & Planning Authority together with the Development & Planning Authority's own recommended changes.

2. To note that the policy on the use of planning covenants set out in the Island Development Plan supersedes the policy noted in their resolution of the 12th December, 2007 on Billet d'État No. XXV of 2007, Article III, paragraph 1 noting 'the limited circumstances in which planning covenants will be used as set out in that report'.

The Senior Deputy Greffier: Article III, Development & Planning Authority – the Island Development Plan – Development & Planning Authority Recommendations.

235

The Deputy Bailiff: I invite the President of the Development & Planning Authority, Deputy Gollop, to open debate on this matter.

Deputy Gollop: Thank you, sir, Mr Deputy Bailiff.

240 We have a situation today where we have more than one President and a very large number of amendments. So it will be one of the more complicated debates, I think, we have seen in this session.

I wish to thank all of the members of my Committee and the officers who have worked exceptionally hard, not just Monday to Friday but all evenings and weekends as well.

245 We have a long day – or, more probably, days – ahead of us, but before we get to the detail of the Island Development Plan, I would like to make a few general points that I hope you will bear in mind throughout the debate.

The IDP, or Island Development Plan, is without doubt one of the most significant policy documents this States, this new Assembly, is likely to consider. It will not only determine how planning applications are assessed; it will also, I believe, indicate that Guernsey is open for investment, is a socially responsible Island and is an Island of great natural beauty and environmental importance. It is worthy of respect.

250 But please do not fall into the trap of thinking that the Island Development Plan represents the views of just a few politicians or planners. It should instead be regarded as the tool that has the ability to turn the States of Guernsey strategies into physical reality. All of the policies within the Plan have been written to do just that.

I would add here that several years ago the Guernsey Tomorrow Project was set up, which informed the SLUP, the Strategic Land use Plan, and there was a similar, if not more lengthy, consultation, not just on social media and floor representatives and representors, but I remember the road show went throughout the Town to the Friquet Garden Centre and many other places. So there has been a very extensive amount of opportunity for everybody in the community to participate.

260 The IDP, as drafted, is the result of an unprecedented amount of stakeholder and public engagement, which has influenced and shaped the policies in the plan. It is also based on substantial, robust and credible evidence, which has been tested through independent third party assessment.

The process started with the States-approved Strategic Land Use Plan in 2011, which set the direction for preparation of this Island Development Plan. Public consultation, as I have said, has been carried out over and above that required by the Planning Law, and has followed established best practice. There has been a fair and transparent public engagement process, with a planning inquiry held by two, not just one, independent well-respected and highly professional planning inspectors. These inspectors, it should be remembered, are extremely well versed in considering development plans produced by all manner of planning authorities in many different jurisdictions. They are recognised experts in their field.

270 The inquiry they held was a democratic, third-party independent examination of the draft IDP, which did receive over 1,800 representations. The inspectors, in a remarkably quick turnaround of time, produced an excellent report which included 33 recommendations. I recall the time 20-odd years ago when such inquiries took two years. Who says we are not becoming more efficient! Then DPA has accepted all but two of these. Of course, we were a new Committee with several new members, who had to come to these perspectives way back in June, immediately after the induction process; but nevertheless, we did find a unity of purpose and approach, if not necessarily on every single aspect of every single policy that has come up in the amendments.

280 We accepted all but two of these. This was a vitally important part of the democratic process, and its importance should not be diminished or set aside because some do not like the outcomes of that democratic process and are simply using this debate, maybe, as another opportunity to have the same issues and arguments conducted all over again.

I am aware, to be fair, that many States' Members, perhaps because they feel they have a mission from their electorate, do question some strategic elements, such as traffic and transport, but that today is not the place for those debates. Today is the place to consider the IDP, which has
290 been based upon the statutory process and, as I say, the several years of representations.

We will hear later on about specific policies that some Members wish to amend. Let's take the affordable housing issue, for example. However, there is a specific requirement to the States of Guernsey to require the land planning system to provide for an element of this within the Island Development Plan – a specific requirement to require the land planning system to provide for an
295 element of this within the Island Development Plan. I think that is important because that is a work stream that has come out of previous States and the SLUP.

The same applies to other policies, such as for retailing and tourism. The IDP is based on strategic policy and is required to deal with these issues in a way that is consistent with that policy direction. Whether the interpretation of the strategic direction is right or not is, of course, very
300 much open for discussion, and I look forward to hearing those arguments.

But, please do not think that the affordable housing policy, or indeed any other policy in the plan, has been prepared without consideration of very specific States of Guernsey instruction. Our hands are tied to a degree by that instruction. It is vitally important that States' Members appreciate that this is not an opportunity through debate on the Island Development Plan to seek
305 to change higher level Government strategies that have been taken into account during preparation of the plan. Whether individual Members agree with those higher level strategies or not, they do exist, and it is neither appropriate nor good government to try to change them from the bottom up. Such a process would lead to inevitable inconsistencies between strategic policy and this development plan, and would open the IDP to legal challenge – maybe, judicial review
310 even, given that it is required legally to be consistent with those higher level principles.

If Deputies – and I know some do – have issues or concerns with existing States-approved strategies, there are appropriate processes in place, over time, to seek to amend these. The Island Development Plan has been designed to be flexible and can be amended relatively easily if
315 required to reflect new strategies and policy approaches, which may be evolved during its lifetime.

On a personal level, I not only hope that this Plan will be adopted in its entirety this week, but that we will be given the resources, both ourselves and Environment & Infrastructure, to conduct more frequent and regular reviews of plans or part of the plans. Amending the development plan to achieve change at higher strategic level is not the way forward and will simply lead to inconsistency and significant delays, perhaps costly, to the Island's economy, in the introduction
320 of this much-needed plan.

I would also like to point out the essential need to approve the IDP now. The Island Development Plan will, for the first time, enact the revised SLUP Strategic Land Use Plan that was agreed with just a single Member dissenting. I hope I was not that Member, during the last political term! (*Laughter*) Of course, it was published in 2011. That strategic direction seeks a
325 fundamental shift to the way planning operates in the Island. It replaces a strategic framework, still in force until the Island Development Plan is approved, that is over 20 years old.

Please take a minute to think about what the Island was like 20 years ago. It does not take too long to appreciate that the pressures of the Island were very different to those today, and we now need planning to positively promote development, and to not seek to prevent it, whilst still
330 preserving what we all appreciate about the Island, its culture, heritage and natural beauty. As an aside, our able researchers have come up with some fascinating statistics about, for example, the changes in the Island's strategic economy, relating to the visitor economy. I was very pleased to attend Deputy Ferbrache's Economic Development Chamber of Commerce seminar earlier this week.

But just to give you one instance, let's go back to the Millennium when we celebrated on the North Pier, or wherever, in the year 2000. According to the statistics, there were 82 hotels; in 2014 there were 40. In 2000 there were 5,457 beds in those hotels; 2014 there were 3,064 – a drop of nearly 2,500. Sounds like my votes dropping, as well, given the plan. But I think that this gives an

340 illustration that there are structural changes, and we not only have to respond to those, but
ensure that trends going in the wrong direction are reversed, and that we maintain the balance of
things we need in our society. We are a different society and we now need planning to positively
promote development and not seek to prevent it. In a way this Plan has a more pro-active 'you
can-do' approach rather than 'you can't do' approach, because it is written in a different time from
the rapidly growing eras that Deputy Trott remembers, when we had 7% growth some years,
345 round about the Millennium.

The Plan does not seek to prevent positive economic development, but we still want to
preserve what we all appreciate about the Island, its culture, heritage and natural beauty, and I
would say too, that the newly published Policy & Resources Plan is very reflective of sustaining
and developing and advancing that kind of balance. The Island Development Plan is positive, pro-
350 active, permissive and flexible; it will replace the Urban Area Plan and Rural Area Plan.

I think I was a Member when they first came in, actually, which are now 14 and 11 years old,
respectively. They too are no longer able to deliver our current political expectations, and they
need to be replaced as soon as possible with the Island Development Plan, which will provide
newer, more sustainable, tools, and the right tools, for the job that needs to be done right now for
355 this Island to succeed and remain competitive.

If everything goes to plan, the existing Urban Area Plan and Rural Area Plan will expire on 2nd
December this year, after two previous extensions of these plans. It will be unfortunate if we were
obliged to have a third at short notice. It is therefore really important that the IDP is adopted as
soon as possible, so that we can maximise the benefit from the increased flexibility and up to date
360 approach of this IDP, and do not have to extend these existing outdated plans still further. Of
course, the professional community are geared up to working with the new plan rather than the
old plan.

I know there are many amendments to discuss, we started with 16 and now we have maybe 18,
and some of these may well be supported. However, the legal processes, that we all have to work
365 within, means that in some cases approval of an amendment may – in some cases, will – I would
suggest, require adoption of the Island Development Plan to be deferred. My able Vice-President,
Deputy Tindall, will concentrate on many of these issues, as will I in the summing up, based to a
degree on professional advice. In some cases the deferral might be for clarification of the scope of
the amendment, or its implications for other parts of the plan, because this is a jigsaw or, more
370 perhaps relevantly, a house of cards: if you take one card out the whole pyramid becomes
unsustainable.

The IDP is a complex interrelated document, the whole of which is much greater than the sum
of its parts. It all fits together, it all works together, and amending individual aspects or policies
piecemeal, in isolation, may well have far reaching implications for other parts of the plan, and for
375 fairness to the community in some instances. The IDP may therefore have to be deferred to
consider the implications of some amendments.

For other proposed amendments it may be necessary to defer or put back adoption of the Plan
for much more fundamental reasons, such as inconsistency with the Strategic Land Use Plan,
effect on the environmental impact assessment, which is legally required to accompany the Plan –
380 a third of the doorstep bibles we are carrying around; most significantly, the potential need to
reopen the planning inquiry to consider the new policy approaches that have been proposed by
certain amendments. Such a process we would estimate could take years.

In particular, and as made clear, in a document circulated by the DPA at the start of this week,
the amendments that fall into this latter, and most significant, category, and which would in the
385 opinion of us, the Development & Planning Authority, require both deferral of the Plan and
potentially reopening of the planning enquiry, are amendments 11, 12, 13, 14, 16 and potentially
17 – that is 11, 12, 13, 14, 16 and 17. These amendments generally relate to parking policy, retail
policy and tourism policy. These amendments all have in common that they are seeking to
introduce a fundamental new policy approach to the plan, that they are in conflict with the

390 relevant provisions of the current Strategic Land Use Plan, and that they also have implications for the EIA, the Environmental Impact Assessment, of the plan.

It has rightly been said that States' Members will not welcome being told about these implications, after having accepted one of these amendments; I am therefore explaining in, I hope, plain and unequivocal terms that amendments 11, 12, 13, 14, 16 and potentially 17 will, if supported, all result in a necessary deferral of the plan, both the deferral of the Plan and most likely a need to reopen the planning inquiry, which could be a slow and costly business. The DPA will be strongly opposing all amendments that will result in deferral of adoption of the plan, or the potential for reopening of the planning inquiry, which we estimate would add at least a year, and probably considerably longer, to the process, will also add considerable monetary cost at a time when the States can least afford such unnecessary expenditure. It is vital that this plan, this new approach to planning, which will bring so many positives for the Island, economically, socially and environmentally, be adopted as soon as possible, and that this process is not delayed.

The life of the Island Development Plan will be 10 years, but the Plan will not be set in stone for 10 years; the Plan is intended to be a dynamic and living document, which will be amended from time to time as new data, information, evidence or States' strategic direction requires. This will ensure that it remains as relevant and up to date as it can be.

For the first time there is a statutory requirement for the DPA to regularly review plan policies to make sure they are achieving what they should, and the approaches laid out in the Plan itself.

Supporting, in a way, maverick amendments that risk deferral of the Plan or reopening of the inquiry, will result in lost opportunities through delaying the introduction of the Island Development Plan, and will add significant and unnecessary time and cost to the process. Such amendments are undesirable and unnecessary, when the ability will exist to amend the IDP policies, if necessary, on the basis of hard evidence and regular monitoring once they are in place.

I would add too that the DPA is itself laying one amendment. This is to correct a minor textual inconsistency in the written statement to the plan.

I conclude the main part of the opening address by asking Members of the States to recognise that the Island Development Plan is a planning process, a planning policy document, that is positive, pro-active, permissive and flexible, and it is based on substantial, robust and credible evidence. That it will provide the right tools to help us meet the challenges of today, will enable the proper balancing of economic, social and environmental land use issues, and will help allow the implementation of the strategic priorities of the States, and the mandates of its committees on the ground.

Please also recognise that the IDP has been thoroughly tested through an independent democratic third party assessment process, and that this should not be discounted or ignored, everybody has had their chance, simply because it did not give the outcome some individuals would have liked, and we have heard too that of course some people seem to have woken up to the implications of the Plan rather late in the day.

Please also be clear about the implications of supporting some of these amendments currently proposed to the plan, and the significant and unnecessary delay and costs that these will likely incur if accepted.

I would also point out that this Report has many innovations, from the agricultural priority areas to areas of biodiversity importance. The environmental inter-Island conference that Deputy Brehaut opened was a great success with delegates from many places, and very much focused. We had an expert talk on the nature of the new plan. I am chairing a committee, a mixed committee, of four very different but able members; we have on the team a builder, a lawyer, an engineer and a professional chartered surveyor, we all come from different perspectives. What do I bring to the team? I am certainly not one of those, or an architect or anything like that, but I have spent nine and a half years on planning committees of one kind or another, the ancient Heritage Committee for seven years, and its sub-group, the former Environment Department and now this; and therefore one picks up a lot of the importance of fairness, impartiality and effort made to give due process. This is a reforming Report.

Some Members may ask why am I wearing my moon tie today, well I am not saying I am on a different planet! (*Laughter*) The message here is more fundamental than that – or that I am earthbound. We heard last night about President Obama’s vision to go to Mars, and I was particularly entertained by Deputy Brehaut’s performance on the phone-in on Sunday, when it was pointed out that we too often, whether it be on waste or Planning, have wrecking amendments that change strategic direction after a decade or more of work.

As he said, imagine if the States were planning to go to the moon – not Deputy Mooney, but the moon – as a mission, and we somehow had the resources or magical bond issue to achieve that goal; he said you would end up with an amendment of us all going to Mars, or maybe I prefer Venus, which would completely change the strategic direction and focus, and some of these amendments do seem to come more from the Martians, because they are seeking a different strategy and a different vision of the Island than we have worked with for the last two or three Assemblies. So, therefore, without saying too much more, please, States’ Members, get behind the Island Development Plan, and do everything you can to make sure that at the end of this debate Guernsey will have a great future, a new up-to-date planning policy document in place to complement the Policy & Resources Plan, to help us all meet the challenges that the new economy and the next decade will bring.

I did not expect to start at this time, I thought it would be 11 o’clock today, but maybe we will have an early finish, because I ask, please approve this Island Development Plan without delay.

The Deputy Bailiff: Deputy Brehaut, to speak in debate, before we move on to the amendments.

Deputy Brehaut: Thank you, sir.

I do not want to so much get to Mars, I just want to get to the end of my speech, if that is okay!

This is an unusual double header. I have some briefing notes, along with Deputy Gollop, because of the significance of the debate. I was anxious that I did not get to my feet and there was too much repetition. I do not know whether I have succeeded or otherwise.

Members, the work on preparing this plan, which is before us today, has simply been enormous. It has spanned one former Environment Department – bearing in mind there were a number of States’ Members on that one Department, and it had two boards; it has also spanned two States’ Committees, and the General Election process. Work was started by the former Environment Department back in 2012 and involved significant research to ensure there was a substantial, robust, and credible evidence base on which to base the plan policies. It also involved unprecedented public consultation with two extensive and focussed rounds in both 2012 and 2013, as well as a full scale public inquiry in 2015 when the draft plan was tested and assessed by independent planning inspectors.

The process of preparing the IDP has included significant opportunities for public engagement, and importantly for interested parties to participate in the process, and to convey their concerns about, or support for, the Plan to the independent inspectors.

As I think Deputy Gollop has already said, there were over 1,800 representations considered during the planning inquiry and process. Innumerable presentations were made and issues were explained and questions were taken by staff and answered adequately over a long-term process. Staff from the planning service and those administering the planning inquiry held weekly drop-in sessions too to ensure that the public had the maximum possible opportunity to engage in this process. The process has been long and extremely thorough, the baton has now been handed to the Development & Planning Authority to take the Plan through to adoption, and it is at this meeting Members that we, you, need to fully recognise the immense work that has been put into this Plan and get behind its adoption.

The role of the Committee for Environment and Infrastructure in this process is essentially two fold, firstly the Committee has taken on the mandate of the former Policy Council insofar as

responsibility for the Strategic Land Use Plan, and also the Committee is therefore responsible for
495 certifying that the IDP conforms with the SLUP – and I can confirm that it does.

The Committee is also required by law to lay the Plan and related documents before the
States; this we have done. Although prepared by the DPA, the Plan is a vitally important policy
document which belongs to the States, not to any one Committee. The Strategic Land Use Plan is
also clearly a plan belonging to the States, not just to one Committee.

500 The SLUP was approved in 2011, as Deputy Gollop said earlier, following a very extensive
public consultation process, known as Guernsey Tomorrow. The relationship between the SLUP
and the IDP is fundamental to the operation of the planning process in Guernsey, and is set out in
the Planning Law. Also in the interests of good government, it is crucially important that a
consistent thread and direction exists from the very high strategic policy, right down to the more
505 detailed policies that direct action on to the ground. The strategic government policies on which
the IDP is founded have been fully considered in preparation of that plan, and the policies and the
provision for the IDP are consistent with those higher level policies and directions. I think it is
worth pointing that out: that States' Members earlier on in this process, or I suppose when
amendments were coming forward, will probably have as much focus on the overarching strategy
510 on the SLUP as they did on the doing bit, which is the IDP element which we are considering
today.

If some Members have concerns regarding some aspects of the high level strategic policy
there is a mechanism for this to be considered and debated at the appropriate time. For example,
proposals for amendment to the SLUP to ensure that it continues to meet the States' objectives
515 can be brought to the States' either by my Committee, the Committee for Environment &
Infrastructure, or as part of the monitoring and review process, or it can be directed by the Policy
& Resource Committee.

The IDP itself is a flexible living document, and will be subject to the regular monitoring as set
out in the plan. The information from that monitoring will be fed back to my Committee, and can
520 inform the process of review with the SLUP itself. It can identify whether the detailed policies are
achieving what the SLUP intends, and can help inform us on whether the SLUP needs to change to
achieve the States' objectives. In this way policy change can occur logically and on the basis of
proper debate, with real and coherent evidence behind it.

Members, in my view the worst outcome from this debate would be one where some Members
525 succeed in their amendment, resulting in changes to the IDP which are inconsistent with, and
conflict with, the high level strategy on which the Plan is based. This would not be good,
responsible government and the potential for legal challenge would inevitably lead to
considerable delay and expense through necessitating the reopening of the IDP process.

Now, when I wrote that – and I think Deputy Gollop has said something very similar – we tend
530 to get accused of trowel waving. In other words, if you go too far today with an amendment, if
you are minded to support an amendment, you may not be entirely focussed on the
consequences, and we need to stress the consequences of voting for an amendment that sends
the DPA once more around the block, the repercussions are fairly fundamental because it could
open up another planning inquiry and the inquiry could find against the States, and we will find
535 ourselves in a number of months exactly where we are today.

I therefore commend the work of my States' colleagues in presenting the IDP to you today. It is
based on substantial, robust and credible evidence; it contains the most appropriate policies
possible, given the alternatives. It can be changed and adapted in the future to remain up to date
and relevant.

540 I would ask you to respect the thoroughness of the process that has been undertaken up to
now, the opportunities for public engagement and the rigorous professional assessment
undertaken by the planning inspectors. Please, Members, do not seek to diminish or set aside the
democratic and independent process through supporting amendments which just seek to reopen
old arguments which have already been considered extremely thoroughly.

545 I would ask you also to recognise the right and the wrong ways to achieve policy change. Changing the IDP is not the right way to effect change to high level policies. If this is the outcome desired then there are other ways to do that and I referred to them earlier.

Please, Members, I do not think it is either appropriate or desirable to tinker with the detailed policies of the Development Plan at this moment in time. Such tinkering would result in delay, expense, confusion and inconsistency, and would not represent good government.

550 Members, today we should, and must, demonstrate we have confidence in our own processes – processes that have run for months, in fact years. Yes, there have been challenges, but in the scheme of things actually not that many. Even those who challenge find it hard to speak, at times, with one voice. We were told – if you remember earlier on in this; I say earlier on respectfully to receiving documentation for this debate, because the process has been running for a very long period, but early on, possibly two or three weeks ago – calls were being made for this Plan to be delayed, while we had the Housing Market Review; but at the same time the very same people who wanted us to intervene financially with regard to first time buyers were telling us that we did not need the market review, so they have not been consistent in that regard.

560 Also on Monday an architect took to the airwaves to tell us to support an amendment because the Plan was bonkers. Sorry that is now a new Guernsey thing. I do not mean German bunkers I mean bonkers in the sense that it is just mad! Then on Tuesday an architect, under the same roof, incidentally, told us to support an amendment and take heed of the inspectors' findings.

565 Also, Members, we have amendments here today, asking us to revisit areas of policy that have been dealt with exhaustively, not just by planners but by legal challenge through appeal. I want Members, please, just to consider this point seriously and give it some consideration. What message do we give to a community and individuals, to the hard working Mr and Mrs Guernsey, that we so happily refer to in other debates; what message do we want to give to them? They kept faith in the process; they kept faith in our processes. Some people raised issues regarding the plan, engaged in the process and decided the inspectors found against them and moved on, just think for a moment: what message do we want to give to them? Do we say if your business is big enough, if you are well connected enough, if you are persistent enough, process can be set aside. Well, to me that does not feel right and surely that cannot be right.

570 Members, I ask you to endorse this evidence-based, exhaustively researched plan before us today, and I thank you.

The Deputy Bailiff: Members of the States, it is now appropriate to turn to anyone who wishes to lay an amendment – and a number have been circulated – and in accordance with the Rules I have tried to marshal them in what I regard as a logical order. You may disagree, but I have attempted to do that as set out for you; that is potentially capable of being changed, if I change my mind, so just to let you know that.

580 But the first batch of amendments, numbered 5, 2 and 9, are all in respect of the same policy, and it has been agreed with those proposing the amendments that they be placed sequentially now, and then debated together, and then voted upon in that order at the end.

585 I remind Members that Rule 24(3) is permissive that the Member himself or herself may read out their amendment or invite the Deputy Greffier to do so. They should also state the name of the proposed seconder.

So the first amendment is numbered 5, Deputy Ferbrache.

Amendment:

To insert at the end of the words in Proposition 1: ‘; but subject to the modification that Policy GP11: Affordable Housing (see pages 173 - 174 of the Draft Island Development Plan at Appendix 1, and recommended change at page 48 of Appendix 7) shall be amended to read:

“The Development & Planning Authority will require proposals for development of land that was previously designated by the Urban Area Plan (Review No. 1) as Housing Target Areas (in full or

in part) to provide a proportion of the developable area of the site for affordable housing in line with the following:

20 or more dwellings but fewer than 25 dwellings: 26% of the developable part of the site;

25 or more dwellings but fewer than 30 dwellings: 28% of the developable part of the site;

30 or more dwellings: 30% of the developable part of the site.

In assessing proposals, the Development & Planning Authority will have regard to the provisions of the Supplementary Planning Guidance: Affordable Housing which sets out further advice about how this policy will be applied.

Where the provision of land is not feasible, the Development & Planning Authority will consider the provision of completed units or off-site provision in accordance with the scale set out above. The density, mix, and type of units proposed must be consistent with all the relevant policies of the Island Development Plan.

Where the Development & Planning Authority is satisfied that the application of this policy, including all provisions for options such as those relating to the mix of unit type and tenure and the provision of land or units on or off site to the Housing Department or housing association, and/or the particular site constraints, would result in it not being viable to proceed with a housing development, the above percentage requirement may be reduced. In these circumstances the Development & Planning Authority will consider the circumstances of the particular proposal and will require the maximum percentage of affordable housing provision which is viable for that site, up to the maximum amount identified above.

The Development & Planning Authority will consider the imposition of conditions on grant of planning permission or entering into a planning covenant to ensure the provision of the appropriate level of affordable housing."

and in consequence of the above modification:

To replace Para 19.12.4 thereof on page 174 with "The Development & Planning Authority's approach to affordable housing is to require only those sites previously identified as Housing Target Areas (in part or in full) by the Urban Area Plan (Review No 1.) [approved by the States in July 2002] to contribute to the provision of affordable housing. For the avoidance of doubt, these sites are: Belgrave Vinery, La Vrangue, Pointues Rocques, Saltpans and Franc Fief. Planning covenants will generally be used for all schemes that require the delivery of affordable housing as set out within this policy. Further details on the implementation of this policy are set out in Supplementary Planning Guidance: Affordable Housing."

In Para 2.2.24 thereof on page 26, to delete "(i.e. 5 or more units)";

In each of Para 6.1.9 on page 49 (subject to minor amendment shown at appendix 7, Table page 9); Policy MC2 on page 50 (subject to minor amendment shown at appendix 7, Table page 9); Para 12.1.8 on page 89 (subject to a minor amendment as shown at appendix 7, Table page 15); Policy LC2 on page 90, penultimate paragraph of policy (subject to a minor amendment as shown at appendix 7, Table page 15); Para 16.1.8 on page 109 (subject to slightly different minor amendment as shown at appendix 7, Table page 22); Policy OC1 on page 110, last para of policy (policy subject to major amendment as shown at appendix 7, Table pages 23 to 26 but last para relating to affordable housing requirements only subject to minor amendment); Para 19.17.16 on page 189 (subject to a minor amendment as shown at appendix 7, Table page 57); Policy GP16(A) penultimate para, page 190 (subject to a minor amendment as shown at appendix 7, Table pages 57 and 58); and Policy GP16(B) penultimate para, page 191 (subject to minor amendments as shown at appendix 7, Table pages 58 and 59); to delete "five" and substitute "20".

Deputy Ferbrache: I am quite happy to read it out to save the voice of the Deputy Greffier.
It is seconded, or will be seconded, by Deputy Oliver.

The amendment was read out.

Sir, in connection with this particular amendment, I would first like to say that I agree with almost all of the very able speeches delivered by Deputies Gollop and Brehaut. This document the draft Island Development Plan – which during the course of this debate Members will consider thoroughly and conscientiously, I have absolutely no doubt – has been prepared over a lengthy period of time and is a document that is of significance, and is of worthy consideration.

Where I distance myself a little from my able colleagues is this: in my experience ... and Deputy Gollop referred to the significant experience of the members of the Development Planning Authority, what they do outside of politics, as it were, and he was unreasonably modest in his own considerable political abilities over the last 18 or 19 years, or whatever it may be. Now, I cannot ignore my own personal professional experience in this Island, dealing with development plans over the last 35 or 36 years, because development plans were first introduced, as far as I can recollect, by the Island Development (Guernsey) Law, 1966, which came into force in February 1967. That provided that there would be development plans throughout the Island, and there were to be six originally, and those six took some 20-odd years to be promulgated and approved by the States.

That was realised to be too cumbersome and then we had the division between Urban Area and Rural Area Plans. Now under the provision of the 1966 Law those plans were all supposed to last for five years, in nearly every case they were examples of having their life extended, sometimes, as Deputy Gollop said in his opening speech, by significant periods of time. This plan, if and when approved, in whatever form it is eventually approved, will govern planning matters for the next 10 years at least. I say 'at least' because that plan, just like the previous development plans, will be capable, with the will of the States, a democratic process, of having its life extended.

I would say this to Members of the States: this is a first time in the life of this States that we have had a matter of real significance to debate. Now, to put the public myth apart and to destroy it, I know that each and every Member of the States, including our good colleagues from Alderney, have worked industriously over the last five or six months since the new Assembly has sat and since the new Assembly has been constituted, but what the States are here today to represent is good government, and good government means sensible government. Unlike Deputy Gollop, I do not want to travel to Venus, I do not even want to go to Mars, but I need to deal in the world of reality, and that is what the States today has to do: deal in the world of reality.

Ideally, with my own experience, it has always been part of the democratic process that this States decides, having heard the planning inspectors' recommendations, having considered the draft development plans, of which this is one, and then it decides, because it is the democratic process, what form the eventual, in this case, Island Development Plan will take.

So, I make no apology for making this particular amendment and I do not think anybody else who brings any of the other amendments should make any apology for so doing. It is an important part of the democratic process.

We also have to, as I say, live in the real world, and in connection with that we have been told, 'Be careful. There are higher level strategies'. Well, let me just say in relation to this particular amendment, we have had a very helpful and, I am sure, well-intentioned document produced by very senior planning officers to say, if this amendment is passed it could lead to a deferral or a planning inquiry or whatever it may be.

My understanding in relation to the amendment that I am proposing, and that my colleague, Deputy Oliver, will second, is that it would not involve, even on the Planning Authority's own consideration of the matter, a planning inquiry. What was said in relation to a deferral, yes, for clarification of areas concerned – former Housing Target Areas would no longer exist and boundaries of IDP housing sites are different. Well, with considerable respect to the energy, innovation and work ethic of those that have to consider that, that should take a nano second, because they know precisely what we are saying, so that deferral they could do over the lunch break, when I hope this amendment, by that time, is successfully passed.

It is not an amendment that contravenes anything. It is not an amendment that would delay anything. I know it was not meant by either Deputy Brehaut or Deputy Gollop as scaremongering;

they did not mean that at all. They did refer to possible delays if certain amendments were passed. But what you must do, as Members of the States, is do what is right, and I would ask that all of you when you come to put your own amendments say, as I am inviting either Deputy Gollop or Deputy Brehaut or Deputy Tindall or whoever is going to deal with it in due course or anybody else, to say if this amendment number 5 is passed, and that deferral takes place, how long that will be for, because it should not be for any material period of time.

I would hope that any of my colleagues who have got other amendments will say, 'You are saying there is going to be a planning inquiry, you are saying there will be a deferral, how long is it going to take and why?' But anyway that is for them to say. I can only speak for myself.

When I speak for myself, I say this, what the people of Guernsey, Mr & Mrs Guernsey, or whatever the particular phrase Deputy Brehaut said, what they want is good government from us, they do not want us just to nod something through because it has been a great deal of work and it might cause some other work if it is amended in part. I am not saying it is right, because I was not part of the previous Assembly. It is always easier looking in than it is looking out ... to or from the members of the public to the inwards side of the States to criticise when you do not know all the facts and circumstances. But, nevertheless, I think I say with some degree of confidence that the perception of Mr & Mrs Average in Guernsey, of the last States, was that it passed lots of policies that had no substance in the fact that they were not able to be achievable, and there is no point in us today, tomorrow, Friday, whenever we finish this debate, ending up with something that is not achievable and does not meet the needs of this community.

Now, Deputy Gollop, again, very ably, in his opening remarks pointed out that, and he gave ... it was just an example and I appreciate that; I think it is a good example, and if I may, I will quote it against him. He said, 'Look at the tourist industry in 2000, look at it a year or two ago. There were 80-odd hotels 14 or 15 years ago; there are about half that number now. Look at the hotel beds there were 14 or 15 years ago, they have now reduced by,' my arithmetic and correct me if I am wrong by, 'about 50%'. So the world changes.

Now, both Deputy Brehaut and Deputy Gollop referred to the Strategic Land Use Policy. I accept that completely. That was enacted by this States, and Deputy Gollop cannot remember if he was the one person who voted against it or not. I do not think that matters a jot, because it is fact. That was accepted and is part of the planning miasma but it is a document that dates from November 2011, and if you look at page 2 or page 3, I have got it before me but I am not going to instantly pick it up at the moment, I will just rely on my memory. It said it is a guide, it is meant to be a guide, it is not meant to be, whether for this amendment or any other amendments, as a straitjacket.

Effectively, housing, I think, is dealt with. Housing policies are dealt with something like pages 48 – 56, 57, there are about five or six policies. None of the proposals that I make, in relation to this particular amendment, contravene that particular document, in any event. That is the only higher level strategy document that I believe can be referred to in connection with this amendment. There may be others in connection with parking; there may be others in connection with other aspects of the IDP. But as regards this one ... and I invite anybody, when they respond to the comments that I am making in this debate, to say if I have misunderstood. So, therefore, the SLUP is not in any way contravened by amendment 5.

Let's look at our industry, because I am President of the Economic Development Committee and, just like Deputy Gollop – he is very fortunate he has got four able members on his Committee – I have got four able members on my Committee. Our job is to achieve prosperity. Well, we will do our best, but it is also to promote businesses of all kinds. One of the most important sectors in our society, in our community, is the construction industry. The construction industry – and I see Deputy Gollop has it in his hand, and because we are Guernsey it is green; it is not a red book it is a little green book, and it is headed Guernsey Facts and Figures ... By reference to certain of those pages, let me just tell you what the facts and figures ... very helpful document recently published, say. So, I need to quote from these, page 13:

‘Construction contributed in 2015 5.2% of our output.’

695 That was down from 5.6% the year before. That is a fall of over 7% in one year. If you go back – which is about as far back as this little book goes – to 2011, the fall is from 6.1%. That is a fall of over 17%. In anybody’s arithmetic that is a significant fall. That means that industry has contracted in relation to the provision it has made to our GDP, and our GDP has not grown much in the last few years.

700 You have got the statistics in this little book. It has fallen by 17%. But the statistics are even worse, bearing in mind that sector, which excluding public administration is the fourth biggest sector of our economy. Overall you can do whatever you like with figures. We have, at best, a flat economy and we had the budget sent to us, we will be debating that in a relatively short period of time. That Budget tells us that our economy will not grow in any significant or material terms in
705 the next three or four years. We would all love to be wrong, but we have to look at the realities and, naturally – and I mean this in support of the comments made in relation to that Budget, although I will have other comments when the Budget is debated – that it is a conservative document but it looks on matters with optimism. So, optimistically, we are going to have little growth that is projected in the next few years.

710 He referred, Deputy Gollop, to the surpluses when Deputy Trott, holding one of his many offices – but I think he was probably Treasury Minister at the time – had surpluses (*Interjection*) and he tells me – his opinion is subjective – that he was a very successful Treasury Minister, but of course when you are playing for Manchester United when you have got Dennis Law and George Best as your forwards he is able to be a successful Treasury Minister. But in any event, allowing
715 and bearing in mind our surpluses, because we hope to return to surplus in the next few years as Deputy St Pier’s Budget shows ... That is predicated on us now, assuming we get 3% expenditure reduction, then having 10% reduction in expenditure over a two-year period. That is much easier said than done. There will be blood on the carpet, it will be very difficult to achieve. So we are in an economy that if you were a betting man or woman, you would be more likely than not to say
720 that may well not be achieved, with all the best aims, goals and wills in the world.

Now, page 29 of that same booklet shows that median earnings, which I take to be an average, is for the construction sector, £30,953 per annum or, if my arithmetic is right, about £595 a week. Now, quite a lot of others – and you will see it is fairly cross sector – pay tax and insurance, so all those people pay their tax and insurance, they are a valued contributor to the Island’s economy.
725 (**A Member:** Hear, hear.) But in relation to median earnings they are miles behind finance with an average of £43,355, and professional businesses at £39,282, and significantly below what we all get paid as States’ Members, whether you are standing here or you are sitting there.

So those people, when we come to affordable housing – and let me say unequivocally and unreservedly we need a decent affordable housing policy, we have to provide homes whether
730 rented, partly rented, part owned, etc. – more old age people provision, we have to provide those in a civilised society, because if we do not, we are not carrying out the social aspect of our policy that, again, Deputy Gollop succinctly but properly referred to in his speech. I used the phrase in a previous debate middle classism, and I was gently but properly upbraided by my colleague, Deputy Graham, because what I should have said was, there is no point having unrealistic
735 idealism; this Plan has to produce a practical result going forward. Because if it does not it is just another piece of paper or, in this case, hundreds of pieces of paper that will sit on a shelf and will cause problems and concerns.

So, going through the statistics ... and those people, the construction people, they want to live somewhere, whether in a rented house, flat or their own property, and we have a very high
740 percentage in Guernsey on the Local Market of owner occupied people, but there are lots of other people that need homes, both in their young age and both in their old age.

What we are also told by page 38 of the same booklet is that construction employed at March 2016 – so that is, what, only six months ago – 3,505 people. But when you look at the others – and by that I mean people who work in the water industry, electricity industry, wholesale, repairs, real

estate, etc. people that were getting incidental benefit from that industry – you are over 5,000 people. We have got a working population – if I remember again from this document without taking you to the page – of 32,291 or thereabouts. So 5,000-odd people, and those are those that you could say are directly affected; there are also the other spin-offs indirectly affected. Those 5,000 are again about 16% of our working population – a not insignificant percentage.

So when we look at the statistics in relation to these we find also that 3,500 people is actually 109 people less employed in the construction industry than the year before. ‘What is 109 people?’ they say. A heck of a lot if you are one of those 109 people that have lost your job! I know professionally, I know as a politician, that there are many reputable building firms of big, medium and small size who in the last 12 months have very reluctantly had to lay off long-term employees. Men who have worked in their industry and with their particular building firm for 30 years or so. Those men no longer have a job, so they cannot afford – you, me, all of us collectively – to be idealistic. The relevant word is they need us to be ‘realistic’ in what we are proposing.

All Deputies were invited to the Garenne Stand last Thursday, not to watch a rugby match but to listen to representatives from the building industry. It is disappointing – my comment and nobody else’s – that out of the 38 Deputies it would have been unreasonable to expect the two Alderney Representatives to come across, but of the 38 Guernsey-based Deputies a princely number of 11 turned up. Less than one in three! For an industry that we are told – and I believe, if you believe otherwise you will be able to say so, if you so wish, in the course of this debate – is clinging on by its finger tips. The person that heads up construction industry matters in our Committee is my able colleague, Deputy Mooney, and he and I – he goes more often than me, but we – attend the Construction Industry Forum, and that has everybody, from the electrician who employs himself and one person, to the trade suppliers, to the big, big builders and to architects and developers. Every single one of those, without exception, tells us of the dire straits of their industry.

Now, if the planning inspectors did not believe that when they sat – and they are able and experienced planning inspectors, I accept that – and they turned round the report very quickly, I, like Deputy Gollop, remember we have been waiting 18 months, two years for a report, they turned this one round in a matter of months. Of course, we did not get a chance to see it for another four or five months, but that is a separate issue, and we eventually managed to see it four or five months after it had been with the DPA. But we have seen it now, we have read it now, and they were not convinced when representations were made to them that there was a problem really with the construction industry. Well, with considerable respect to two intelligent well versed, able experienced men, they were wrong, and that is why we have a democratic process. That is why we are the apex of that democratic process.

I also noted something else that I did not realise, and perhaps I should have done, nearly all the businesses in the construction industry are small businesses, and that is shown by page 40 of the same booklet where it says:

‘376 employers in construction, 286 of them employ 1 – 5 people; 81 between 6 and 25; 5 26 – 50 and 4 above 50.’

So you can do your own arithmetic, Members of the States. Effectively, most people work in very tiny businesses, and most of those businesses are again at the sharp end of our recession.

Also it is noted at the end of 2015 the construction industry had what is called live housing licences numbering 159. Compare that with hostelry, 546; professional and business, 251; health, social and charitable work, 331; and finance, 323. Thus overwhelmingly the majority of the construction industry are residentially qualified locally. They are local people; they are Mr & Mrs Average, to use Deputy Brehaut’s response.

Our job should be to protect local jobs, to protect local industries, and whenever possible – and, again, remember the average wage – most of these workers are earning less than the average wage, and are themselves in need of accommodation. They can only have that accommodation and it can only be reasonable if they have actually got a job.

Now page 76 refers to Local Market prices which are up in quarter two of 2016 to an average price of the exact figure of £434,571. Compare that with the peak a few years before of £468,878. So it is down over £30,000. Still too much, still too high for the average person, but it is down. Page 81 of the same booklet deals with Local Market property units that are affordable, and says that it is 8.9%. So that is what we are talking about. We are talking about a percentage of roughly one house in 10, or one unit accommodation in 10 or 11, using those statistics.

Also, and again, the figure is too high, we would like to see it at zero, but you are never going to see it at zero in a real developing and free economy. I know there is a dispute, we have seen material about whether or not it should be ... these figures are accurate or not. I accept for the purposes of my representations to you that they are accurate. I am not challenging them, because they are in this book, and I therefore accept that they have been given in good faith. Affordable housing waiting lists in 2011, it was 649, it fell in 2014 to 479, and last year, which was the last year of figures that we have, it was 451. So it has fallen in four years by *circa* 200. It is still too high, but it is falling. There is a need and there will always be a need, and I am not arguing to the contrary, for people to be provided with affordable housing. As explained by Miss Barrett and Miss White at the very helpful presentations we had, that has given a very wide, and properly wide, meaning in this policy and in this Plan. I found that particularly informative.

Now, I also looked at other statistics, this is ... just checking my own notes because I have them typed, I just scribble down things, I do not tend to put them on the electronic media, because I cannot work the electronic media. But in 2011 there were a new build of 128 units, and I looked at the figure for 2011-15; that totalled 912 units, or 182 a year. Now, even when you add subdivision, conversion, take off demolition, you get to a figure of 1,059, or about 212 per annum, so we are far short of the 300 units that we say that we are told are required.

Now I know some challenge that and say it is not 300 units, it cannot be. I do not care whether that is challenged. Let us assume it is 300 units per annum. Let's assume and give fair wind to that figure, albeit that figure has not been matched in recent years, it has not even been close to being matched in recent years. So, therefore we have to have something that is of significance to uplift that figure. People are only going to build houses, they are only going to build flats, they are only going to build old people's homes, if they can do so and make reasonable profits.

One of the speakers at the meeting last Thursday is, I would say, a medium-sized developer/builder and he told us that when you go into a bank you need to show a 20% profit margin before the bank will entertain your facility. He said that is not achievable in the current market. In fact, he told me separately that for the last five years his company, which is a well-respected and well-known company – you can see its buildings all around the Island, and he is a well-respected and well-known Guernsey man – has been treading water. They have just about, to use his phrase, been paying the bills. He is a truthful, diligent and honest man, so therefore I believe every word he says in that regard.

They are telling us – the industry is telling us, the people that build the houses, the people that have worked in building all their lives – that this policy, unless amended, will not work. They are advocating to you, that you should accept this amendment. Because this amendment does not bring in, as you can see, the planning inspectors recommended, as we know, transitional provisions – which has been accepted by the DPA – but our amendment, the Ferbrache/Oliver amendment, if accepted, does not require any kind of transitional policy.

Indeed, it says this amendment will also negate the requirement for the three-year transition, which was suggested by the planning inspectors and supported by the Development & Planning Authority, because it wants to get on with matters, and it accepts – I cannot say too much, because obviously, quite properly, the Deputy Bailiff will stop me if I talk about somebody else's amendment – but the Deputy Roffey amendment talks about a kick-in at 20; this kicks in at 20 as well, and that takes us to some of the letters that we received.

Also, just before I do that, I do not pretend this is authoritative at all, but when I was reading, the *Sunday Times* a few weeks ago – this is from the home supplement of 18th September 2016 – because I have never been interested, as a lawyer, in process for the sake of it, there are some

people that love process, there are some people that love arcane points of law, there are some of us that do not. Some of us would rather have a practical result, and actually, we have been reasonably successful against those that like the arcane academic approach, in connection with such matters over the years, because tribunals and courts realise that you have got to have a practical approach, where the law permits it.

So let's look at ... this is just an article, not authoritative, but nevertheless it is published in the *Sunday Times*, and it is headed 'Planning special'. I am only going to quote bits of it because it is pages and pages:

'This is a tale from the front line of the housing crisis. It is a story of thwarted ambitions and paper dreams. Crazy conditions and soaring costs. It is also the story of millions of tiny bad decisions, and no one knows the ending.'

It says:

'The process is a lot of box ticking, a lot of it does not make sense.'

I appreciate that this could be said about lots of aspects of law, but it said:

'In 1970's the Encyclopaedia of Planning and Practice had three volumes, now it has nine. They have added and added but never taken away says Robert Adam a classical architect. Even though he spent almost half a century navigating the system.'

It continues that talking about Section 106 Town & Country Planning Act of 1990 – we do not have that, but planning conveyance is almost a big part of that and he said, or this article says:

'For larger schemes, usually 10 homes or more, getting consent is just the start. Ticking off conditions and signing Section 106 agreements, which state how much affordable housing and infrastructure must be built or paid for usually takes far longer than the planning decision itself.'

Who is going to decide, for example, bit of a simple issue, but who is going to decide the issues of viability? Because, again, I have dealt with the planning officers over many years; they are good people, they are able people, they are helpful people. Even when they have the temerity to disagree with me they do their job professionally, but it takes the devil of a time to get things done. They do not have experience – and again that is not necessarily a criticism of them individually or collectively – of dealing with the issue of viability. They are career civil servants. They are trained in relation to what they do, and can I say unreservedly, they do it pretty well, but economics, running a business, having to speak to the bank manager, chasing up estate agents because they were supposed to get conditions of sale sold, speaking to the lawyers who have gone out for a cup of tea when they really should be doing their job, they have got no worry about that at all. This is what the real business is and Guernsey, when I look elsewhere and people say, 'Oh they do this in England', and the inspectors, when you read their comments, in connection with this, in one place they say, 'Why bother with England when we are told about values there. Do not look at England,' and then four paragraphs later they refer to England as some kind of ideal situation in relation to what we have.

What you are also told, those 11 of us who went there last week is that – from an experienced planning lawyer, who has worked in England and dealt with planning covenants, I think she said, for about 16 years, if my memory serves me correctly, but over a lengthy period of time – is that does not work, and there is a carrot and stick mentality in England, and there are all kinds of statutory provisions, there is lots of money available to help social housing. But that does not exist in Guernsey; we have not got the budget or the means, or the ability so to do. So we are trying to run a race, frankly, with a three-legged horse, and three-legged horses do not win too many races, unless they are running against other three-legged horses. But we are hoping we are going to run with thoroughbreds, and every thoroughbred I know of has got four. I see my colleague Irishman, Deputy Mooney, is nodding affirmatively, so I must have got that right.

If I could just quote from correspondence from certain letters, if I can find where I have put them, you will recall that under the draft Island Development Plan if we look at that particular document, and we look at the paragraphs that deal with housing, and I am taking you to page 173, paragraph 19.12.9:

'Dwellings or land will generally be transferred to the States of Guernsey Housing Department or a registered housing association and retained for affordable housing in perpetuity.'

That is just a paragraph or two up from the actual policy itself GP11, which is the Affordable Housing Policy. So, therefore, you would expect to listen to and have regard to the advice given by our Guernsey Housing Association, and you have had that advice in writing, as recently as 21st September, from the Chairman, Mr Spicer, a much-respected figure locally; and Mr Spicer tells you this after the introductory paragraphs, 'I know how important it is and the whole rationale for the GHA and others is for the provision of affordable housing,' and then I think some five or six bullet points he says:

'Our main concern is the low level of threshold starting at five units.'

Just consider this: he is not saying that 10 units is satisfactory, because he goes on to say:

'This will involve considerable time and effort and costs on the part of the GHA, DPA, CESS and advocates ...'

Well, we can forget advocates; they are well paid enough as it is:

'On small sites to secure one or two units, negotiating with a multitude of small builders and developers.

If constructed by the developer we will require separate specifications to ensure that the units meet our vigorous lifetime and standards.

It is otherwise uneconomic for us to construct one off units. Ongoing higher management costs of servicing a small number of units in multiple locations, difficulties in securing development finance and longer term lending against single units, locations where it does not make business sense to have affordable housing e.g. very prestigious developments where the units may otherwise be marketed for many hundreds of thousands of pounds and there may be a very significant service cost.'

He says in relation to this particular topic something about parking, but that is for later in our debate.

'There would be no commercial reason for GHA to take ownership of units in these circumstances as economy of scale has a large part to play in our business model.

We have also got another letter. We have got one from Mr ... sent to us all. I am not going to take you through it – from Mr McHugh in September. But also from another respected developer, who is not a person who speaks without thinking things through carefully, who is a sensible man and who has built many units of accommodation generally for the elderly over a number of years, and that is Mr Wilkinson, and he wrote to us all again in September, and he said this. He wants to make three points; I am only going to draw two of them to your attention, because you have got the whole of the letter that has been sent to you, and you should be familiar with it.

'The affordable housing contribution yield that could be generated by policy GP11 is not material.'

He makes comments about that. He points out:

'The housing provision numbers upon which the IDP is based are 300 additional dwellings per annum split 171 affordable housing 129 market housing. At the maximum GP11 affordable housing contribution rates of 30%. The highest yield from those 129 units is 38.7 properties. This equates to 22.6% of the required 174 affordable units each year. In practice, however, the yield generated by GP11 would be less than half of this because 30% is the maximum rate, and most developments would contribute at a substantially lower rate, if at all. The likely yield from GP11 is therefore probably below 10% of the total affordable housing requirement, or less than 17 dwellings per annum. The remaining 90% plus will need to be provided by other means. Essentially, by the States or the GHA. The planners are

happy for the IDP to adopt it as drafted despite the uncertainties on housing provision requirement inherent in the Housing Needs Survey, Housing Market Review.

We know that is to be completed in the next few months. But I am not seeking a delay. You have got enough information now to make a decision. Until that work is concluded, no one can say that the IDP housing numbers are accurate to within 10%. Well, I am taking the view that they are accurate, I might be proven to be overoptimistic in a few months' time in that assessment, even on the basis that they are entirely accurate, the policy as drafted and, as in the IDP Policy, GP11 is not sensible, it is not sustainable without the amendment that I and Deputy Oliver seek.

His second point is, it is headed:

'The inclusion of GP11 in the IDP is primarily a political rather than a planning matter.'

He goes on to say:

'The primary planning consideration in respect of affordable housing is the inclusion of an appropriate allocation within the total housing provision. Other than GP11 the IDP contains no specific policies as how the remaining 90% of affordable housing is to be delivered.'

Now, whether you dispute that 90% and say it should be 60%, 70%, you are playing with figures. It is still a significant percentage and you have read the IDP, just as I have, and you have all read it very carefully, and his comments are accurate, even if you disagree with his percentages. He says, and actually we know that is accepted by the DPA:

'There will be no need to refer to matter back to the inspectors to reopen the planning inquiry, their consideration of GP11 has been primarily to ensure that it provides a practical enactment of the political will of the States as represented to you.'

What he also says in that letter is:

'Please do not delay the implementation of the UIDP because it has many good things.'

If you uphold this particular amendment and approve it, it is not going to delay it.

Two final things in closing, because I have spoken long enough: I asked one of our officers at the Environment ... Environment Department, Economic Department, perhaps I will aspire to Environment Department in due course, Deputy Brehaut, if I am lucky, but anyway (*Interjection*) once I have sat down, yes thank you.

Anyway, I am grateful to both Deputy Trott and Deputy Brehaut for their asides. In relation to the response from the officer, he liaised with Planning Services, and he gave us the figures initially and he said, 'I have updated them because I have now had a response from Planning Services'. He said, 'Planning Services have advised me that figures in my earlier paper in respect to both of the allocation in the current plan, and in the IDP, were based on what is now out-of-date information. The following sites are listed in the addenda to the current UAP as Housing Target Areas: Belgrave Vinery, La Vrangue, Pointues Rocques, Saltpans and Franc Fief'.

He says the UAP also lists Bulwer Avenue. However, I understand it is no longer HTA, having been developed. But he has given on those five sites, not Bulwer Avenue, of course, that ignores, as it were, Leales Yard, but anyway that is for another day. The total area HTA site in those five target areas is 33.7 hectares. The units of accommodation of all types admittedly that can be built on those five sites: the low range is 707, the high range is 1,379. So if we do in the middle, we take it at 1,000 units; that is a lot of units that can be built on those target areas over the next few years – in addition to people building on other sites.

I would like to conclude with just one more piece of statistical information. That is in relation to the number of conveyances, and I have done it from 2010 to 2015. I am not going to give you every year, but in 2010 there were 804 conveyances. It went up the following year to 841. That was when Mount Everest was climbed, because we are now down at Ben Nevis. It is now 537 units that

were conveyed in 2015. That is a fall of 304, or over 36%. That shows an unhealthy housing market. That is showing no real or significant signs of improvement.

945 So I believe that the amendment put forward by myself and seconded by Deputy Oliver meets the requirements of the needs of Guernsey in a practical and not theoretical way, and I ask you please to support it.

The Deputy Bailiff: Deputy Oliver, I do not know why anyone is standing because it has not been formally seconded yet. So, Deputy Oliver, do you formally second the amendment?

950 **Deputy Oliver:** Yes, I do.

The Deputy Bailiff: Thank you.

955 **Deputy Lester Queripel:** Sir, can I invoke Rule 24(6) please?

The Deputy Bailiff: You can. This calls for a ruling as to whether or not the amendment should not be debated on the basis that it goes further than the original Proposition. I am satisfied that it does not go further than the original Proposition. Any amendment to the written statement on the proposals map does not go further than the original Proposition. So you can, 960 Deputy Lester Queripel, ask me to rule on 24(6) but Rule 24.6 is not engaged.

Deputy Lester Queripel: Yes, sir, can you please rule on Rule 24(6) please?

965 **The Deputy Bailiff:** No, it is not engaged. It does not go further than the original Proposition. Deputy Roffey.

Deputy Lester Queripel: Sir, with the utmost respect, might I explain why I think it does go beyond the Proposition?

970 **The Deputy Bailiff:** No, you cannot. You accept my ruling, Deputy Queripel, and we move on. Deputy Roffey, to place his amendment please.

Amendment:

To insert at the end of the words in Proposition 1: ‘; but subject to the modification that the first paragraph of Policy GP11: Affordable Housing (see pages 173 – 174 of the Draft Island Development Plan at Appendix 1, and recommended change at page 48 of Appendix 7) shall be amended to read:

“The Development & Planning Authority will require proposals for development resulting in a net increase of 20 or more dwellings to provide a proportion of the developable area of the site for affordable housing in line with the following:

20 or more dwellings but fewer than 25 dwellings: 26% of the developable part of the site, but reduced to 11% in the first year, 16% in the second year and 21% in the third year after States’ adoption of this Plan;

25 or more dwellings but fewer than 30 dwellings: 28% of the developable part of the site, but reduced to 13% in the first year, 18% in the second year and 23% in the third year after States’ adoption of this Plan;

30 or more dwellings: 30% of the developable part of the site, but reduced to 15% in the first year, 20% in the second year and 25% in the third year after States’ adoption of this Plan.”;

and in consequence of the above modification:

In Para 2.2.24 thereof on page 26, to delete “(i.e. 5 or more units)”;

In each of Para 6.1.9 on page 49 (subject to minor amendment shown at appendix 7, Table page 9); Policy MC2 on page 50 (subject to minor amendment shown at appendix 7, Table page 9);

Para 12.1.8 on page 89 (subject to a minor amendment as shown at appendix 7, Table page 15); Policy LC2 on page 90, penultimate paragraph of policy (subject to a minor amendment as shown at appendix 7, Table page 15); Para 16.1.8 on page 109 (subject to slightly different minor amendment as shown at appendix 7, Table page 22); Policy OC1 on page 110, last para of policy (policy subject to major amendment as shown at appendix 7, Table pages 23 to 26 but last para relating to affordable housing requirements only subject to minor amendment); Para 19.17.16 on page 189 (subject to a minor amendment as shown at appendix 7, Table page 57); Policy GP16(A) penultimate para, page 190 (subject to a minor amendment as shown at appendix 7, Table pages 57 and 58); and Policy GP16(B) penultimate para, page 191 (subject to minor amendments as shown at appendix 7, Table pages 58 and 59); to delete "five" and substitute "20".'

Deputy Roffey: Sir, I think on balance I will ask the Deputy Bailiff – sorry not the Deputy Bailiff, that's you – the Deputy Greffier to read out this amendment.

975

The Deputy Bailiff: Thank you very much.

The Senior Deputy Greffier read out the amendment.

Deputy Roffey: Sir, I think in following what Deputy Ferbrache read out, that is probably as much as we need if Members are happy to read the rest for themselves.

980 Sir, in proposing such an amendment and asking for planning covenants, which ensure a proportion of social housing on new developments yielding more than 20 additional units, I think really I have to justify almost two opposite things. Firstly, that the threshold should be 20, as opposed to five, as currently proposed in the draft IDP; and, secondly, that planning covenants in use in this way are a good thing at all.

985 Before I start can I just say I absolutely agree with Deputy Gollop that this IDP has to be predicated on the other high level policies that have been approved by this Assembly and not the other way round. The cart and the horse are very clear to me here, and therefore, as well as reading this slim document that got sent round with this policy letter, I also went and read the States' Land Use Plan as well to make sure that nothing I was doing was going to be in contradiction of that plan, because if it was then my task was to amend that plan – not for us to have an IDP and Island Development Plan that contradicted our own policies; that would have been silly. Luckily, this amendment does not contradict the States' Land Use Plan, because it says that this sort of covenant will be used in relation to larger developments. Now, 'larger' is an entirely subjective term and obviously the DPA have decided that five and plus is a larger development. My amendment suggests that perhaps we should pitch that at 20.

995 So why 20? As Deputy Ferbrache has said, actually the case for 20, to the surprise, perhaps, of many Members, was made very articulately by the Chairman of the Guernsey Housing Association, Quentin Spicer, in a letter to all Members. It may have come as a surprise. It did not come as a surprise to me; I did not know we were going to get a letter, but the content did not surprise me at all, because before I laid my amendment I had gone and spoken to the GHA, because when I read this document my instinctive reaction was that applying covenants to such small developments would lead to a degree of impracticality. I wanted to know from the people who operated on the ground whether they agreed with that, and they very much did agree, and that was conveyed to us all in the letter from Mr Spicer.

1000 I know he went on to suggest a sort of social housing levy could be applied to the smaller developments instead as a more practical approach. I have forgotten what the exact terminology is, and to be honest that strikes me as a reasonable idea to explore, but I did not feel I knew enough about it to make it a part of this amendment coming forward today. I notice there will be an amendment later on that at least asks for that to be examined in more depth and I am leaning towards supporting that amendment.

1005

1010 My second reason for suggesting applying covenants only to developments of 20 plus is that
this is a brand new provision for Guernsey. Yes, I know, they are tried and tested, and road tested
elsewhere, but in the Guernsey context this is a brand new provision, and it is one that has clearly
worried and caused resentment amongst a large number of developers in the Island. Now, it
would be very easy to say, 'Well they would say that, wouldn't they. They have got a vested
1015 interest. They want to maximise the profits on the land that they own,' and to dismiss their
concerns. But I do not think we should do that. I think this is brand new in the Guernsey context,
and I think particularly in the current financial climate and with the lending policies of the banks,
that we know are far tighter than they were some years ago, we need to take those concerns on
board and try to strike a balance. A higher threshold would obviously impact on far fewer
1020 marginal developments, and therefore be less likely to deter new housing construction.

My third argument is that the reason it is thought that this sort of provision will work in
Guernsey is because it has worked elsewhere, and if it has worked elsewhere, then why shouldn't
it work here? I know it does work well in the UK.

I remember when we were considering setting up the GHA, we went on a fact finding trip to
1025 the south part of England, visiting housing associations there. I really remember that trip very well,
because it was traumatic. We stopped for a pub lunch and when we wanted to continue with our
itinerary nobody could find Deputy Gollop, he had disappeared.

But, coming back to the matter in hand, we met with a large number of social housing
providers, and they all said that this sort of provision, these sort of covenants, had been a real
1030 game changer for them in allowing them to actually fulfil their mandates; it really had made a
difference. Great, so we know it has worked over there, so why shouldn't it work here?

But then let's carry that logic through sensibly, because if you look around the UK there are
very few areas with a threshold to apply these sort of covenants that kicks in at five. Yes, I know
there are one or two, but they are very atypical, they are the exception and not the rule. Far more
1035 often you will see thresholds of 15 plus or 25 plus. So in suggesting 20 plus I am sort of going in
the middle of that and I am saying if we are going to learn from elsewhere and import it, then let's
import the actual beast that is actually usually in use over there and found to work and be
practical.

Now, I know some will say that a threshold of 20 plus will lead to an awful lot of applications to
1040 develop estates of 19 houses, or for phased developments, but to those sort of points I make two
responses. The first is that that will be the case wherever you put the threshold. If we are going to
have these covenants at all, and I do not see anybody proposing that we do not, then wherever
we put the threshold developers will try to do that.

The second point I make is actually the DPA can overcome those sort of cynical tactics. We
1045 know that because planning authorities up and down the British Isles have succeeded in doing
that. Now, it was pointed out to us at the presentation that Deputy Ferbrache mentioned at the
Garenne Stand that some of the legal provisions available to them are not available over here.
Well, great, if we need to tweak our legislation to make sure the DPA can do the job we want
them to do, then that is what we should do. What is this Assembly for? It is a legislative Assembly,
1050 and we can make sure that they have the tools that they require.

Okay, let's move on from the 20 number to why have planning covenants at all? Because I
know that some have argued that they are really not needed because there is no great shortage
of social housing in Guernsey. I accept that if that were true then they certainly would not be
needed. But I do not accept that contention. In fact it is complete rot, as any Deputy who has a
1055 constituency workload can tell you. We do need more social housing, and why not do that by
simply designating new lands specifically for the purpose, rather than through this mechanism?

Firstly, because I actually do not think it is healthy to segregate social housing tenants and
partial ownership properties from the rest of the Island's housing stock as if they were some sort
of race apart. They are not; they are Guernsey citizens like anybody else. I know pure social
1060 housing estates can be made to work, and the GHA have done that in a number of locations, but
it is still far better to see integration and mixed tenure. Indeed, going back to Deputy Gollop's

opening speech, the Assembly already agreed that when they passed the States' Land Use Plan it makes specific referral to the need to actually pursue that policy.

1065 Secondly, I ask, where exactly would we zone for all of these brand new social housing developments? Developers have already land banked quite a high percentage of the sites in Guernsey, that are the most suitable sites for new housing development. So if they are to yield social housing units as part of their development, then we are going to have to release new tracts of land that are less suitable in order to do that. Cue massive objections from local residents on traffic grounds, on amenity grounds, aesthetic grounds – and probably very justified ones, 1070 because we will be having to do that.

Thirdly, it is not an either/or. I am not naive, I do not think, as the letter read out by Deputy Ferbrache indicated, that planning covenants alone will produce the amount of social housing we need, or anywhere near it, but they will make a useful contribution. I do not actually think it would be easy to find enough suitable new sites to designate for social housing either. We are going to 1075 find it difficult to actually meet the targets that we need for social housing. But we need contributions from all possible sources.

Finally, I had to consider, in laying my amendment, whether to retain the phasing in arrangement that was brought forward at the suggestion of the planning inspectors. I do not know, in an absolutely, all-things-being-equal, ideal world, I am not sure whether I would have 1080 done or not. But I think it is important for those of us who are new Members in this Assembly not to believe that the world started in May of this year. It did not; a huge process was gone through. Those inspectors listened to concerns from many people about the introduction of covenants, and having heard that evidence, having heard those witnesses, they proposed a way to soften their impact by bringing in the phasing-in arrangement. I do not think we should just ride rough shod 1085 over that process, and believe that it did not happen. Therefore, on balance, I think that my amendment is better than Deputy Ferbrache's by recognising the need to actually retain that phasing in.

By serendipity it also has another effect, doesn't it, because the phasing-in agreement means the sooner developers get on and develop the land, the less they will have to fear by reducing 1090 their margins by producing more social housing. So if we are worried about the construction industry having an incentive to do it sooner, rather than later, it is surely actually quite a good thing.

Sir, before closing I think I have to contrast my amendment in other ways with that from Deputy Ferbrache, and I think the main difference is that his would confine the use of covenants 1095 to new developments planned on the current Housing Target Areas. I have to ask, where on earth is the logic in that? I know, maybe the first time that anybody in Guernsey even thought about using covenants it was back along many years ago, when we had these HTAs and people said, 'Well, if we are going to release it, we want to make sure we get some social housing out of it; so what about covenants – that was years ago. Things have moved on light years since then. HTAs 1100 will completely disappear and become part of our planning history once this plan, amended or otherwise, has been passed.

So tying the use of planning covenants to an historical feature like HTAs, to me, is a bit like saying they use should be related to how the land was zoned by that late lamented body, the Natural Beauty's Committee. It is equally historic. But it is more than that, it is actually not just 1105 illogical, it is discriminatory. Do not forget we will not be applying these covenants to anywhere that has already got planning permission. We are only talking about new places coming forward to apply for permission. How is it remotely fair to apply it to one plan for 25 new houses in one part of Guernsey, but not to an identical plan a mile away, and to claim that that discrimination is justified, because those two sites were zoned differently under an historic and now defunct land plan which no longer exists? (**A Member:** Hear, hear.) It is absolute nonsense. 1110

With due respect to the proposer and the seconder, it feels a bit like one of those amendments that perhaps the industry have drawn up and said, 'Why don't you put this forward?' and while they know an awful lot about construction, and I actually have taken on board a lot of what they

say, perhaps they do not quite understand the political realities, and perhaps the job of the proposer and seconder was to go through that and tweak it accordingly, and they failed to do so. That is my view, but I could be completely wrong, of course.

Sir, finally, I have to say, having been to that presentation that was mentioned, if we are not going to go for an amendment along the lines of mine, then what are the alternatives? Somebody asked – I think it was Deputy Merrett – the developers and builders, ‘What are the alternatives if we do not go down this sort of route?’ I was stunned by the answer, I have to say. The only real answer to come forward was compulsory purchase, old greenhouse sites, for peanuts – not my word, their word, ‘for peanuts’ – and develop the new social housing there. Well, I hope that no Member of this Assembly would even consider behaving in such a reprehensible way.

Sir, compromise is not often my middle name, to be honest, but in this instance I really can see the legitimacy of arguments on all sides. A proportion of five, or with respect to Deputy Queripel who is about to come on, even 10 units of social housing simply is not economic. It is not. But I think it is legitimate for those getting planning permission for major developments – major developments, to give something back to the Island in return. In the Guernsey context 20 plus certainly is major. Think about it, they are actually fairly few and far between, the number of housing developments that yield 20 plus units.

We do need a compromise here. I think that my amendment offers a sensible way forward. Maybe not a perfect one, I am not claiming that. I am not sure there is a perfect one, but a far better one than anything else that is on the table, and I hope Members will pass it.

The Deputy Bailiff: Deputy Laurie Queripel, do you formally second that amendment?

Deputy Laurie Queripel: I do, sir, thank you, and reserve my right to speak.
Thank you.

The Deputy Bailiff: Thank you, very much.

The final amendment of the three that we are putting in play at this moment, Members, is to be proposed by Deputy Lester Queripel.

Deputy Queripel.

Amendment:

To insert at the end of the words in Proposition 1: ‘; but subject to the modification that the first paragraph of Policy GP11: Affordable Housing (see pages 173 – 174 of the Draft Island Development Plan at Appendix 1, and recommended change at page 48 of Appendix 7) shall be amended to read:

“The Development & Planning Authority will require proposals for development resulting in a net increase of 10 or more dwellings to provide a proportion of the developable area of the site for affordable housing in line with the following:

10 or more dwellings but fewer than 15 dwellings: 22% of the developable part of the site; but reduced to 7% in the first year, 12% in the second year and 17% in the third year after States’ adoption of this Plan;

15 or more dwellings but fewer than 20 dwellings: 24% of the developable part of the site but reduced to 9% in the first year, 14% in the second year and 19% in the third year after States’ adoption of this Plan;

20 or more dwellings but fewer than 25 dwellings: 26% of the developable part of the site, but reduced to 11% in the first year, 16% in the second year and 21% in the third year after States’ adoption of this Plan;

25 or more dwellings but fewer than 30 dwellings: 28% of the developable part of the site, but reduced to 13% in the first year, 18% in the second year and 23% in the third year after States’ adoption of this Plan;

30 or more dwellings: 30% of the developable part of the site, but reduced to 15% in the first year, 20% in the second year and 25% in the third year after States' adoption of this Plan.";

and in consequence of the above modification:

In Para 2.2.24 thereof on page 26, to delete "(i.e. 5 or more units)";

In each of Para 6.1.9 on page 49 (subject to minor amendment shown at appendix 7, Table page 9); Policy MC2 on page 50 (subject to minor amendment shown at appendix 7, Table page 9); Para 12.1.8 on page 89 (subject to a minor amendment as shown at appendix 7, Table page 15); Policy LC2 on page 90, penultimate paragraph of policy (subject to a minor amendment as shown at appendix 7, Table page 15); Para 16.1.8 on page 109 (subject to slightly different minor amendment as shown at appendix 7, Table page 22); Policy OC1 on page 110, last para of policy (policy subject to major amendment as shown at appendix 7, Table pages 23 to 26 but last para relating to affordable housing requirements only subject to minor amendment); Para 19.17.16 on page 189 (subject to a minor amendment as shown at appendix 7, Table page 57); Policy GP16(A) penultimate para, page 190 (subject to a minor amendment as shown at appendix 7, Table pages 57 and 58); and Policy GP16(B) penultimate para, page 191 (subject to minor amendments as shown at appendix 7, Table pages 58 and 59); to delete "five" and substitute "10".'

Deputy Lester Queripel: Thank you, sir.

1145 Sir, this is a simple amendment. It provides the Assembly with an opportunity to vote in favour of a number which falls between what some people are referring to as two extremes; those numbers being five in the Proposition and 20 in the Deputies Roffey/Queripel amendment and the Ferbrache/Oliver amendment.

1150 I fully appreciate, sir, that as a Member of the DPA I did actually agree to five units as the figure to be proposed. But once the Roffey/Queripel amendment had been submitted I started doing some additional research and talked to a lot more people in the industry, and the conclusion I came to, as a result of that additional research, was that the Assembly really needed to be provided with the opportunity of voting in favour of a number between five and 20.

1155 I knew, sir, that that number would have to be as low as possible, to capture as many sites as possible. I also knew that number had to be reasonable, manageable and financially viable. It was then that my colleagues and I received a letter from the Guernsey Housing Association, which has been published in *The Press* recently, sir, so I am not breaking any confidence, or revealing any secrets here. In that letter the GHA said that in their considered opinion the figure of five units being proposed was going to be extremely problematic to administer and manage, and simply
1160 would not be financially viable. I just want to quote a paragraph from that letter, to remind colleagues what it said, and much of it has already been referred to by Deputy Ferbrache, but I think it bears repeating because paragraph three of the letter reads as follows:

'Our main concern is the low level of threshold starting at five units, which we believe should be higher. Our reasoning as it will involve considerable time, effort and cost of the GHA, the DPA, CESS and advocates on small sites to secure one or even two units. Negotiating with a multitude of small builders ...'

The letter went on to say:

'We are also concerned about the long term quality of the accommodation that gets built, and the higher per unit cost of managing and maintaining one or two units in multiple locations around the Island.

1165 I have a copy of that letter with me, sir, if any of my colleagues want to check the authenticity of what I have said.

So, sir, reading that letter gave me an assurance that I was right in thinking my colleagues needed to be provided with a figure somewhere between five and 20. I then spoke to colleagues about the figure itself. At the same time I asked several colleagues if they would be willing to second the amendment. I did for a while consider laying an amendment for 12, or even 13,
1170 because those figures fall about half way between the figures five and 20, but in fact, sir, setting a

final figure proved to be something of a dilemma. So I undertook further research and eventually established from developers, builders, estate agents, all sorts of people in the industry, that 10 would be reasonable, manageable and financially viable.

1175 Before I finish, sir, I would just like to point out to colleagues, who may not already know – Deputy Gollop alluded to this in his opening speech – I ran a successful business in construction for almost 30 years. In that time I worked with numerous architects, estate agents, developers, land owners and builders, and a multitude of developments and projects here in the Island. So I know how the system works and I know how the collective mind of those in the industry works.

1180 I am not laying this amendment as a result of what I have read in a report compiled by supposed experts, or as a result of being impressed by reading a spreadsheet full of facts and figures compiled by someone who has never worked in the industry. I am not laying this amendment because I think we should pander to those in the industry, I am laying it because I think it makes perfect sense to adopt a pragmatic approach to this issue, in an attempt to find a system and a strategy that is reasonable, manageable and financially viable – a system that is fair to everybody concerned, particularly to our fellow Islanders who need affordable housing; a system that, at least, has a hope of succeeding.

1185 In closing, sir, I would like to thank all my colleagues who spoke to me for hours on the phone or in my quest to gain support for this amendment. I would also like to thank all the people in the industry who spoke to me during my research and also to several fellow Islanders who are currently in need of affordable housing.

1190 Finally, I would like to thank Deputy Langlois for seconding, and the staff in the Planning Department for helping me to compile this amendment.

Thank you, sir.

1195 **The Deputy Bailiff:** Deputy Langlois, do you formally second the amendment?

Deputy Langlois: I formally second the amendment, sir.

The Deputy Bailiff: Thank you very much.

1200 Well, Members, we have three amendments to debate and we will move into debate on the three of them collectively.

Deputy Tindall, to be followed by Deputy Merrett.

Deputy Tindall: Thank you, sir.

1205 Whilst the majority of the documents comprising the draft Island Development Plan have been in the public domain since February 2015, most of us here have not dived into its depths until recently. However, once you take the plunge and become familiar with the documents, I hope my colleagues agree it is a well thought through set of policies and guidance, with reports that assist with how and why the Plan was written.

1210 With so many amendments being laid, to assist the Members of this Chamber, sir, I will set out, firstly, the effect – if passed – of each type of amendment; one which requires a deferral, one which does not and one which requires a reopening of the public inquiry. If an amendment is passed upon which the Authority needs to consider its effects, the plan's introduction will be deferred. A deferral will not simply be for 15 minutes and so it will delay the coming in of the Plan and result in the need to extend the Rural Area Plan and the Urban Area Plan again. The deferral will be for as long as is necessary to resolve the issue – so that could be months.

1215 If those amendments not requiring deferral are the only ones passed then the Plan we have submitted will come into force as soon as the States passes the Resolution to approve it. If any amendment is passed upon which the Authority needs to reopen the public inquiry then that will delay the Plan by between 12 and 18 months.

1220 To further assist the Members of the Chamber, sir, as with all the opening speeches, I will give on behalf of the Development Planning Authority – and set out the effect, if passed, of – each

individual amendment. For the three amendments we are to consider first, a deferral is needed in the case of amendment 5, but amendments 2 and 9 will not need a deferral. I have been informed, after Deputy Ferbrache's comments, that this will be between 24 and 48 hours if we can reach agreement with them on the boundaries – in particular, Bulwer Avenue. To help those who find this extremely complicated, which of course it is, and who have not had the benefit of the team of planners and support, as we have had, I have a simple solution.

For those of my colleagues, sir, who believe in evidence-based, robustly scrutinised, expertly prepared government plans, then simply vote against all the amendments to Proposition 1. I believe by doing that, the work of many over the last five years or so will then be justly rewarded, because it will save the taxpayer money, and set the right example for the rest of this political term.

So, to these three amendments, they address policy GP11 on the provision of affordable housing. Affordable housing consists of two types: social and intermediate. Social is housing provided for the person on low incomes; and intermediate housing is broadly low cost ownership. The draft plan requires proposals for five or more units to contribute toward affordable housing. Deputy Queripel's amendment wants to increase the number of units to 10 and Deputy Roffey's to 20. Deputy Ferbrache wishes to remove the application of the proposed policy GP11 from all sites except from the five listed sites previously called Housing Target Areas, we heard. Also removing the three-year transition period and increasing the threshold from five to starting at 20 or more dwellings. What I call the 'have your cake and eat it' option.

One of the things I read, sir, was that all three amendments accept that there is a need for affordable housing. However, they differ considerably as to how that affordable housing is to be provided. That difference is fundamentally who pays for affordable housing, the housing we all agree that is needed. Should it be the landowner who receives a windfall on the granting of planning permission or the taxpayer?

I would like to quote from a comment which has been received from the Director of Housing when we asked for information on this. I quote:

'The States helps to pay for the development of new affordable housing by means of capital grants to the Guernsey Housing Association. Looking at recent GHA developments built on sites purchased from private landowners and the size of the capital grants involved it is possible to work out how much, on average, each unit of social housing costs the States. Based on this information and the reduction in the amount of social housing that would be created if the affordable housing policy applied only to larger sites, it can be estimated that Deputy Ferbrache's amendment, if successful, would potentially cost the States approximately £10,062,000. Yes, over £10 million, in capital grants that would otherwise not need to be paid. Deputy Roffey's amendment, if successful, will potentially cost the States approximately £4.5 million, in capital grants, that would otherwise not need to be paid. Deputy Queripel's amendment, if successful, would cost £2.1 million.

That is how much you can save the taxpayer if you vote against these three amendments. That is reality.

Deputy Kuttelwascher: Sir, point of order.

Deputy Bailiff: Point of order, Deputy Kuttelwascher.

Deputy Kuttelwascher: I think that statement is completely misleading, because it makes the presumption that the building trade will build these houses and that is the problem, because they will not. So I think that is quite wrong to say that, unless you presume that these houses will be built under what is being proposed.

The Deputy Bailiff: Deputy Tindall to continue.

Deputy Tindall: This policy is flexible. There will be no requirement for affordable housing if a site is unviable as a result of this policy. It can be amended depending on the results of the

Housing Needs Survey, including whether the quantity need goes up or down. It has a transition period in order to ease in the requirements allowing all parties and the market to adjust.

By taking a slice of the profit that a land owner receives when they get planning permission, which is currently an increase from approximately £70,000 to £90,000 per hectare to £2 million plus on an average of £3 million per hectare, the taxpayer does not have to foot the bill. Importantly, the proposed policy is supported by evidence which demonstrates that private market housing schemes of five or more can remain viable, when required to provide a proportion for affordable housing.

The planning inspectors considered a number of representations raising various issues on the proposed affordable housing policy and, after considering all of the evidence, concluded that there was no evidence presented to support the assertion that GP11 policy would devastate the construction industry on the Island. The policy will work, and land prices will adjust to accommodate the affordable housing policy.

We are asked to accept the arguments of Deputy Peter Ferbrache that the inspectors are wrong. As Deputy Brehaut indicated, are they wrong on just this point, all, or some of this bit or that bit? They are independent professionals, and I ask you to ignore Deputy Ferbrache's assertion.

However, I do agree we should protect local jobs and local industries and, as Deputy Ferbrache says, 'where we can', but at whose expense, at what cost? The Plan is consistent with the Strategic Land Use Plan, yes, which requires initially for the Plan to demonstrate how the first five-year housing land supply can meet the Island's requirements. Before the end of the five years, this supply is to be reviewed to ensure there is appropriate provision for the remaining period of the plan.

So, to address the amendments in turn, increasing the number of units to 10 or 20 units before a developer needs to provide affordable housing, amendments 2 and 9 have the following issues in common. The likely impact from increasing the threshold to 10 or more units, or to 20 or more units, will result in a decrease in contribution obtained through windfall development, through the life of the plan. The higher the threshold, the greater the loss. With a reduced contribution delivered through policy GP11 then the shortfall in the supply required will have to be met by the States. I have read out the figures that we have been given as to the estimate of what that will cost. The higher thresholds are also likely to result in a significant fall in the delivery of affordable housing through this policy after the first five years of the Plan period.

As for amendment 5, there are different implications. There are always difficulties when a proposal uses wording from what will be a defunct plan. The housing allocations proposed in the IDP do not match the sites identified as Housing Target Areas in the Urban Area Plan.

Following the SLUP direction these five identified sites were assessed separately and it was found that the majority should contribute to the first five-year supply, with some changes to the existing boundaries. The most significant of these changes being that phase 1 and 2 of Belgrave Vinery were not designated as housing allocations and not located within the main centre.

In addition, changes have been proposed to the extent of some of these housing allocations in response to written representations received during the public inquiry process. It is therefore very unclear what is the extent of the five areas being referred to.

Setting aside the confusion on the extent of the area intended to be covered by this proposal, if one assumes the area covered is the same as the area covered by the five corresponding housing allocations, it is estimated to deliver a *circa* 12% decrease from the estimated contribution within the transition period. Although it will provide affordable housing, there is a concern over whether it will be fully compliant with the SLUP directions, as the amendment would not capture all of the larger private sites.

Also I have been asked to draw attention that Deputy Ferbrache has greatly underestimated the potential for this policy to contribute. GP11 will contribute 26% of the affordable housing needed, up to a possible 40%. Obviously, the States will need to deliver the rest as required. The proposed amendment will result in no contribution whatsoever from 10 of the 15 identified

housing allocation sites if amendment 5 is passed. It would also result in the total loss of any contribution for all windfall-type developments that may arise over the first five years of the plan. There will not be any other sites. An estimated total loss, without taking into account the impact of the transition period, is of between 89 to 117 units. I stress any shortfall would need to be met by the States.

The SLUP and other strategies seek to promote and foster an inclusive society. The SLUP seeks a mix of housing type and tenure to be provided to meet the annual requirement. The proposed amendment would only achieve this in a limited way, and not across all of the main or local centres. The application of policy only on selected sites raises an issue of fairness. Is it reasonable that the impact of the policy should only fall on a few landowners? Importantly, a problem arises once these five sites have been developed. What do we do then? We will still need more affordable housing, but nowhere to put them. A new policy then needs to be developed and brought back to the States for approval.

So really the problem is being kicked down the road, costing more taxpayer's money and delaying the inevitable. I also draw your attention to amendment 8, which is hoped will address the Guernsey Housing Association's operational concerns. As I have mentioned the cost of amendment 5 ... I refer to again.

To summarise, none of these amendments are based on evidence, none are fair to the taxpayer and none have had the extensive review both by the people of Guernsey and by independent professionals. The simple difference between approval of any of these amendments is how much of a bill do you want to give the taxpayer, as opposed to the landowner, from their windfall from the increase in value of their land after planning permission is granted. Amendment 5, because of the way it is drafted, will also require a deferral to clarify what it means in practice. Once the sites have been developed, the same costly and long-winded process of evidence gathering, review and consultation will also be needed; more cost and a delay in being able to appreciate the economic benefits of the draft IDP.

So the choice depends, sir, on what cost does the Assembly want to put on the taxpayer? I therefore ask my colleagues to vote against all of these amendments.

Thank you.

The Deputy Bailiff: I am going to call Deputy Merrett to make her maiden speech.

Deputy Merrett: I hope not, sir, actually.

I just wish to declare an interest! **(The Deputy Bailiff:** Fair enough!) *(Laughter)* My partner is a director.

The Deputy Bailiff: Well, we will not say this is your maiden speech then.

Deputy Merrett: I would prefer not to, sir.

I wish to declare an interest. My partner is a director of Lovell Ozanne Architects and has been a member of a panel who have discussed these amendments publicly.

Thank you, sir.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Members can clap my speech instead, sir, if they want! *(Laughter)*

The Deputy Bailiff: Only if it is worthy of it!

Deputy Fallaize: I regret slightly that we are probably going to spend hours debating GP11, because the truth is that even if it is passed unamended, it is going to make a very small contribution to affordable – or I would prefer to use the term social – housing, that is needed.

I do not think the States have fully grasped how many social housing units are needed over the next few years. Even to start to make inroads on the waiting list and even at the threshold of five, relatively few properties would be provided through this policy. I think we should be spending more time debating how we are going to provide the dozens or probably hundreds of new social housing units that are needed, and less time debating whether we will vote for a policy which might provide two dozen, or against one that might provide three dozen. I mean it is going to make a very small contribution. That does not mean that the policy is worthless, but I think we ought to see it in some sort of perspective.

Although the Development Planning Authority has said that none of these three amendments, if approved, would require the reopening of a planning inquiry, Deputy Tindall, when she just spoke, did speak about the danger of amendments reopening a planning inquiry, and that was potentially misleading.

I cannot quite see, actually, why Deputy Ferbrache's amendment – and I do not support it, but I will explain why in a moment – would require a deferral at all, because the reason given for the deferral in the document circulated by the DPA is that clarification would be needed because the IDP housing sites are different from the former HTAs; but that is not relevant because the amendment says that the areas that would effectively be zoned or allocated would be the former HTA sites. So it does not matter what the IDP housing sites tell us; the only relevant criteria are what are currently – and if the Plan is approved, would have been in the past – the Housing Target Areas. Deputy Ferbrache said the deferral might take a nano second. I cannot even see why it would take that long, but maybe Deputy Gollop or another Member will explain why that is the case.

I do have quite a lot of sympathy with the challenges and the problems which Deputy Ferbrache set out in his opening speech, but I do think he has come up with a rather odd solution. In fact, I think he would have been better to try and persuade the States to reject an affordable housing policy in this form altogether.

He based his arguments on economic performance; in particular, the performance of the construction sector, but why is it economically viable to require 26% of a 20-site dwelling to be set aside for social housing on a former Housing Target Area, but it is not economically viable to require 26% of a 20-dwelling site developed somewhere else to have that provision set aside for social housing?

Remember, we should not imagine that these Housing Target Areas are developed necessarily in one block. It is not that someone is going to stick up 600 houses and therefore they gain economies of scale. There may be some economies of scale in the way the Housing Target Areas are developed, but they can be developed in much smaller parcels.

So surely it must be logical to set the criteria based on the total number of dwellings on the site, and not whether the site used to be a Housing Target Area. We might just as well say, 'If you are going to develop 20 houses in the Castel this affordable housing policy will bite, but if you are going to develop 20 houses in the Vale do not bother with it.' In terms of economic viability, there cannot be anything different about former Housing Target Areas than there are about otherwise identical developments on other sites. So I think, for that reason, Deputy Ferbrache's amendment should fall.

Deputy Roffey's amendment would completely knock the wind out of the affordable housing policy. It is not going to yield much at one-in-five, but if the threshold is set at 20 it is going to yield very few sites indeed.

Deputy Queripel has suggested a compromise. Ultimately, it comes down to a judgement. Now, I think Deputy Tindall was a bit unfair on the proposers of the amendments, because she said that they had not applied any evidence to their thinking, but what they have tried to apply is political judgement. Now, the planning inspectors cannot possibly have done that; they do not

1420 fully understand the Guernsey context. I do not think that all of their advice is being challenged just because in one area some Members think they have reached the wrong judgement. It is not unanimous, but I do think there is a broad consensus that the policy as proposed in the plan, one-in-five, is economically unviable.

1425 Now, the States could take a punt, we could risk it, but I think there is a broad consensus today that one-in-five is not viable. If Deputy Roffey, who I do not think anybody would regard as necessarily a great friend of capitalist land developers, is saying that one-in-five is probably not economically viable, then I think it would be a bit of a risk for the States to effectively adopt an approach that would be to the left of that, if I can put it that way.

1430 The GHA has, whether we like it or not – and I was slightly surprised to receive the letter, but the GHA has – said that it has concerns about the one-in-five policy, and the management of properties pepper potted all over the Island. It is very easy to see how that could be difficult from a management perspective. It has to be accepted that most of the application of affordable housing policies in the UK apply to much larger sites than one-in-five. There are some sites of 15 or 20 that are developed, but actually most sites that are developed and have this sort of requirement applied to them are developing dozens of houses, or even hundreds of houses.

1435 Now, it is perfectly understandable to see how a housing association could manage if you have got 100 sites on a 500-site or on a 1,000-site development. But I think the GHA have raised very valid concerns about managing properties pepper potted with this one-in-five approach. But the advice that I have had from them is that they would be much more comfortable with the threshold set out either in Deputy Queripel's amendment or in Deputy Roffey's amendment.

1440 Ultimately, it depends on the appetite the States have to be creative in policy making. This is a new policy approach that is proposed. If the States want to take a very conservative view, I think they should vote for Deputy Roffey's amendment, if they want to take a slightly more liberal view they should vote for Deputy Queripel's amendment. I think they should vote for one of the amendments, because if they do not, the only policy left will be one-in-five. The choice at that point will be either effectively approve one-in-five or reject the whole Island Development Plan, by chucking out Proposition 1, whether amended or not.

1445 Now, I do not think a majority of the States want to support one-in-five. As I say, I think there is a general consensus that one-in-five is the wrong judgement, but if the amendments lose – and I do not want the States to vote for Deputy Ferbrache's for the reasons I have set out, but if the States vote against Deputy Queripel's amendment and Deputy Roffey's amendment – the choice will be chuck out the whole IDP completely or accept the one-in-five threshold.

1455 Deputy Tindall also, I thought, implied that one or more of these amendments may not be fully consistent with the Strategic Land Use Plan. Now, that, I think, is silly because the Strategic Land Use Plan says that a proportion of larger sites ... or it indicates that a policy should be developed which allows a proportion of larger sites to be given over to what is termed 'affordable housing', and I would rather call social or partial ownership housing. But it makes no recommendation at all about how we should interpret or define larger sites.

1460 Well, Deputy Ferbrache is saying his amendment is his interpretation of the wording 'larger sites'; Deputy Roffey is saying the same about his; Deputy Queripel is saying the same about his. Clearly, all of them are valid interpretations of the term 'larger sites' as set out in the Strategic Land Use Plan. So none of these amendments, in my view, can credibly be said to conflict with the Strategic Land Use Plan.

1465 I hope the States will approve either the Deputy Roffey amendment or the Deputy Queripel amendment.

Thank you, sir.

The Deputy Bailiff: I am going to call Deputy Oliver to make her maiden speech – unless she is going to declare an interest! *(Laughter)* Deputy Oliver.

1470 **Deputy Oliver:** No, sir.

I would like to ask anyone here if they would like to give 20% of their land away, as well as pay their taxes, because that is what we are asking the construction industry to do, on what I would consider the majority of developments.

1475 This is not the UK where developers are building 100 to 500 houses, and where it is completely feasible to ask for a share of the development to be made affordable or intermediate housing. I think the majority of you are living in the past where you believe developers are making huge profits. Having done a fair amount of feasibility testing and development appraisals as a chartered surveyor, the majority of UK construction companies would require a lot more profit than the Guernsey construction industry are actually making.

1480 The construction industry in Guernsey has declined. With the current state of the market and interest rates at the lowest they have ever been, you would think investors are rubbing their hands together. Think again. Building costs are considerably higher than the UK, purely to the fact that we need to import materials; then you have got all the other costs – architects, structural engineers, surveyors, planning – this all costs money before a brick is even laid, and you are asked
1485 to give 20% to 30% on smaller sites.

Most lenders will only lend if you show a certain amount of profit. This becomes even harder when it is a brown field site, as you have demolition costs to carry out. I support there being more affordable housing, but not at the detriment of the construction industry. As States' Members, we have acknowledged we need more social housing, but have literally just placed the burden on
1490 someone else rather than trying to sort out an actual plan that will be sustainable and fair for everyone.

As Deputy Fallaize says, it is not going to cover all the affordable housing that is needed. There are a number of designated developments which have been earmarked for the Housing Targeted Areas, as identified within the Urban Area Plan. I believe that this is right, that a proportion of
1495 these development areas should be used for affordable housing.

What worries me with the current proposals is that you will hear the DPA saying that everything is evidence based. However, within the inspector's report he has said that there was no point at looking at other jurisdictions as evidence. Personally, I felt this was very important. Deputy Tindall also said that it was sound evidence. However, he never stated that there is no
1500 evidence saying that it would actually work.

We also have to look across the water. Jersey had a very similar strategy and has now done a U-turn on this. With such a low number of houses, developers would not be able to make a profit and therefore many sites will be four houses rather than five; it would be much easier. In the long run this is creating a much bigger problem. I know there is a viability test, but personally I just
1505 cannot see this working. By putting the burden on the construction industry, I feel that this is going to impact very negatively in an already struggling sector.

We do need to be realistic. This is why I believe that you should be voting yes to amendment number 5. *(Applause)*

1510 **The Deputy Bailiff:** Deputy Kuttelwascher, to be followed by Deputy Laurie Queripel.

Deputy Kuttelwascher: Thank you, sir.

Sir, I first stood a while ago because I actually just wanted to ask a question of HM Procureur. It related to SLUP, in that in the preamble to SLUP – and Deputy Ferbrache mentioned it provides
1515 general guidance – it also says it provides specific instructions, and I wanted to know if it is possible to ascertain whether any of these amendments actually conflict with either of those.

In Deputy Fallaize's opinion none of them do, and I think that is significant because a lot of these amendments were written with a view to try not to conflict with SLUP so that the whole process is not delayed; and that is maybe why, as Deputy Fallaize criticised Deputy Ferbrache's
1520 amendment, that was the reason we are trying to minimise the negative effects of the amendment.

But anyhow, I am rising in support of Deputy Ferbrache's amendment for a whole host of reasons, and the first thing I would like to say is in the last Assembly one of my functions on the Treasury Department was to chair the construction sector group, and as soon as they got wind of this covenant issue there was total opposition all the time. That continues. The problem is what they are saying is that if this goes through as it is presented, they will not be building more than four houses. In fact, a lot of the companies involved – I know two – are actually now involved with building in Jersey and in the UK. They are no longer operating here, in effect, although they may have their base here.

Deputy Gollop, in one of his openings, said we are open for investment, and here we have a construction industry in decline, and if policy GP11 is accepted it will go into further decline. Yet we have an overarching economic policy to diversify our economy. Now, diversification for me does not mean only bringing in new business, it means nurturing and expanding businesses which are not related to finance. To me, the construction industry is one of them.

There was a lot said of stakeholder engagement – 1,800 stakeholders engaged. How many of them were ignored? It would be an interesting one, because I have had several complaints from several other areas of engagement where they said that they are not even recorded as having been engaged. In the past when you had stakeholder engagement, reports would include who they were and maybe what they said, but some of them have vanished.

In relation to – I see Deputy Trott nodding – the Delancey proposed conservation area, the people who proposed that are very much aggrieved that they seem to have vanished out of the system. They made representations but they were ignored, I presume. *(Interjection)* Well, there we go –

Deputy Gollop: Point of order, if you will allow me, sir.

The Deputy Bailiff: Point of order, Deputy Gollop. What Rule is being broken.

Deputy Gollop: Well, I do recall a point of accuracy that there was a special extension of the planning inquiry relating to the Delancey Conservation Area.

The Deputy Bailiff: Thank you for that point of correction! *(Laughter)* Deputy Kuttelwascher to continue.

Deputy Kuttelwascher: Then subsequently ignored, does it matter.
You made a point, Deputy Gollop –

The Deputy Bailiff: Deputy Kuttelwascher –

Deputy Kuttelwascher: Deputy Gollop made a point, sorry.

The Deputy Bailiff: There is a Rule which says you address the Presiding Officer, you do not address another Member, so please do not address –

Deputy Kuttelwascher: I just corrected that instantly, almost.

So Deputy Gollop said trends going in the wrong direction. Policy GP11 will exacerbate that in relation to the building industry, like it or not. Now, does Deputy Gollop want to exacerbate a trend going the wrong direction or not?

One of the reasons we exist in the Committee for Economic Development is to try and reverse negative trends, including in tourism and everywhere else, but if you take away the tools for doing this there will be not much left for us to do, I think. In fact, you could save a lot of money just by disbanding the Committee for Economic Development. So we will fight for trying to reverse negative trends, whether it is in tourism, whether it is in construction or indeed anywhere else.

As for the land available for housing, last night – well, it was this morning at 12.16 a.m. – Deputy Mooney sent round a plan regarding the Belgrave Vinery where this current Island Development Plan has removed 26 acres of land, which was set aside for housing. Why on earth would you want to do that? It appears to me – it may be a cynical view – that the reason you might want to do that is to transfer the liability, if you like, to the private sector with this covenant system, to provide the land so they could use it for something else. I do not know. That is a most bizarre situation and I am sure you have all seen it if you have opened the email.

At the end of the day, of these three amendments, I think the most sensible one is the Ferbrache amendment. It has already been pointed out that there is the possibility ... I will talk to him in a minute – I will stand up a little later on. He mentioned that, with the current land that is available for housing, something like 1,000 properties could be built, so the question is why are they not being built? The land is there. The GHA still have funds available to build and there are other sites that have been thrown into the pot. Rue Marguerite, when I was on Treasury & Resources, we fought hard just to get that released for housing. There are other possible sites at Castel Hospital, although that could be used for something. There are sites. The problem is why are the buildings not going up? That is the issue. This policy GP11, as it stands, would do nothing to enhance the rate at which new private housing is built, or social housing, or any other sort of housing for the population.

So – I am happy to give way to Deputy Dorey.

Deputy Dorey: Thank you for giving way.

I just want to clarify the point on Belgrave Vinery, because he was a Member of the States when the Strategic Land Use Plan was debated and it was quite clear that we had main centres and local centres, and we did not have the urbanisation of the countryside. That is why Belgrave Vinery is not in the main centre, because it is outside the main centre, which you have to draw a boundary around. That is part of the problems that we have had in Guernsey in the past – that we have had tremendous urbanisation of the countryside, and this Plan is trying to stop that; and it was supported by the States almost unanimously, including Deputy Kuttelwascher, at the time in November 2011.

Deputy Kuttelwascher: Yes, he is dead right, but at that time we did not have this development plan, did we?

One of the things I said recently is I got the feeling that we, as an Assembly, have created a bureaucratic monster now, in relation to planning. It is almost that we cannot change things anymore. We are being ruled by a plethora of high level plans, strategies. How many times has it been said today, 'You cannot do that because you are, as it were, in opposition to some higher level strategy'? Common sense appears to have no room in this Assembly. *(Interjection)* Thank you, very much. Is it time to change that? Yes, it is.

We can fight back. One of the problems with when you get 1,000 or 1,200 pages of a document then you have to cross refer it to another one which is equally big is you just get lost in the quagmire of all this planning and rules and regulation. It is too much. Deputy Ferbrache said in England they have now got nine great volumes relating to planning directory. My view is in life if you cannot get it on the back of two sides of A4 it is too long. So for the moment consider the Ferbrache/Oliver amendment as a fight back to try and get some control here in this Assembly, which is where it should be.

Thank you, sir.

The Deputy Bailiff: Deputy Laurie Queripel, to be followed by Deputy Trott.

Deputy Laurie Queripel: Thank you, sir.

I have to apologise to Deputy Kuttelwascher, because I have three sides of A4. But it is only one more!

Anyway, I do not know how others view me, but I consider myself to be a pragmatist, in that I am always looking to identify or support or promote proposals or solutions that hopefully most, if not all, people and parties can live with. So I am very pleased to second and speak in support of this amendment from Deputy Roffey in regard to policy GP11.

1630 Sir, there is clearly very good intent in the policy proposals as they stand. But in the build up to this debate, as has been alluded to by others, it has been made clear to us from all sides – and in effect that means from the point of view of most developers, and as Deputy Roffey said, well they would say that, but crucially, also from the Guernsey Housing Association, who do know a bit about developing and managing social and intermediate housing, affordable housing ... What
1635 they said is, as the proposal stands, they are too onerous and impractical, and there could be, as a result, unintended consequences, in that the desired outcome might not be realised or achieved.

Now, sir, as Deputy Roffey has said, we want the principle of this policy to survive, but it probably will not in its current form, so hence this amendment.

1640 Now there has been some talk – quite a lot of talk actually – in the build up to this debate, that this policy should be put on hold until the Housing Market Review, Housing Market Survey, identifies how much affordable housing is needed and what type has been produced. Now, I do have some sympathy with that view, but it is clear to me – and I am sure most Members, and we have heard it already said this morning – that there is a lack of affordable housing. There is a need for it, whatever quantity or type. It is also clear to me, sir, that in particular, young Islanders and
1645 young local families are finding it very difficult to find and access affordable housing, affordable homes, and that some push, some initiative that will not be inflationary is required to help to negotiate that obstacle, to overcome that obstacle. Now, sir, in lieu of the results of the review, the survey, the proposals in this amendment represent a moderate, practical, workable mechanism.

1650 Now, sir, I cannot beat Deputy Lester Queripel's record in regard to his time spent within the construction industry, because he is a bit older than I am, or perhaps I should say I am a bit younger than he is, although I might not look it. I worked within the construction industry for just over 25 years as a self-employed trader, and I know what it can offer and I know the challenges it faces.

1655 Sir, I am a big supporter of the industry – I think that is well known. I want to see it do well. I want to see it thrive. I think it is important for Guernsey, not only from an economic point of view, in regard to the services and the skills that it offers to our community, so it is really important that the industry thrives and does well. But I also want to see the industry play its part in helping Islanders to access decent and affordable homes.

1660 As I said at the start, I think this amendment strikes a good balance. It is pragmatic and it should help to do that. Developers should be able to accommodate what this amendment is calling for and it should help to, in some measure, increase the supply of more affordable homes. So I think this is the best amendment to support, sir, and I ask Members to approve it.

Thank you, sir.

1665

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Thank you, sir.

1670 Sir, the more restrictive the covenant the less incentive for developers, and I do not think there is anyone in this Assembly who would disagree; the less incentive, the greater the growth in demand as a consequence of the reduction in supply. Again, I doubt there is anyone in this Assembly who would disagree.

1675 So, sir, until such time as the tipping point is reached, the costs of building are probably higher. The costs to the user are almost certainly greater, and the only likely norm would be the developer's profits, which are generally much lower than most would anticipate, which would simply be deferred until market conditions supported the business model. As a stimulant for the

economy or as a solution, such a policy fails a short- and medium-term test. In the long term it may deliver. I doubt it, but in the short to medium term it certainly will not.

Now, sir, I have a question, which I think is particularly relevant. I understand that the DPA will be able to waive the requirement for covenants if they deem it appropriate, and this is clearly crucial. But can I ask the President, or another member of his Committee, to address this arbitrary process during this part of the debate, because it will be crucial in informing the manner in which I shall vote.

Thank you, sir.

The Deputy Bailiff: Deputy Langlois.

Deputy Langlois: Thank you, sir.

Some of the Deputies who have spoken so far – Deputies Ferbrache, Oliver, Kuttelwascher and just recently Deputy Trott – keep referring to developers or our construction industry, but the whole point of GP11 is that it is an imposition on the landowner. It is a tax on the capital gain that they acquire when permission is granted. Now, the landowner might also be the developer – often it is – but that is not the purpose of GP11; it is to tap the capital gain, the overnight capital gain, a landowner acquires once planning permission has been granted. As we heard from Deputy Tindall, that can be to an extraordinary percentage – up to £4,000 overnight windfall capital gains.

Now, some people have made the argument that it is not fair to tax that particular capital gain, when Guernsey has no provision for capital gains on any other assets, but land ... It is a unique situation, there is no other asset, one can imagine, where a £4,000 capital gain could be accrued virtually overnight. So I think it is really important that we stop talking about this as if it is an imposition on the construction industry. There might be knock on effects on the construction industry; if landowners are, in effect, going to be taxed they might hang on to their land, hoping that the rules might change and that might have a knock on effect on the construction industry. But this proposal is not directly targeted at the construction industry.

I am very supportive of the concept behind GP11. Only those with their head in the sand would deny that for many young people acquiring an affordable home in Guernsey is a major problem – one which the recent hiatus in the formerly inexorable rise in property prices has done little to alleviate.

GP11 provides a method for increasing the supply of affordable homes. It is by no means the whole answer, as Deputy Fallaize has pointed out, but it will make a significant contribution. The Strategic Land Use Plan (SLUP), with which the IDP must by law be consistent ... that is unfortunate, Deputy Kuttelwascher, but that is the way our system is structured at the moment. Any ambiguity as to the intent the preamble to SLUP policy SLP17 states quite specifically, and I was quite pleased to find something to quote which has not already been found and used in this debate. The policy preamble says:

'To meet the aims and objectives of this plan, it will be necessary for the development plans to make allowances for a proportion of social and or specialised housing to be secured through planning covenants, or by condition on larger private development sites.'

It could not be more explicit. The 2011 Land Planning & Development Ordinance approved by the States put in place the necessary legislation for such planning covenants. If one disagrees with the whole concept of providing social housing through planning covenants, or wishes to introduce a form of development land tax for residential sites in lieu, it is the SLUP one should be attempting to amend not the IDP. That is a point several people have made and I think it is definitely worth emphasising, that the IDP is towards the end of a very long seven-year process.

The SLUP policy leaves us with only two principle issues to debate, in fact: what proportion of a private development site should be given over to social housing; and what constitutes a larger private development site – something that Deputy Roffey has already picked up on. As the proportions of the site proposed to be given over by planning covenant are the same in the draft

1725 IDP and the three amendments under consideration, one can assume that there is unanimity on
the first issue. The definition of a larger private development site is more open for debate. I admit
when I first heard the IDP would categorise sites capable of being developed to provide five or
more units as 'larger' I balked. Ten units seemed to be a better dividing line between smaller and
larger developments in the Guernsey context, but I know, as others have said, that is a subjective
1730 call.

I certainly believe Deputy Roffey's amendment goes too far, 20 dwellings is more than just a
larger development, it is a very substantial development by Guernsey standards. His amendment
will result in an unnecessary loss of affordable housing provision or considerable sums of
taxpayers' money to make up that loss. He himself admitted there are not many developments
1735 which would fall into his 20-plus category.

I did a double take when I read Deputy Ferbrache's amendment. Was it really proposing to
retain the boundaries of something that will no longer exist – HTAs – just to define areas within
which planning covenants can have effect? Well, yes it is. Despite the fact the boundaries of the
IDP's new housing allocation areas do not match those of the HTAs. The HTAs failed because they
1740 were too close grained; the result was, as the SLUP concluded, the release mechanism for the
Housing Target Areas is currently too cumbersome and protracted. Housing allocation areas
being more finely grained seek to address that problem. Having the ghost of the HTAs hovering
over them will only result in confusion, and an even more protracted and cumbersome release of
land for residential development than at present.

1745 Some have argued that using planning covenants in this way is unfair, as it is stealth capital
gains tax, but albeit in kind on landowners when we have no provision for capital gains taxes on
other assets. (**A Member:** hear, hear.) But it is important to understand, what I said at the
beginning of this speech is that it is a tax on land and in fact the developers act as tax collectors.

Some have claimed the current housing target of 300 dwellings per year is excessive, but that
1750 figure's main purpose is to give guidance to the planners who ideally would be granting
permissions to maintain a two-year supply of approved residential sites. Whether the housing
target goes up or down is largely irrelevant to the implementation of policy GP11, or the
amendments we are debating.

Some have expressed concerns about mixed tenure on private developments, but the divide
1755 between rental and owner occupation is breaking down wherever house prices have reached the
level they have in Guernsey. In addition, the GHA is very aware of its standing in our community. It
has already stated that the majority of its dwellings on private developments would be for partial
ownership. Really, is there that much difference between a young couple who can service a
£300,000 mortgage for a partial ownership home and one that perhaps, through life's lottery, can
1760 buy a £500,000 outright? Policy GP11 is not just about saving States large sums of money, it is the
next step in the evolution of what we used to call social housing. With the demographic
challenges we face, we can ill afford to see the younger generation emigrating in large numbers
simply because they cannot make a home in the Island.

Please support Deputy Queripel's amendment, which goes a long way to addressing concerns
1765 expressed by our smaller developers, while still providing a useful quantity of land for affordable
housing.

Thank you.

The Deputy Bailiff: Before we break for lunch, Members of the States, a question has been
1770 posed, possibly more than one question, on which legal advice is sought. Madam Procureur, are
you in a position, or Mr Comptroller, to help us on those issues that have been made, so that
Members have an opportunity to digest them over lunch?

The Procureur: Yes, sir, I think I can do, sir.

1775 One of the questions relating to the requirement for consistency with the Strategic Land Use
Plan SLUP, most Members will be aware but it might be worth reiterating one of the key statutory

requirements of the Land Planning of 2005 is effectively that that Land Use Plan the proposals made by the DP&A must be consistent with the SLUP or Strategic Land Use Plan. That word consistency has not been defined in any level of detail, and it is possible to amend in SLUP there has been some confusion about whether you can amend it, but this is statutory procedure laid out in the 2005 Law to do so I appreciate that can be cumbersome during a meeting of the States now this is actual procedure ... Now the SLUP requires that the Island Development Plan must make provision for affordable housing and it does not actually set specific targets in that plan, so therefore clearly the views of the DPA, their experts would be quite important in that regard. But my view of the three amendments that we see before us is that they all do make provision for affordable housing, and therefore it is quite reasonable to assume that there is no inconsistency with the SLUP for those three amendments. As I say it is not been defined it is a level which ... *[Inaudible]* but my view Members at this stage is that the three amendments we are discussing are not contrary to the strategic Land Use Plan and therefore there are no issues in that regard.

Thank you, sir. *(Microphone not working.)*

The Deputy Bailiff: Well, Members of the States, it is now 12.30 p.m. we are going to adjourn until 2.30 p.m. when we will resume debate on these three amendments.

*The Assembly adjourned at 12.30 p.m.
and resumed its sitting at 2.30 p.m.*

Billet d'État XXV

DEVELOPMENT & PLANNING AUTHORITY

III. The Island Development Plan – Development & Planning Authority Recommendations – Debate continued

The Deputy Bailiff: We continue debate on the amendments – the three amendments currently being debated. Who wishes to speak?

Deputy Lester Queripel, I will give you permission to speak, but not in respect of your amendment, which you have already moved; but you can speak against the other amendments, or for them if you wish.

Deputy Lester Queripel: Thank you, sir.

The Deputy Ferbrache/Oliver amendment is an absolute nonsense! *(Interjections)* It is an absolute nonsense because it seeks to associate, and tie, a completely new policy to a plan that will no longer even exist when the revised IDP is in place. If that is not nonsense, then I do not know what is. Because the current plan to which I refer is, of course, the Urban Area Plan, which will be rendered defunct once the IDP is in place, and confined to the waste paper bin, where surely this amendment also belongs.

This amendment seeks to go way beyond the textual changes to Propositions that are allowed, and the very laying of it displays a complete disregard for States' procedures.

It also displays –

Deputy Kuttelwascher: Point of order.

The Deputy Bailiff: Point of order, Deputy Kuttelwascher.

1815 **Deputy Kuttelwascher:** Doesn't that completely contradict what you told us earlier, sir.

The Deputy Bailiff: Deputy Queripel, I gave my ruling, it does not go beyond the Proposition, but you are entitled to your comment in respect of that.

Do continue, please.

1820

Deputy Lester Queripel: Thank you, sir.

It also displays a somewhat irresponsible approach by the layers of the amendment, and an approach that is extremely disrespectful, because the correct procedure, of course, as we all know, would have been for the layers of the amendment to compile a requête that sought to amend SLUP. So why they decided to adopt such an irresponsible and disrespectful approach is beyond me, sir, and I would like to hear when Deputy Ferbrache responds, his views on that, please.

1825

Sir, this amendment, as I said, seeks to introduce a completely new policy that has not been consulted on. Therefore, if it is supported in this Chamber today by a majority of the Assembly, that will result in the need to defer, because Housing Target Areas that are referred to in this amendment they will no longer exist. As Deputy Ferbrache said himself in his speech this morning, the boundaries of the IDP housing sites are completely different anyway.

1830

Sir, this is a potentially damaging amendment, not only because it will result in a deferral if it is supported, but if it does get incorporated into the IDP, it will result in severe restrictions and limitations being placed on the whole affordable housing programme – which may suit some people, but it certainly will not suit the very people we need to help. That is a crucial point that I would ask my colleagues to bear in mind when they come to vote on these amendments.

1835

This amendment does not appear to have been thought through by Deputy Ferbrache and Deputy Oliver, and what I mean by that is neither of them appear to have thought through the ramifications, the restrictions and limitations that will be placed on the whole affordable housing programme should this new policy be introduced and this amendment supported. Now, I would like to hear Deputy Ferbrache's views on that as well when he responds, please, sir, because I have heard no reference to the restrictions and limitations in his opening speech, and there is no reference to either in the amendment that is before us.

1840

Sir, I could say a lot more about this amendment, but I will finish speaking on it by saying that I am reminded of something former Deputy Peter Harwood said about one of my amendments that I laid in this Chamber in the previous Assembly. Former Deputy Harwood said, and he said it exactly the way I am going to say it now:

1845

'This amendment deserves to fail!'

(Interjections) Sir, I would not be as theatrical as that, *(Interjection and laughter)* but what I would say is that if ever an amendment needed to fail then it is this one and I urge my colleagues, I plead with my colleagues, to reject it resoundingly.

1850

Sir, I do not have a lot to say about the Deputies Roffey and Queripel except just by extending the number to 20 would result in far less sites being captured and far less affordable housing units being built. On that basis, I would also urge my colleagues to reject that amendment also.

Thank you, sir.

1855

The Deputy Bailiff: Deputy Graham.

Deputy Graham: On a slightly different note, sir.

I sense that we may be heading towards the end of the discussion with these three amendments – or I hope we may be. It seems by this stage to be fairly simple to me. We have been presented with, at the moment, four variants of one particular beast; that beast really is the device of using covenants to produce additional social or affordable housing.

1860

There could be in play ... and here the question so far, and an answer which came from Deputy Trot, is relevant. I do not know whether there would have been another option short of really seeing the end of the IDP entirely for those who do not believe in the use of a covenant at all. As I understand it, that is the only device by which we could reach that conclusion; and that being the case, we are really left with the four variants of the use of covenants. It seems to me that the simple thing to do now is ... given that, how do we make the best and most sensible use of that device?

Of course, we have been helped along the way by some lobbying. I do not object to the lobbying; they are perfectly entitled to do that, but I really do have to make the observation, I wonder whether I am the only one who came close to finding it almost counterproductive here.

Let's talk about brevity. Churchill used to commonly ask his chiefs of staff and his Cabinet Ministers to, 'Pray let me have, on one sheet of foolscap, your plans for the invasion of Italy, or North Africa,' and I think that is a wonderful example for everybody to follow, including those who lobby us. I also found some of it a little bit patronising. But there we are, perhaps that was just me.

Looking at the three amendments in place and also the IDP version as proposed by the Planning & Development Authority, it seems to me that Deputy Ferbrache made a very strong case for his amendment – dare I say, a very comprehensive case for his amendment. He made one point with which I agree, and I think this was a point he made: that none of us here really are looking to undermine the integrity of the Island Development Plan as a whole. Some may, but I am certainly not. But I do not think that should stand in the way of placing amendments where it is sensible to do so, and where some flaws may have been spotted. To that extent, I think the amendments were welcome.

I did actually just wonder whether Deputy Ferbrache's amendment went a little bit too far for everybody's taste, and in particular of course, it was inherently discriminatory as between development in one part of the Island, as opposed to development in other parts of the Island. I think that was probably one of its inherent weaknesses.

At the other end of the scale, the version proposed in the IDP, and also by Deputy Lester Queripel, really envisaged that the lowest entry of the scale ... it envisages one, sometimes two, pockets of units being produced here and there. I think that was the inherent weakness of that.

I think you can see where I am going. I think the best use of the four variants on offer to us today, and the most sensible really, is offered by the amendment proposed by Deputy Peter Roffey.

The Deputy Bailiff: Deputy Yerby.

Deputy Yerby: Sir, Deputy Ferbrache began by urging us to make the right decision, having carefully considered the arguments, and I fully agree with him on that. Therefore, I simply add a couple of items to the evidence he laid before us, which I would ask Members to consider before reaching their conclusion.

Deputy Ferbrache quoted two of the three points made in the letter we received from Mr Wilkinson, who he described as a man of integrity and experience in this area. I wondered whether it was still necessary to complete the set, given that Mr Wilkinson has now emailed us all urging us to support the IDP without amendment – that is with the threshold starting at developments of five houses. But as the first two points of his letter were worth quoting in this Assembly, his third point should perhaps be given the same dignity. In it, he says:

'The IDP would be better than the further extension of the current Urban and Rural Area Plans.'

He goes on to say:

'Yes, GP11 will hold back development, but taking the planners at their word, no project will be thwarted because of affordable housing provision. The IDP will open up other possibilities for development, and should relax some current constraints, thereby creating construction work.'

He did not seem especially fond of policy GP11 but he agrees, as the GHA agree, that it can be made to work, that it will not stifle the economy or leave construction workers on the dole.

That is the other piece of information that I would ask Members to consider. Deputy Ferbrache has asked us to think of ordinary Island workers in our vote, as a Member of the Committee for Employment & Social Security; it is my job to care about ordinary Island workers, so I take that challenge seriously. As members of the Committee, we receive detailed monthly unemployment figures. Now that I am I look at them in depth, I know that there is unemployment among people trained or experienced in construction and related sectors, as there is in every sector of our workforce. Looking at the figures now, last month it seemed that 31 people who are currently unemployed, last worked in a sector related to construction, including sectors such as planning and electricity, which Deputy Ferbrache referred to. Half of those people are aged under 30; only one in six is aged over 50. While that is still a concern, it is not, I submit, quite the same concern as was described to us, of lifelong workers being reluctantly laid off. Nor are its causes likely to be quite those described.

Sir, the combination of planning covenants on larger developments and *[Inaudible]* on smaller developments, which we will come to later, will help to ensure that landowners and developers, those who benefit most financially from our need as a community for housing, contribute fairly towards the development of housing for those who cannot access it at market rates. Those people who are shut out of the housing market include many of the ordinary workers, whose future is important to all of us. We know the industry will adjust to this policy, because we know they are already meeting to talk about the best ways to get around it, just as Deputy Kuttelwascher indicated. Well, that is hardly the most encouraging reason to support the policy. It is evidence that threats of the industry curling up or going away are just that – threats. There are far better arguments, social and financial, for supporting planning covenants, which Deputy Roffey set out so clearly in his opening speech. It works, it is inclusive, it shares the financial burden.

Members will recall that planning permission in Guernsey can increase the value of land by up to 4,000%, from less than £90,000 to more than £3½ million per hectare. Members will recall too that the calculations used to recommend the 20%-30% affordable housing threshold on each development were based on developers' margins, on finding a balance that recognises the developers' commercial nature and viability. Members will have different views about whether or not this is now, or was then, the correct threshold to set, but will recognise, I am sure, that the policy was motivated by the need to establish a reasonable and fair contribution from those who profit from development in order to meet the needs of those who never could.

Deputy Fallaize and Deputy Roffey made the point well, either the logic for planning covenants works or it does not. There is no difference between former Housing Target Areas and other areas of land where development may take place. To be absolutely clear, all but two of the Housing Target Areas are privately owned. Requiring those private owners, but not others, to be bound by planning covenants is manifestly unfair. On that basis alone the amendment made by Deputy Ferbrache and Deputy Oliver should be disregarded.

Grudgingly, I recognise the concern that one in five may be a step too far at this present time, and I accept Deputy Langlois' argument that in the Guernsey context 10 units is a reasonable boundary between small and large developments. As such, I intend to support the Queripel amendment, and I hope that other Members will do the same.

The Deputy Bailiff: Deputy Smithies.

Deputy Smithies: Thank you, sir.

We have had an admirable job made of providing an overarching view of the local construction industry. However, this has little to do with affordable housing. This is, to me, the pressing issue. These amendments do nothing to improve the provision of such units, and quite the opposite.

1960 Further, the Guernsey Housing Association related suggestion that administration or planning
are rendered nigh impossible does not stack up geographically, or perhaps more properly,
topographically. UK housing associations operate over hundreds of square miles of ground with
proportionately greater numbers of properties on their books. We have only 25 miles, so I cannot
1965 accept this claim of difficulties caused by our environment. Neither can I accept other
comparisons with the UK as regards property prices. London excepted, as that is almost a world
unto itself.

Further, I believe that analogies drawn between capital gains tax and GP11 are false. The
provisions under GP11 are more akin to a windfall levy, in that, once permission for development
is granted then land values will soar.

1970 I will not support these amendments, as indeed, another amendment will have a much more
beneficial effect to be heard later.

In closing, I do have a question for Deputy Ferbrache, through the Chair, sir: would Deputy
Ferbrache please clarify what he means in amendment 9 by the phrase: 'Housing Target Areas (in
full or in part)'? Particularly in respect of the Belgrave Vinery site.

1975

The Deputy Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, for someone who has taken a considerable interest in the need for
affordable housing over the last few years, I am really pleased to see the amendments today. The
1980 fact they seek to change how planning covenants are used from that proposed in the IDP is
entirely the reason why it was the right decision of the last States to prevent rescinding of the
Resolution of December 2007, which restricted the use of planning covenants to limited
circumstances. During that debate I said that the SLUP was five years old and based on a 10-year
old report whose substance has since been discredited by experiences elsewhere. So how could
1985 we assume that the draft IDP would remain unchanged or unchallenged in respect of planning
covenants? We absolutely need to support one of these amendments, for a number of reasons. In
2007 the States debated a policy letter on planning covenants, and in that letter it stated that, and
I quote:

'It is important that any such system is introduced with caution, in order to avoid any unintended consequences and
the pitfalls experienced elsewhere, and to ensure it is tailored to local circumstances.'

It went on to say:

'The wide application of planning covenants will place a heavy demand on staff resources to establish associated
policy documents, guidance notes, and appeal procedures, and thereafter to operate and update complex systems of
quotas and appraisals and to deal with appeals.'

1990 It was because of these concerns that the then States decided that planning covenants should
be restricted to Housing Target Areas. Deputy Roffey did say that time has moved on since then,
but not with respect to planning covenants. The draft IDP, setting out the need for planning
covenants on sites of five houses and above, was developed prior to the debate in September last
year, where it was agreed to throw out the Housing Department's proposed strategic housing
1995 target and sub-division between private and affordable housing. The fact we still have an overall
default target of 300 is irrelevant and coincidental. As a result of that debate and the following
debate on first time buyer schemes, it was agreed that there would be an objective housing needs
survey and a broad based review of the Local Housing Market, which would also inform the
benefits or otherwise of planning covenants. So things have moved on but the IDP has not.

2000 Remember the SLUP states:

'Appropriate levels of provision of social and or specialised housing on large general market sites may be required
through the use of planning condition or covenant or an established specified mechanism.'

It does not say five is the appropriate level, and there is absolutely nothing to justify this being the correct figure. The SLUP also states that:

'Rather than setting prescriptive target levels for social and or specialised housing, it will instead be for the Housing Department in conjunction with the Environment Department to determine and inform the development plan through the analysis of existing relevant data sources.

I do not see much analysis that five is the magic number.

2005 So we must amend the current proposal, but which amendment should we support? Well, I think, though better than the IDP, bottom of the pile for me is Deputy Lester Queripel's attempt to come up with a compromise. It is laudable what he is trying to do, but really it is not enough. I am attracted to amendment 2, and I am actually surprised that the DPA are happy with it, because if they are expected to take into account the strategic housing target, how can they be sure that the affordable housing element will be met. I mean, I am not bothered – I am not – but they say throughout the document how they consider all States' strategies and documents, and that is one. 2010 So I like it, although I do not think a transition period is really necessary when having such a high threshold, although I can live with it.

2015 So on to amendment 5. Basically it retains the original idea of planning covenants in Housing Target Areas. Now, of course, these disappear, certainly in name, once we agree – if indeed we do – the plan; although the name may not exist, the places do, of course. To believe that this will cause deferral is nonsense. What I like about this amendment is that it gives certainty now, where affordable homes will be built. For that reason, this amendment is probably the one I favour above them all, but I will, frankly, support any of them as better than what is in the IDP now.

2020 **The Deputy Bailiff:** Deputy Dorey, to be followed by Deputy Brehaut.

Deputy Dorey: Thank you, sir.

2025 I will be opposed to all three of the amendments. Bringing such a policy as GP11 is always going to be controversial, as it reduces the potential value of land, and nobody who owns that land who is involved with that land wants that to happen. But that States has a responsibility to ensure that there is sufficient housing, which is affordable. A table of affordable housing shows that the affordability ratios for houses show that Guernsey is very expensive and highlights the importance of the responsibility of this Assembly to provide affordable housing for the people of Guernsey.

2030 Unless the land is provided for by this policy, or some of the land is provided by the policy, the States would have to purchase the land at a cost to the taxpayer. The Housing Association has already built on land it has purchased, and they will soon be starting another development on land that they have purchased. I think we can make better use of our money by having this policy and involving less of our money, or our grant to the Housing Association, to be used to purchase 2035 land.

The States, by making a decision to allow housing on a site, makes a dramatic difference to the value of the land. So this policy will make a difference to the value of the land, but it is important that the taxpayer benefits.

2040 The planning inspector identified, and Deputy Tindall referred to it, that if the States makes the decision that a piece of land can be used for housing development, and it is quoted in the planning inspectors' report, the value will increase from possibly £70,000 to £90,000 per hectare up to £3.6 million per hectare. That is a massive increase in value, that this Assembly can decide upon for a piece of land. It is only right, I believe, that as an Assembly, as a Government, we benefit from part of that decision to increase the value of that land, by reducing the increase in 2045 land, and having some benefit from it for affordable housing, and not the affordable housing funded by the taxpayer.

This debate is not about developers or the construction industry, it is about land values and should the taxpayer benefit from the decision of the Assembly to increase the land values, as I have just mentioned.

2050 It is not even about planning covenants, because all three amendments are saying they want planning covenants. It is just about: should planning covenants apply to smaller sites. I simply ask the question, why not? Why should some benefit from that increase in value and others not? Why should people who own large bits of land not benefit from that full increase in value, while people who own smaller sites should benefit? Any piece of land will be subject to a viability test, and if it is a brown field site with extensive clearing up they will be able to make the case, and perhaps there would be affordable housing on that site. But if it can be financed from the value of that site, they should contribute to providing some affordable housing. Now my amendment which will be discussed later will enable all sites to possibly contribute.

2060 But I would like to just go through some of the history of why we have got here today. If I go back to the ERM report which was debated, it spoke about – and I am quoting from the report, this was a 2006 report:

‘We therefore propose a minimum threshold of just two dwelling, the level of contribution be stepped up to full contribution for five or more dwellings.’

So they are actually proposing going down to two making a contribution. Well, it said:

‘On sites below five dwellings we should advise against seeking direct provision by developer and instead a financial contribution.’

2065 So they identified that all sites going down to two should make a contribution. There was a report done end of 2012, the use of planning covenants and delivery of affordable housing in Guernsey. I quote, again, it said:

‘The ERM study which is the 2006 concluded by highlighting the use of planning covenants provide affordable housing in Guernsey context may prove controversial when first proposed.’

2070 Weren’t they right? Yes, it does prove controversial – with some landowners, developers threatening to withhold development sites in the market, exactly as what they predicted. However, ERM considered the approach justified and in due course land values for development sites would be reduced to levels that can support the policy. So you just need to be strong and let it happen, because land values will adjust and once they have adjusted, we will get on and develop. But, yes, it is going to be controversial, but it is the right decision; just because it is controversial does not mean it is not the right decision.

2075 They go on to mention about a number of places, and they quote in their report Chiltern District, which has five to seven dwellings, needs to provide –
I give way.

Deputy Trott: Thank you, I am grateful to my friend for so doing.

2080 Could I ask him how there will be any improvement in the short to medium term with regard to the provision of affordable housing as a consequence of what he has said.

Deputy Dorey: Because the sites will be provided. Because the increase in the value of land which is used for development is massive and, just as they said, people will want that increase in value. They will not get the full increase from, as I have said, £70,000 to £3.6 million. It will be less, but they will still get the increase. I believe people will allow developments to go ahead on their sites and sell them.

2085 As I was saying, they quote a number of places in the UK which operate policies of affordable housing. Chiltern District goes from five to seven dwellings, needs to produce at least one affordable. Elmbridge Borough Council says on sites of less than five units financial contribution is

2090 required, but above five they have to make some land contribution. South Bucks Council says requirement that at least 40% of all dwellings in schemes of five units or above. So they have got an even bigger contribution. It is two-in-five not one-in-five. Waverley Borough Council talks about 20% contribution on five dwellings; 30% on 10; 40% on 15 or more.

So what I am trying to say to you is what we are proposing is not unusual. There are a whole lot of cases that they have listed here in this Report where other places are following this policy.

2095 Deputy Trott spoke about developer profit in his speech, and they cover that in this Report. It said that developer profit:

'... as ERM noted in the 2006 study the normal profit element expected by house builders in Guernsey exceeded UK by some margin. The modelling undertaken at the time reflected this. Variants using figures of 20% to 25%. However, while it could be argued that development risks are low on the Island such profit margins may not be sustainable in the medium to long term if the housing requirements outlined in the recent Housing Needs Study are fully addressed. By comparison Waverley Borough Council in the UK modelled their residential land values in 2009 on developer profits of 15% to 20%.'

So it is saying that we had higher profit margins than in the UK for developers, but the modelling which has been done has been based on 20%, which I think is generous.

2100 There is another report done in 2015, the independent review of proposed affordable housing policy for Guernsey Island Development Plan, and it goes on to say:

'That the evidence base to underpin the instruction of affordable housing policy for Guernsey appears to be sound and robust. So these are professionals which have looked at the policy.'

It goes on to say:

'On the evidence presented and considered in the 2012 report setting the threshold at five dwellings appears to be reasonable, well grounded in evidence related to the actual scale of developments in Guernsey and their viability of development of differing scales, and practical, and it should produce a reasonable yield of affordable homes without incurring costly administrative burdens.'

People have also spoken about pepper potting where you have odd affordable housing on sites. It covers that. Again, it says:

'The national planning policy framework continues to promote mixed and balanced communities in which affordable housing needs would normally be met on site. Many Councils seek to have affordable homes pepper potted across a site, although traditionally house builders have been reluctant to support such a high level of pepper potting, which has resulted in affordable housing being concentrated in specific areas of site often hidden away on its less desirable parts.'

It goes on to say:

'A balanced assessment was therefore made between management policies and the overall level of pepper potting and the objective of social inclusion.'

2105 I would say, actually, it is beneficial to have some social housing mixed up. That is what we should be doing. We should have social inclusion. We do not want areas of social housing and areas of non-social housing. The best way for communities to live is mixed. We support each other within our communities. I believe that actually going down to five ... and the Housing Association has supported it up to very recently, and I believe that they can do with intermediate
2110 housing, especially partial ownership, and have houses mixed up with other types of housing. That is the best thing for Guernsey for building our communities.

Finally, I quote from the planning inspectors' report. They say:

'As for the argument that introducing the policy would devastate the house building industry in Guernsey no convincing evidence has been produced to justify this view. It is perhaps not surprising that developers will prefer to not have to comply in affordable housing policy at all, but need of such a policy has been clearly established by the Environment Department.'

2115 So, yes, it is going to be controversial, but we must be strong enough to stick with what is right, and I believe having planning covenants down to the five, so it is fair for all sites, is the right policy forward, and that is outlined by what the planning inspector says. He goes on to say that:

'The affordable housing policy is based on the notion that landowners in Guernsey will accept, albeit, reluctantly a lower price for their land in instances where development is provided to provide an element of affordable housing'

Exactly what is going to happen; the land will be cheaper in terms of a developer buying from a landowner, but that is good, because we as the taxpayer should benefit from it. It goes on to explain:

'However, long experience in the UK demonstrates that where there is a reasonably large difference between existing land value, existing use value, which is the £70K to £90K and development land value most developers are able to negotiate successfully with landowners, taking into account the cost of providing affordable housing.'

2120 People just have to learn there is a difference. They are not going to benefit from the full value. It goes on to say:

'the consequence is that market for development land adjusts to accommodate the consequences of affordable housing policy.'

2125 So I would urge Members to be strong. There is plenty of evidence to show that it will work for five. I think it will produce a better mixture of houses in Guernsey and allow social inclusion. I cannot see any reason why you should draw a line at, not at five, and hopefully if, as other places do, below five they have to make, or if it is not viable they have to make a financial contribution. Then it is fair for everybody. All sites will provide either cash or a site for affordable housing. That is the right way forward. When the States is so strapped for money I believe we should be benefitting from the decisions that we make to increase the value of land through granting housing development on the land.

2130 So I would urge people to reject these three amendments and support the policy, which is evidence based and has been through a planning inquiry.

Thank you.

The Deputy Bailiff: Deputy Brehaut.

2135 **Deputy Brehaut:** Thank you very much, Mr Deputy Bailiff.

I am going to place an amendment to ensure I get 30% of my desk back. I have been completely swamped! *(Laughter)*

2140 First of all, with regard to Deputy Langlois' speech, I thank him again for getting us back on track to remind us that this is not all about viability, in the context that viability is being presented in. It is about land value and it is about windfall. It is about the windfall profits to the landowner rather than any profit to the developer, and Deputy Dorey has just raised that too.

2145 Deputy Kuttelwascher, in his speech, which I found a little bit disappointing, sir, because we do have extensive consultation exercise – my speech majored on the consultation exercise and the idea that we had 1,800 people to participate and we did not listen – fundamentally misses the point, Mr Deputy Bailiff. The Plan looks like the Plan looks because 1,800 people made representations. It looks that way because we went out to people and the people have shaped it, rather than it is an imposition of another States' project, piece of work, that the public have not endorsed, and again I make the point that the amendments actually have been few and far between.

2150 Now, we have made a number of mistakes in the past, particularly with regard to social housing. I was on the Housing Department for some years; we decided that a number of properties were incompatible, they were no longer a typical States' house, they were in remote areas, and proportionately maintenance costs were higher etc. We decided to dispose of some of those incompatible properties which in my view, on reflection – because I took part in that

2155 decision and voted in favour, like my colleagues at the time – but actually people who require social housing might deserve to live in a quiet country lane rather than live in some of these larger conglomerates of houses that some of these amendments are alluding to.

At one time, States' Housing Authority Department had 2,200 properties; I think today they have 1,600. I know the GHA have moved in and built a number of properties, but what we did not
2160 do and we should have done, without digressing too much, is built States' houses in parallel to doing the GHA stuff. It is an opportunity lost.

Now, can I commend Deputy Ferbrache on a wonderfully, brilliantly drafted speech. I thoroughly enjoyed it, it was extremely well delivered, but then I suppose we are going to come to expect that. It does something absolutely quite wonderful, because if you are in the President's
2165 position what can you do. You do not want to appear to be giving too much to the lobbyist, you do not want to appear to be representing the industry, you do not want to talk, particularly, too much about the viability of the industry. So what did he have to do? From my point of view, I want social housing to ensure that people get on to the property ladder, the people's staircase, that people own their own homes eventually. For the people, the 450 people, that have been waiting
2170 for houses for four years, I want them to own their own home or have a property, a social housing unit. In doing that, Deputy Ferbrache tells me that in supplying that property, you might actually be putting them out of a job. I think it was a wonderful little twist in the speech to talk about trying to provide homes for workers in some way you actually risk the viability of companies and putting some of these people out of work.

Now the viability argument. If Members are persuaded on the viability argument, then that viability argument is on both ends here, because developers will cry foul to say that we are in a recession, profits are marginal. We know it is difficult for them, but let's look at the other end of the housing food chain just for a moment, let's look at the other end. Builders, I am sure, Island-wide at the moment will be looking to build properties; they might be five-bedroom houses, four-
2180 bedroom houses, spacious properties. Now, they too will still argue, a number of them, that the margins there are low, and this Assembly has been asked before, and I know it will be asked again, to look at re-inscriptions to delete Local Market property and add Open Market properties, even at the top end, where you would have thought that selling a five-bedroom house on Guernsey was not too difficult, but no, they will look to re-inscribe to maximise the value. So viability is at
2185 both ends when we discuss this.

Now, what the Ferbrache amendment speaks to is a fundamental misunderstanding within the plan. At one time on Guernsey – presumably, I am assuming, I do not know, my mother's time – you could have walked between the Forest, St Martin's and St Andrew's and had some open space in between. If you try and do that now because of ribbon development, it is homogenous. One
2190 parish bleeds into the next, incidentally; you are unaware of it. So what this Plan tried to do is to create centres outside centres, rural areas and open spaces. That is what this Plan is trying to do: to give the real space, or actually the illusion of space in some cases. So why then would we, with an area like Ivy Castle or Chateau de Marais, which is a former Housing Target Area, why would we want to encroach on that again? Why would we want to lose that open space, bearing in mid the
2195 overall thrust of the document that we are considering?

As President of the Environment Department, why would we want to build that volume of properties in an open space that is actually just identified as being worthy of reclaiming?

So, sir, I have spoken on the ... I did write a note to the Deputy Bailiff, sir, to remind people that Deputy Gollop will be summing up. A couple of people in their speeches have alluded to me,
2200 huge sigh of relief, but Deputy Gollop will actually be summing up in this debate. I will be voting the same way that my colleague and good friend, Deputy Dorey, intends to vote, sir, and I would encourage others to do so.

Thank you.

2205 **The Deputy Bailiff:** Deputy le Clerc.

Deputy Le Clerc: Thank you, sir.

Sir, as President of the Committee for Employment & Social Security, and responsibility for the provision of social housing and the States relationships with housing associations, it will not surprise anyone to hear that the Committee welcomes any Government scheme, policy or initiative that helps to increase the supply of such housing, or reduces the cost of provision. The affordable housing policy will do both. It will lead to the creation of much-needed social rented and partial ownership housing, and it will save the States money.

I think it is worthwhile remembering what the definition of affordable housing is. That is social housing and intermediate housing; and intermediate housing does include extra care housing, partial ownership housing, or other similar schemes, mainly for households that do not qualify for social housing, but cannot meet the full cost of renting or buying appropriate housing on the private market without some form of subsidy.

I acknowledge that when the Housing Department asked the States in 2015 to endorse the Strategic Housing Target, questions were raised as to the credibility of the survey upon which the target was based, and I seconded the Deputy Soulsby amendment calling, among other things, for a fresh survey. Even though the new survey has yet to be carried out, I can still state with confidence that the Island has a real and urgent need for affordable housing.

At the end of last quarter there are 450 households on the waiting list for social rented and partial ownership housing. So whether or not Members have signed up to the Strategic Housing Target, and whether or not Members accept the results of the last Housing Needs Survey, it is a fact that we know of 450 households who qualify for the type of accommodation that the affordable housing policy will help provide.

If the States agree the affordable housing policy without amendments, and if every privately owned site was developed within the next five years, and if, however unlikely, no one else joined the waiting list, the policy would still not create enough new affordable housing to satisfy existing demand.

The Committee will continue, with the Guernsey Housing Association, to buy and develop whole sites to maintain the supply of social and affordable housing. However, the affordable housing created through the application of this policy will complement this Plan.

The States helps meet the costs of the new GHA developments, by way of capital grants paid from the Corporate Housing Programme Fund. If the Island's affordable requirements are met, even in part, as a result of the policy being debated today, then the burden on the Corporate Housing Programme is reduced.

So, to reiterate, there is evidence of demand for affordable housing. This policy will make a valuable contribution towards meeting that demand. Even if it cannot be met in full and the cost to the States, and therefore the taxpayer, of providing affordable housing will reduce. It is for this reason that I am fully supportive of a policy that requires a private housing development to make a contribution towards affordable housing, but I am not supportive of the Deputy Ferbrache amendment or the proposed IDP unamended. I favour the Deputy Roffey or Deputy Queripel amendment.

Thank you.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

I will be quite brief. I just thought it might be instrumental to highlight some figures that I do not think anyone has yet alluded to.

I think Deputy Oliver in her maiden speech – well done – did talk about the different categories that we have got. I have got some figures in front of me, just to give people a clearer idea of the implications of the amendments before us – based on an average of the last five years in terms of numbers of units: 39% of development falls into the one to four category; a further 20% falls into the five to nine category. Then 18 altogether takes us up to the next banding of 20, so I am not

sure if I am being very clear, but to put it in terms of the amendments, the IDP unamended version would mean that 40% of developments would not have been affected. The Lester Queripel amendment would mean that 59% would not be affected. This is where my maths gets a bit dodgy, I should have worked this out beforehand. But 59 and 18 – *(Laughter)* someone else can fill that in, that much would be there in the Roffey amendment. *(Interjection)* Sorry? **(A Member: Seventy seven.)** Thank you, 77%. So basically if we vote for the Roffey amendment 77%, based on averages over the last five years, of developments would not be affected by this new mechanism, by the covenants.

Speaking of the covenants, I am really encouraged, actually, that there seems to be a general feeling within this Assembly, and actually within the industry, that they are a good thing, that it is absolutely right to seek a contribution towards social housing, or affordable housing, from those that benefit from the uplift in value that planning permission confers. So I am really encouraged by that.

I would also like to briefly endorse comments that my colleague, Deputy Roffey, made about inclusion. I have to say, I am not in favour of Deputy Ferbrache's amendment, because of the discriminatory aspect of the zoning, but also because of this aspect of inclusion, I am just very wary. People talk about pepper potting as a bad thing. I agree with Deputy Dorey, I think it is a very good thing, it is a very healthy thing, and I just worry that if we do not embrace pepper potting, where that road takes us, I worry that we will find ourselves on a road where we are polarised between ghettos and gated communities. Now that is taking it to the extreme, but I think it is a point worth making. I embrace the inclusive concept of pepper potting and I would like to endorse as much as possible.

Thank you.

The Deputy Bailiff: As there is nobody else is rising to speak on these three amendments, we go into the wind up session in respect of each of them. I have decided that it is going to be amendment 5, which is the Ferbrache/Oliver one that is going to be voted on first.

So the President of the Authority, Deputy Gollop, to reply to the debate on amendment 5.

Deputy Gollop: It could be a bit jumbled, because the debates have been all over the place, citing all kinds of numbers and things.

I was particularly impressed by Deputy Dorey's speech, and he quoted numerous examples across the Shires of England where the policy has worked on the general covenants of five. To cite some examples, and therefore in opposition to the Deputy Ferbrache amendment, one would look at North Somerset. North Somerset is near Bath and Bristol, and has a policy in place based on the UK Section 106, and it is interesting that they have a system, different type of place – probably about double our population, maybe slightly more – but it is interesting, the worked example they present would be eight units made up of five times two-bedroom houses, and three times three-bedroom houses.

For examples under 10, one to nine properties they actually expect a 30% contribution, a 30% affordable housing benchmark, which would be equivalent certainly to two, if not three, properties, and they allow the developer to do an equivalence. For sites of 10 or more, the affordable housing provision should be provided on the application site. The point I am making is this is another example of an area which not only has the practice in place, but a rather more extreme regime than what the DPA are putting forward in the Island Development Plan.

Moving on to specific points that have been raised in the debate, of course, we will see amendment 8 at a later point; we cannot discuss that now, but it is pertinent in as much that there will be opportunity for States' Members to consider financial payments in lieu, and that is an idea that has been suggested by some developers already.

I think we should bear in mind that this policy that the DPA is putting forward is actually more flexible than any of its critics have suggested, because there is provision already for alternative sites to be used on occasions where the sites provided are not necessarily easy to fit in a variety of

housing. Certainly the cash alternative is not available yet, but could be an option that we could place into law at a future point.

We changed the nomen... – oh that is hard to say – the words that we used to describe these areas (*Laughter*) and we have gone from Housing Target Areas to housing allocations – areas of housing allocation. Now, that is not just a nice point; Deputy Ferbrache, Deputy Fallaize and Deputy Roffey all jested that it should not take us more than a nano second to amend. In practice, it is more complicated than that, because these areas include definitions, boundaries and points that need to be clarified. You, clearly, cannot have a new document with references to an old, and possibly extinct, document, especially when some elements of the geographical boundaries have changed. Particularly with reference to Belgrave Vinery, as has already been mentioned by Deputy Brehaut earlier.

Deputy Yerby mentioned the name of Mr Wilkinson, a much respected developer on the Island. He has indeed sent us a letter with some various ideas, which of course include the conversion of development sites into cash. We are not suggesting that at this stage; that may be the subject of a future debate, because we have not got the legislation for that and nor was it part of Deputy Ferbrache's amendment. My point is, if the States rejects the Ferbrache amendment – that we hope that it will – other options can, and will be, looked at in the fullness of time.

From a legal point of view, regarding the Ferbrache amendment, if the sites were limited to the former or current Housing Target Area boundaries, this – as many Members have already pointed out – has a degree of fairness issues, and in reality a certain regionalism as well, because anybody looking at the map across in the Jurat's Room would see that the housing allocations are, generally speaking, in parts of St Peter Port, parts of St Sampson's and parts of the Vale. This scheme, of course, would apply Island-wide. Also the Housing Target Areas specifically would exclude some bits of housing allocations in the Plan.

We have had a lot of discussion about whether this is a tax on developers or not. That is a point Deputy Oliver made. A taxation on land, or speculation or capital gains or development in the future or windfall tax, certainly would be a tax on developers, but the methodology behind this was more of a charge on the rate of increase in the value of the land. Now, I do appreciate from a common sense point of view that for historical reasons developers and landowners are often the same people; and also it has been pointed out to me by a developer that some of the key Housing Target Areas have, in fact, been owned by the development sector rather than your rustic landowner for some considerable time. So they are effectively an asset of developers rather than a virgin asset. But we have to start from somewhere.

The transition will be difficult; we have already made concessions to the industry in suggesting a transitional period. Deputy Ferbrache's amendment actually does not, and that is an interesting point. I could almost support that part of his amendment, but not the rest of it. I would also point out there that at least it acknowledges that we should develop over time housing covenants, but confuses it with past areas.

I think the point has been made by many Members – Deputy Yerby, Deputy Langlois, Deputy Brehaut and others – that part of the purpose of this is not just a way of reducing States' expenditure on property sites, although that point has been very clearly made by some Members already, particularly, Deputy Tindall, about the millions that we would have to find to provide the same amount of housing from a publicly funded source. But there are other purposes too, such as social and egalitarian and inclusivity. It works elsewhere. It used to work in Guernsey. You can certainly find in the country parishes many a manor house or large farm house with smaller cottages around. Maybe we are becoming more of an American [*Inaudible*] society.

I know, off the record, some people in the development sector, without naming names of course, have suggested that one of their concerns about this policy is it could reduce the value of some exclusive apartments or penthouses, or whatever. They do not necessarily want somebody from social housing, or somebody like myself maybe, living next door to them. But that is not really an indictment on our community but of course it misses the point, that you do get properties that are rented out to people all around the Island and you see changes in style and

approach and you cannot show discrimination, but more to the point the pepper potting arguments whereby the viability of small sites has been called into question, would of course not work out that way, because we could of course have a wider variety of housing association and the majority of the smaller sites would be more suitable, I would say, for partial ownership, intermediate housing. So it is misleading to have some social stereotype in your mind of the kind of estates that, hopefully, we are now reforming or demolishing.

Deputy Ferbrache mentioned – and this is a crucial point – the decline, in a way, from 840 approximate conveyances of property in 2010 to 537 transactions in 2015. Yet, looking at my Green Book, one can see that the waiting lists for properties have fluctuated a little bit, but they have remained more or less along the lines Deputy Le Clerc has mentioned of 450, 500, 550 on the waiting list. So what are we seeing is a decline in sales, but no decline in social need?

The fact that we have seen, as Deputy Mooney and others know, a decline in the size of the construction industry, and perhaps a more worrying climate, and a decline in the scale of the property selling sector, and yet we have not seen a decline in social need, reflects that something has gone wrong with our model. I think that is an argument to go for the Island Development Plan policies, because the classic Guernsey model of a rising market in which there is always a thirst, and a rapidly escalating price for sites, and for properties, especially those of a quality nature, has not quite worked out in the last five or six years, compared to the previous 40 or 50 years. We definitely need to reconsider our approach to housing and the way we value it as an asset.

Deputy Trott asked a key concern about whether our policy is flexible from an affordable housing point of view; who would make the decision? Well, the decision would be made initially by officers, but if, of course, the developer, the applicant, was not satisfied with that decision, the viability would be assessed, where there is a disagreement, by an independent viability assessor. Hopefully, this viability assessor would have a strong awareness of the local commercial and economic realities, and would be well versed in Guernsey traditions as well as experience and professional training from elsewhere. As I have already said, there is flexibility within the policy for different sites.

We could see a loss of at least 89 units, maybe as high as 107 – 117 even – and we will factor developers' profit into the viability test. Landowners may receive less over time, but they will, in any case, receive a huge uplift in land value when planning permission is given.

As I have already pointed out, the land at Belgrave was removed in accordance with the SLUP social strategy. Specifically on the Belgrave site, of the whole Housing Target Area site, it would extend outside of the centre and there would be issues of fairness, which could require going back to the inquiry. Indeed, as the areas of housing allocation in the DPA are clearly different from the Housing Target Area sites, effectively, this would mean that some developers/ landowners would have the burden of working within the Ferbrache/Oliver amendment constraints, and others would not. Could they apply the judicial review? Could they say that it was unfair? Would we be required, over time, to come back to the States and apply it to other areas? Hopefully, there would not be any arguments over boundaries and divisions and definitions, although that could be a complicated case if they made the argument that a States' Resolution was based on a previous plan. The reality is that the Ferbrache amendment, particularly, does cut a swathe through what we are trying to do, because it is restrictive, it is specific and it would reduce very much the learning opportunities and the provision of social housing, on as many sites as we can achieve.

So I urge States' Members to reject the first of the amendments.

The Deputy Bailiff: I turn to the proposer of the amendment, Deputy Ferbrache, to reply on the debate on this amendment.

Deputy Ferbrache: Sir, I am very grateful to everybody that has spoken in the course of this debate, it has been, in my view, a high quality debate and whatever view people may take, whether pro or anti any particular amendment, they have expressed their position well.

Really, I start, I think, with Deputy de Sausmarez, because she said – and I echo what she said – that just about every speaker – and I fall within that overwhelming majority – wants affordable housing, wants the idea of some kind of covenant to make sure that housing is built. That is what my amendment seeks. It seeks a practical solution, because theories are wonderful, but practicality is essential, and what we need is something that is essential.

I can probably deal with Deputy Smithies' and Deputy Lester Queripel's points in a few sentences. I would just say with mild amusement when I was hearing Deputy Lester Queripel speak, it reminded me of advice given to me when I came back from a magistrate's court as a very junior barrister, and I did not know that my pupil master had been sitting in court listening to me address the court, and he said, 'Calm down, you do not need to use lots of adjectives, you do not need to raise your voice, you do not need to be pejorative, and calm down'. Perhaps I could use that phrase to Deputy Lester Queripel, in connection with his comments.

But the point I make in relation to this – because hopefully I learnt a lesson all those years ago, but the point is in relation to this – is that he says: why have reference to Housing Target Areas that no longer exist? Well, that is true, but the land which they bounded does exist, the land has not disappeared, it is still there. The land will give, if built upon – and I gave you the figures that one of the officers from our department got from Planning Services, so these are authoritative figures, they are figures provided by a Government body, by a Government officer, who was familiar with dealing with this matter, and he was asked to give accurate information ... They will show between 700 and 1,300 units of accommodation. So let's take the middle figure, 1,000 units. They are all, if one looks at the sites, they are all above 30 units, so they will all be subject to 30%. So, if we take 1,000 units and we take 30% of that, even my very basic arithmetic shows we will have 300 units of affordable housing as a minimum. That is a significant contribution.

I will sit down because I see Deputy Fallaize is standing up, we cannot both stand up at the same time.

Deputy Fallaize: I thank Deputy Ferbrache for giving way.

Do these figures assume that the full x, as it would be, Housing Target Area is available for development. Or do they assume that the portion of the former Housing Target Area, which will no longer be permitted for development is taken out of the equation first? Because I think there is some confusion here about whether the whole Housing Target Area would – this policy, if GP11 is amended in this way – apply to the whole Housing Target Area or not. As I understand it, it would not, because he is not proposing retaining Housing Target Areas, he is saying that that portion of them which remain available for development, would have this policy applied, but not over the whole of the current Housing Target Area. Could he just confirm those figures include that?

Deputy Ferbrache: I understand what Deputy Fallaize is saying. I can only say I can only rely on the figures that have been given to me and the brief that was given would be, assuming the amendment is passed and taking into account areas that have been excluded, if I can use that, what would it give us? I am giving that on the basis of information provided to me in good faith. So, assuming I am right, it is 300 broadly. Assuming I am wrong and it does not include all of that area or all of those areas – and this deals with Deputy Smithies' point about all or part of the Housing Target Areas etc. – it would still be a significant number. It would then be less than 300 – I fully accept the point that Deputy Fallaize has made. So that is the best answer I can give in the circumstances that I have before me.

Now, in relation to all the statistics I have quoted, whether conveyancing figures, whether people losing their jobs in the construction industry, they are States-provided figures, they come from a States' body, so therefore I am entitled to assume they are accurate.

I note Deputy Yerby's, as always, helpful comment, but I would just say this to her: that I fully accept the figures that she gave me, because I know she would only give us accurate figures, but I am giving you accurate figures from this little book called Guernsey Facts and Figures page 38.

As at the end of March of this year – so that is only, what, six months ago – the construction industry, as I said, employed 3,505 people. As at the end of March 2014 – that is two and a half years ago – it employed 4,043 people. Now, in my arithmetic that is 538 people that are no longer working in the construction industry in two years. Now, whether they found jobs elsewhere, whatever they are doing, the construction industry has shrunk as an employer by over 500 people. Those are not my figures, they are not figures I have given on the hoof. When I come to figures given on the hoof, there is another piece of amusement I have just got – because part of any debate should have a little touch of humour: when Deputy Roffey with his considerable rhetoric was drawing an analogy between the Natural Beauties Committee and the Housing Target Areas, I noticed, and may refer to it in a speech I will make later on another amendment, that the Natural Beauties Committee – because the IDC did not actually start operating until 1967 – in August 1966 gave planning permission on the basis that it was a condition that somebody had to put asbestos tiles on a roof. So the world has moved on in the last 50 years. But to draw an analogy between Natural Beauties Commission is a bit impish, if I may respectfully say so, on behalf of Deputy Roffey, but he was seeking to make a point. The fact, as I say, is the practicality.

Deputy Tindall, I think, I may have misunderstood and, if I do, I sincerely apologise to Deputy Gollop; in his closing remarks he may have still floated this illusion on the wind that if the Ferbrache amendment is passed there will be some kind of delay. Well, no there will not, because we heard this morning that the delay would be, not a nano second, but an accumulation of nano seconds amounting to 24 or 48 hours. That is all it would be. It does not impinge upon the SLUP, we have had advice from the learned Procureur just before the lunch break that none of the amendments contravene the SLUP on this particular topic, and there would be no need on this matter, if this amendment was passed, for a planning inquiry.

Now, the idea of a considered debate is that one thing you are not allowed to do in civil litigation nowadays is to have trial by ambush. You have got to give information to the other side so they can test it, and they can see if it is accurate or not. Deputy Gollop has not done that. Deputy Tindall, in her speech – and these are figures I heard for the first time – I do not hear when, if they speak, Deputy Roffey and Deputy Lester Queripel in connection with the figures that were mentioned by Deputy Oliver. If you passed the Ferbrache amendment, she said, there will be a cost of £10,062,000, if I remember correctly, to the taxpayer; for Roffey it is a mere £4½ million; for Queripel it is something over £2 million. I do not know where those figures come from. I do not accept for a moment they are accurate. We have not been given them at any time. I have not been given them. That is all I can say; I cannot speak for Deputy Roffey.

Deputy Gollop: Can I just make a point of clarification sir?

The Deputy Bailiff: Point of correction.

Deputy Gollop: It is a point of correction.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: They do come from a legitimate source, from a very senior civil servant who does not work for the DPA or Environment & Infrastructure. I do not wish to name that civil servant, but we could, if you wished. It is somebody who has a great knowledge of housing issues.

Deputy Ferbrache: The point I am making is that I was not attacking the integrity of whoever that person is at all; I am just saying, as somebody who is used to debate on information, that you are given that information, from however reputable that source may be, so that you can test it.

2515 Because I have dealt in 40 years with lots of people who are just, I am sure, of equal integrity to the person that advocate, Mr Gollop – Deputy Gollop, sir, I beg your pardon, Deputy Gollop – has named – he had three titles there in about two seconds, (*Laughter*) but Deputy Gollop has named – who says, when tested – *properly* tested, without any disrespect to their integrity – their conclusions are found to be fallible.

2520 So that is all I am saying, and I am saying it to be nice. I can only speak for myself, not for Deputy Roffey, not for Deputy Lester Queripel, if that information was given to us earlier. All I am saying, without questioning the integrity of that person is without knowing more I am not prepared to accept it. These sites, if developed, would incur costs in any event. That would happen at any site; any site is going to have costs involved and any site is going to have a degree of subsidy.

2525 Now we have had Deputy Roffey saying, he went off to this meeting – it must have been a few years ago now, I imagine in his previous incarnation as a States' Member – to England with Deputy Gollop, and Deputy Gollop got lost at lunchtime and they found him, and thankfully he is back here safely now. But in relation to that, what we found is that was years ago, and there is no doubt – I fully, unreservedly and completely, accept – that in England there was a period of time when in certain instances planning covenants worked fully.

I quoted, and I made it very clear indeed, that I was just quoting from an article in a Sunday newspaper, but we are told there that Section 106 of the Town & Country Planning Act of 1990 has hit, and made, considerable problems. We have also been told – we were told at the presentation last Thursday, and again it has been alluded to today, and it was mentioned also in the inspectors' report at the time that they published their report in March – that Jersey has had problems with planning covenants, and they are only 20-odd miles away from us, with a bigger housing market than us. They have 100,000 against 63,000 people. We have got 26,000 homes, they must have 40,000. I do not know that figure, I am guessing at that, but they must have significantly more homes than we do, and yet they have run up against those particular difficulties. So if they do, why should we be different, why should we be any better at doing something that we have no experience in doing?

2540 Deputy de Sausmarez – I started with her, I will come back to her if I may. She said, 'I am not against pepper potting,' and Deputy Smithies said, 'Well they do it in England. They do not have housing associations, they have got to look at areas far vaster and wider than Guernsey and yet they manage.' Well, hang on, is anybody really saying that the Guernsey Housing Association, which I believe in the time it has been in operation has done an absolutely sterling job for Guernsey, does not know its own job, cannot work effectively, does not know how the situation would develop practically? What Mr Spicer, who is very experienced, and Mr Williams, who is very experienced, both able people, have told us is that pepper potting on small sites would not work for the reasons that they have detailed. I am not going to read out the five or six bullet points again. So they have said all those things and therefore to ignore their advice, in my view, would not be constructive.

2555 Now, in England again, we are told, because we pick and match, it is a bit like you go to a shop and you buy some of these sweets and some of those sweets, you cannot pick and match with something as important as peoples' homes.

Deputy Langlois said, 'Well, the Housing Target Areas were not really developed because the procedure was cumbersome,' and I think I have quoted him accurately. Well, again, it is this wonderful thing called procedure. Why should the procedure have been cumbersome? Because if you have got a cumbersome procedure you should make it un-cumbersome – if there is such a word – and you should therefore make it effective. Therefore, just to say, 'Well, they were not developed when the States had previously said that they were the Housing Target Areas where houses and homes should be built, and that would be a socially inclusive policy.' Because nobody is saying that all the houses there should be affordable/social housing, there would be a mix of affordable/social housing and they are all big sites. Some are bigger than others, obviously.

Deputy Dorey quoted again from the 2015 report, but most of his comment was from a 2006 report that was a long time ago in relation to such matters – a long time ago. We have had an economic crash since; we have had circumstances change since.

2570 I see Deputy Dorey. Only because I have got a bad back, I am giving way to him. If you would not mind if I just stood up while he is ...

Deputy Dorey: Actually, it is a point of correction, because I quoted from 2006, from 2012, from 2015 and from the 2016 planning inspectors' report.

2575 **Deputy Ferbrache:** Thank you very much.

Well, if I made a mistake, and we are all human, so therefore even I can err. But in relation to that, the main quotations that he made, the ones that centred upon my mind were the more ancient reports. He did quote from three or four reports, as he said, so therefore although I stand corrected, I do not resign from the points that I made.

2580 But really it is up to you, Members of the States, as I said back at whenever I started speaking, all those hours ago, it was a position that this is the first test of this States, to see if it is going to do something productive. What I am suggesting is that it is going to do something productive by having boundaries, figuratively and literally, because we know where these Housing Target Areas are bounded, and we have a social inclusive policy. I ask you to support the amendment.

2585 **The Deputy Bailiff:** Members of the States, before we move to this first amendment, perhaps we should just take stock, generally, on the effect of Section 10 Subsection 2 of the Plan's Ordinance and Rule 24(10), just so that it is explained for your benefits. So whether it is Madam Procureur or Mr Comptroller who does that, Madam Procureur, are you in the firing line first?

2590 **The Procureur:** I am very happy to defer answer to Mr Comptroller! *(Laughter)* The one thing I would just flag up for everyone, if I may, from Deputy Ferbrache's contribution before getting to ... section 10, but there was a point raised by Deputy Gollop which included ... because the last point about fairness, which I think has come about in relation to the boundaries and possible
2595 confusion over the boundaries, in relation to ... housing applications. It is very much for the Development & Planning Authority to deal with it and give ... more information if Members need that, but he has a valid point, because my understanding is that when planning inquiry considered in the current housing applications, particularly for the Belgrave Vinery point it would be done on the basis that that particular area was going to be reduced effectively in terms of housing
2600 allocation.

There is a possibility, if this amendment is passed, therefore, that those that are affected by Belgrave Vinery, in particular, because this new area has been reduced, might consider that their views were not properly taken into account in the inquiry process.

2605 So I simply raise to Members that there is a possibility that the Development & Planning Authority may consider that the nano second or 24 hours or 48 hours may need to be extended because they may wish to investigate whether it is only fair in the circumstances to reopen that part of the planning inquiry. I do not want to make this ... but I need to ... to Members that they should maybe just consider and it really does revolve around fairness but I also defer to my colleague HM Comptroller for further comments on Section 10.

2610 Thank you, sir. *(Microphone not working.)*

The Deputy Bailiff: Mr Comptroller, are you able to help Members just generally assist us with the first amendment on this issue about Section 10(2) of the Land Ordinance and Rule 24(10)?

2615 **The Comptroller:** Sir, in rising, may I first of all say I am not quite sure what point you are asking me to expand.

The Deputy Bailiff: It has been raised that it is in the gift of the Development & Planning Authority as to whether the States can resolve not to defer adoption of the Development Plan if there is amendment, because each amendment carries with it that motion. It is really just to explain, for everyone's benefit before they start voting in favour of amendments, what the consequences might be.

The Comptroller: Sir, if there is an amendment to the draft plan – I am looking now at Section 10 of the Plans Ordinance – as I understand it, the States, with the agreement of the DPA, can nonetheless resolve to waive what would otherwise be an automatic deferral. I think if I can put it, it is that simple.

The Deputy Bailiff: Members of the States, this is amendment number 5. We go to the vote.

Deputy Lester Queripel: Sir, can we have a recorded vote, please?

The Deputy Bailiff: There is a request for a recorded vote by Deputy Lester Queripel. Deputy Greffier.

There was a recorded vote.

The Deputy Bailiff: Well, Members of the States, I will formally announce the result of that amendment shortly, but it looks as though it has not carried.

Given the voting on that particular amendment, I am going to test whether there is a will to amend, at all, by inviting Deputy Lester Queripel, and the President before him, to close the debate on that amendment before turning to the Deputy Roffey one, because if there is no will to actually amend –

Deputy Roffey: With respect, I had some comments that I was going to make about Deputy Queripel's amendment in general debate to explain why I thought mine was better, but declined from doing so because you had announced the order we were going to sum up and thought I could address that *en passant* in the summing up of my amendment. I now will not be able to make that contrast.

The Deputy Bailiff: In the light of that representation, then I am sure that I can change my mind twice in the space of (*Laughter*) minutes, on the basis that it was because of representations made to me that it would be desirable to test that at one stage.

Deputy Fallaize: Sir, why doesn't Deputy Roffey just speak in the way that Deputy Queripel was allowed to on the Ferbrache amendment? Why does he not just get to speak on the Queripel amendment in the same way?

The Deputy Bailiff: Well, he could have done.

Let's close debate on amendment 2 then. But before doing that, let me announce the result on amendment 5.

Not carried – Pour 11, Contre 26, Ne vote pas 0, Absent 2.

POUR

Deputy Lowe
Deputy Paint
Deputy Soulsby
Deputy Prow
Deputy Oliver
Alderney Rep. Jean
Deputy Ferbrache

CONTRE

Deputy Fallaize
Deputy Laurie Queripel
Deputy Smithies
Deputy Hansmann Rouxel
Deputy Graham
Deputy Green
Deputy Dorey

NE VOTE PAS

None

ABSENT

Deputy Le Tocq
Alderney Rep. McKinley

Deputy Kuttelwascher
Deputy Mooney
Deputy Trott
Deputy Merrett

Deputy Brouard
Deputy Dudley-Owen
Deputy Yerby
Deputy De Lisle
Deputy Langlois
Deputy de Sausmarez
Deputy Roffey
Deputy Tindall
Deputy Brehaut
Deputy Tooley
Deputy Gollop
Deputy Parkinson
Deputy Lester Queripel
Deputy Le Clerc
Deputy Leadbeater
Deputy Le Pelley
Deputy St Pier
Deputy Stephens
Deputy Meerveld

The Deputy Bailiff: There voted Pour 11, Contre 26. Therefore, I declare that amendment lost.
Deputy Gollop, President of the Development & Planning Authority, to reply to the debate on amendment number 2.

2665 **Deputy Gollop:** Yes, thank you very much.

I will come back ... this is, of course, the Deputy Roffey amendment, in the order we agreed. Some comment was made recently in relation to Deputy Ferbrache just now, about the speech Deputy Tindall made, which I entirely supported, and the advice came to us from somebody who is in a position to put together capital bids for the crucial P&R Policy & Resources 2017-20, and the notional figure that is used – might change, there are all sorts of cost changes over time – is £86,178. It is therefore calculated, maybe, that Deputy Roffey's amendment could lead to a loss of 53 units, so if you work on that basis, 53 times £86,178 would be £4.567,434 million.

2670 Now, of course, that is a notional cost, but it is the nature of what could be lost, because if Deputy Roffey was successful and we lost those 53 units, they either would never come into existence, for people who were not able to afford full market price houses, or we would have to provide them somewhere else.

2675 Therefore, the shortfall will either lead to the waiting list getting longer and/or people leaving the Island in despair; who knows, maybe some of them were construction workers, going back to the earlier statistic. Or the States, in the fullness of time, during a very stretched capital programme that we all know will be extremely tight, would have to find money on an even greater scale for housing than we would already.

2680 I entirely agree with Deputy Fallaize that there has been an underfunding of social housing in the past, but we can surely supplement that core funding need by using and utilising the covenants as best we can. I am heartened by the last vote, despite a very strong set of arguments that, I hope, the message from it was that most Members, perhaps two-thirds or more, of the Chamber are willing to give covenants a chance within the overall context of what we want to see achieved.

2685 Specifically also on the Roffey amendment, he made, of course, some good rhetorical arguments. I am sorry I got lost on the trip to Winchester! I cannot remember if I went to the railway station or to the restaurant or wherever, and perhaps never found my way back, in a way. But his amendment was very much, 'Keep it cautious, this is Guernsey. Maybe we are a bit scared of change. Maybe we are worried about the speed of transition. Maybe there are fears within the industry.'

2690 Now, Deputy Dorey covered this very well. He said that the prophets of doom, the critics, were right to predict that there would be a hullabaloo on the Island, because there has been and there was in Jersey, but that is not a reason not to go ahead, because we have seen many other debates like that over the years, and once the decision has been made – Zero-10 might be an example Deputy Trott would approve of – the new reality has set in. I do not think we should not do this

because we are scared of change, we are scared of the future, or we are scared of doing things quickly. Usually, the planners on the Development Planning Authority's predecessors were accused of being too slow, and not responding to change. Here we are actually wanting to go faster than the movers of the amendments and to actually get more happening perhaps in the construction industry, more diversity, more inclusivity.

As I have already said in the earlier debate, viability will be assessed where there is a disagreement, and again could perhaps be a question of fairness in as much that the sites that Deputy Roffey is suggesting would not be a whole wide range of sites, but just a narrower band of sites, that happened to be larger. Maybe that is a cop out, because if we are wanting to focus particularly on inclusivity and mixed communities ... alright, perhaps the metaphor somebody said – well Deputy de Sausmarez – about the gated communities and the ghettos. I am not sure where in particular the Fort would fit into that but ... is a little bit strong. I do not think we want to go down that route, and of course, if we only support a 20 line that would be the likely outcome, because, of course, by definition, it would only apply to the larger sites, and the larger sites might have a degree of segmentation in a way that a smaller more intimate site would not have. So the evidence is not there, the practice is not there.

Deputy Dorey made the point that this work has been the subject of at least two major reports before: the 2006 work stream and the 2011. We are going at a glacial pace to get here in late 2016 with the next stage. Deputy Ferbrache pointed out that some areas were perhaps more enthusiastic about this work stream 10 years ago. We get there so slowly we have to watch others pass us by in some of these spheres.

So my message is: keep on track, support the Development & Planning Authority, support a much greater number of homes, a much smaller quantity of sites; and 20 being four times the amount of what we specify is obviously too great; and it should be borne in mind too that we would not get a quarter of the sites that we wish to see, we would get far less than a quarter because the number of sites that 20 applies to is actually a fraction. So keep on track and throw out this amendment.

The Deputy Bailiff: Finally, the proposer of the amendment number 2, Deputy Roffey, to reply to the debate.

Deputy Roffey: Thank you, Mr Deputy Bailiff.

I think in this debate we have seen two camps. In the blue corner, there have been people saying, well, no actually let's say in the red corner, the people who have been saying why shouldn't landowners that win the lottery, which is the planning system, not contribute towards the cost of providing social housing in this Island? Why pitch it at 20, because then it is only the people who win the jackpot that it is suggested should contribute, but actually if you win the second or third prize i.e. 8, 10, 12 houses, why shouldn't they contribute as well, particularly when, if they do not, it is the taxpayer that has to pick up the tab to do that. I have to say I have huge sympathy for that argument, I think it is correct. But if you pursue that to saying, okay then anybody above five or, with respect, even 10 houses has to do that in the form of granting land for development of some social housing on that site, then you run into the ergonomic problems that have been pointed out. Not by developers, because you treat that with a degree of scepticism, perhaps, with due respect to them, but by our principal provider of social housing in Guernsey. They are saying this really does not work well for us.

Now, Deputy Smithies does not accept that, he says, 'Why shouldn't it? Guernsey is only 25 square miles; it is not like the UK?' I can tell him I sat on the Housing Authority – the States' Housing Committee I think it was then, or Authority, I cannot remember what it was – when we took, reluctantly, even though we wanted more housing, the decision to sell off what were known as non-conforming properties, because it was a nightmare to actually administer and maintain scattered housing around the Island rather than in small amounts.

2750 Pepper potting, unfortunately when you get into a slang term, it means different things to different people, and therefore you are not really knowing what you are talking about. My colleague, Deputy de Sausmarez, wants lots of pepper potting because she wants social inclusion. Well, I want social inclusion and I would love to see lots of estates of 20 or 25 with four or five social housing units on, so there is not the segregation between people in social housing and
2755 other people, because they are all just people. I do not want to see ghettos and gated communities. But, in order to do that, I do want something that administratively, and managerially, is an absolute nonsense for people trying to administer social housing, which one or two units are.

So, how on earth do we bring the blue corner and the red corner together here? To me, the
2760 danger is that what we are trying to do – and this is why I wanted to contract my amendment with Deputy Queripel's, and say well the best thing must be go to the middle path, that must be the best way, we try to accommodate all of those areas ... It is not, it falls short in both directions. If you just take a percentage of 10 units, you will still have two units here and two units there; it will fall completely short in that respect. Yet, still the person who gets permission for eight or nine
2765 houses, and a huge capital windfall as a result, will fall outside that criteria ... does not work.

By far the better way of doing it is to go for the 20 units as far as the land grant, if you like, is concerned, because that addresses the ergonomic problems that the GHA – not the developers, the GHA – have flagged up, as being real and important to the way they operate. Then later in the day we vote for the Dorey amendment which allows us to look at bringing in a financial in lieu
2770 system for smaller developments that, yes, ought to contribute something, because they have won a lower prize in the lottery, but doing it in a way that works, that actually helps to deal with the provision of social housing at less cost to the taxpayer, but in a way that works on the ground. So what I would suggest is that we go for that dream team of amendments, if you like, of mine now, and later in the day Deputy Dorey's.

2775 I was going to go on to some specific ... I have got another pair of glasses here somewhere, I think, they fell on the ground. Sir, I get excited and I gesticulate and ... come to a few of those specific comments.

Deputy Tindall – was it £4.2 million my amendment is going to cost? Actually, I believe passionately in my amendment for its own sake, but one reason I did not give, which was at the
2780 back of my mind, was if there had been no amendments for this policy. As far as thresholds were concerned, there would have been another amendment, and that amendment would have been saying let's not have planning covenants at all. Yes, it would have been pushing up hill, because it would have been against the SLUP, I know, but I suspect if it was five or nothing, you might have got nothing. Now get your experienced civil servant who does not work for Planning or the
2785 Environment Department to work out what that would cost the taxpayer. Because then you would have no contribution ... probably £18 million. So you would be £14 million better off with mine, than if mine had not been in place, because I think that would have been the likely outcome.

Deputy Fallaize says that my amendment would knock the wind out of the social housing, and yet to some extent it would, and I think the point was made by Deputy de Sausmarez about what
2790 percentage of developments would actually get caught in this. They are right; that is why we need – firstly on the financial side, to support the Dorey amendment to look at other ways of making people who are developing houses contribute, but it is more than just money, isn't it, it is sites.

We really do not have to walk away today, even if we throw out all the amendments and it is five; that is not going to go anywhere near providing the social housing that we actually need in
2795 Guernsey. We need to put our thinking caps on as an Assembly and think of other strategies for doing that. I would say we are talking about consolidating our own properties; we should be making a contribution in sites. Somebody mentioned the Castel Hospital this morning. I will throw in another one: we desperately need to redevelop the College of FE, somewhere else probably, probably on the St Peter Port site or somewhere close by, because the current College of FE is no
2800 longer fit for purpose. Now, that would make an absolutely ideal, and quite large, site on the outskirts of St Peter Port with a good road network. I am not going to spend time there though;

we have got enough to get through coming up ... What I am saying is do not expect covenants to deal with it alone, because they will not.

2805 Deputy Dorey – actually, I thought he made a very good speech, and according to Deputy Gollop, I am being the wimp and Deputy Dorey is being the courageous one and says let's weather the storm, let's get through this. There will be squeals at the beginning, yes fine, yes. Okay, I have not got a reputation of backing down in the face of criticism. If I did I probably would not have put my head above the parapet the last couple of days and suggesting bringing back motor tax, because I think I could not probably get a worse reaction than anybody will from
2810 suggesting planning covenants, but we still have to be practical. Actually, Deputy Dorey, himself, is struck on the right way to strike that practicality and we will have a chance to vote on that later today.

2815 Deputy Richard Graham, what a sensible chap he is; he is steeped in experience, very intelligent and, after looking at all the amendments, decided that mine was the best. Apart from when it comes to education, he usually gets to the right answer in the end, I find.

I think I have dealt with Deputy Smithies (*Laughter*) and also, I think, with Deputy de Sausmarez. Can I say anybody that is torn here between supporting my amendment and Deputy Queripel's, unless you enjoy playing Russian roulette, vote for my amendment. Why? Because if it is defeated, then there is a reasonable chance that Deputy Queripel's might be too, and then I
2820 think we might find that there is even a vote against Proposition 1 as is at the end of the day because people in this Assembly will not be able to live with introducing planning covenants for sites with five or above.

2825 So the safe option, the sensible option, is to vote for the Roffey/Queripel amendment now and then, in recognition that it is not really fair just to expect a contribution from sites over 20 – it is practical, but ain't fair – we then look to level the playing field by looking for a financial contribution from people who get planning permission for smaller sites, by passing the Dorey amendment later. That is the sensible way to go, and I hope you take it.

2830 **The Deputy Bailiff:** Well, Members of the States, we go to the vote on amendment –

Deputy Lester Queripel: Recorded vote, please, sir.

2835 **The Deputy Bailiff:** – marked number 2, which is proposed by Deputy Roffey, and seconded by Deputy Laurie Queripel, and there is a request for a recorded vote.
Deputy Greffier.

There was a recorded vote.

Carried – Pour 19, Contre 18, Ne vote pas 0, Absent 2

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Fallaize	Deputy Lowe	None	Deputy Le Tocq
Deputy Laurie Queripel	Deputy Smithies		Alderney Rep. McKinley
Deputy Graham	Deputy Hansmann Rouxel		
Deputy Green	Deputy Dorey		
Deputy Paint	Deputy Brouard		
Deputy Dudley-Owen	Deputy Yerby		
Deputy Soulsby	Deputy De Lisle		
Deputy Roffey	Deputy Langlois		
Deputy Prow	Deputy de Sausmarez		
Deputy Oliver	Deputy Tindall		
Alderney Rep. Jean	Deputy Brehaut		
Deputy Ferbrache	Deputy Gollop		
Deputy Kuttelwascher	Deputy Parkinson		
Deputy Tooley	Deputy Lester Queripel		
Deputy Leadbeater	Deputy Le Clerc		
Deputy Mooney	Deputy Le Pelley		
Deputy Trott	Deputy St Pier		
Deputy Merrett	Deputy Meerveld		
Deputy Stephens			

The Deputy Bailiff: Members of the States. Members of the States, quiet please.

The voting on the amendment proposed by Deputy Roffey and seconded by Deputy Laurie Queripel is there voted *Pour* 19, *Contre* 18, and therefore I declare that amendment carried.

2840 As a consequence, there is no need to vote on amendment number 9 that was proposed by Deputy Lester Queripel, because the greater clearly trumps the lesser in that context.

Do all Members have before them a copy of amendment marked 24 – it should have been circulated at lunch time? Because if the mover of the amendment, Deputy Gollop, wishes to do so, it makes sense to interpose this one before turning to the next amendment.

2845

Deputy Gollop: Yes, I have consulted with Deputy Tindall and we are happy to move 24 ahead of Deputy Soulsby's amendment.

The Deputy Bailiff: Will you read it, Deputy Gollop, or would you prefer the Deputy Greffier to do so?

2850

Amendment:

To insert at the end of the words in Proposition 1: ' ; but subject to the modification that at the end of the final paragraph of Policy MC8, LC6(B) and OC8(C), (see pages 72, 101-102 and 134-135 of the Draft Island Development Plan at Appendix 1 respectively) the words "and can be achieved with only minor alteration" are omitted and replaced with the words "and the proposal is in accordance with all other relevant policies of the Island Development Plan"; .

and in consequence of the above modification:

In paragraphs 7.6.10, 13.4.9 and 17.7.12, (see pages 72, 100 and 133 of the draft Island Development Plan at Appendix 1) the words "with only minor alterations" are omitted.'

Deputy Gollop: I will read it.

Deputy Gollop read the amendment.

Deputy Gollop: The explanatory note of this amendment is that:

'The purpose of the relevant wording in policies MC8, LC6(B) and OC8(C) is to allow [what Deputy Ferbrache and others clearly want from the plan] flexibility to enable some small scale visitor accommodation establishments to return to a residential use as a single dwelling house. The policy, as originally drafted, places an additional burden on such establishments to be able to achieve this with only minor alterations whereas existing residential dwellings are not subject to this restriction when making alterations. Throughout the [Island Development Plan] reference is made in policies to a requirement to accord with all other relevant policies of the [IDP]. The above minor amendment is therefore proposed in the interests of fairness and consistency.'

I think this responds maybe to concerns that we were perhaps too restrictive in a particular area, in not allowing flexibility to enable some small scale guest houses, hotels, self-catering establishments to return to residential use as a single dwelling house, whereas we did allow minor alteration to existing residential developments when making alterations. So we have clearly relaxed, and I put that forward as an improvement to the plan, and I hope it is seconded by Deputy Tindall.

2855

The Deputy Bailiff: Deputy Tindall, do you formally second the amendment?

2860

Deputy Tindall: Yes, sir.

The Deputy Bailiff: Thank you.

Does anyone wish to speak on this amendment?

Are you declaring an interest, Deputy Merrett?

2865

Deputy Merrett: Yes, I just want to declare a potential conflict of interest. As I previously stated my partner's occupation involves development and redevelopment of hotels and smaller sites.

Thank you.

The Deputy Bailiff: Thank you very much.

Well, if there is no debate, then I will simply put this amendment to the vote. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare that amendment carried.
Deputy Soulsby, is it you wish to place amendment 20?

Deputy Soulsby: It is indeed, sir, and I request a motion under Section 7(1) to suspend Rule 24(2).

The Deputy Bailiff: Members should have a copy of amendment 20 in front of them.

The first thing that needs to be done is to consider whether or not to suspend Rule 24(2). Deputy Soulsby is putting a motion; I think it is pursuant to Article 7(1) of The Reform (Guernsey) Law, 1948. Do you want to explain why please, Deputy Soulsby?

Deputy Soulsby: I believe it is because of the time restriction on the IDP in terms of getting amendments in, and I need to withdraw my amendment 14 and replace it with amendment 20.

The Deputy Bailiff: Deputy Prow, do you formally second that?

Deputy Prow: Yes, sir.

The Deputy Bailiff: Is there any debate on the motion under Article 7(1) of The Reform (Guernsey) Law, 1948 to suspend the effect of Rule 24(2)?

I will put that motion to you then. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I think I will declare that carried, which permits the moving of amendment number 20, to be proposed by Deputy Soulsby.
So Deputy Soulsby.

Amendment:

To insert at the end of the words in Proposition 1: ' ; subject to the modifications that in the Draft Island Development Plan at Appendix 1:

1. paragraphs 7.6.2, 17.7.2 and 13.4.2 (see pages 70, 130 and 98 respectively) shall be deleted and replaced by the following:

"Policy SLP7 of the Strategic Land Use Plan states that the Development Plans will seek to enable economically beneficial tourist-related development, especially where this improves quality and choice of facilities at all accommodation grades, whilst maintaining an adequate stock of visitor accommodation to support the future viability and growth of the industry."

2. paragraphs 7.6.3 and 13.4.3 (see pages 70 and 98 respectively, subject to the recommended changes at pages 11 and 16 of Appendix 7) shall be deleted and replaced by the following:

"Recent years have seen a decline in visitor numbers. Whilst the Visit Guernsey and Chamber of Commerce Tourism Group Strategic Plan 2014-2025 set targets for growth from 300,000 to

400,000 visitors to the Island per year by 2025, these were purely aspirational and would be dependent on a variety of factors, including the development of ports and airport infrastructures. The requirement for visitor accommodation should be seen in this context."

3. In Policy MC8, Policy LC6(B) and Policy OC8(C), (see pages 72, 101-102 and 134-135 respectively):

a. sub-paragraph a shall be deleted; and

b. former sub-paragraphs b, c and d shall be replaced by the following:

"a. it is not technically feasible to refurbish, extend, alter, redevelop or otherwise adapt the establishment to meet the standard for the type of visitor accommodation (as identified by any relevant States of Guernsey strategy for visitor accommodation) relating to the establishment; or

b. where it is technically feasible to refurbish, extend, alter, redevelop or otherwise adapt the establishment to meet the standard for the type of visitor accommodation (as identified by any relevant States of Guernsey strategy for visitor accommodation) relating to the establishment -

(i) it is not financially viable to undertake the required works and return a reasonable operational profit; and

(ii) the establishment has been actively and appropriately marketed for sale or lease for a period of 24 consecutive months and an appropriate offer has not been made."

and in consequence of the above modification:

In paragraphs 7.6.7 (on page 71, subject to the recommended changes at page 12 of Appendix 7), 13.4.6 (on page 99, subject to the recommended changes at page 17 of Appendix 7) and 17.7.9 (on page 132, subject to the recommended changes at page 40 of Appendix 7) after the words "other than in exceptional circumstances" insert "or where operation of an establishment is not financially viable"

In paragraphs 7.6.8 (on page 71), 13.4.7 (on pages 99 and 100) and 17.7.10 (on page 132) for the bullet points substitute -

" it is not technically feasible to refurbish, extend, alter, redevelop or otherwise adapt the establishment to meet the standard for the type of visitor accommodation (as identified by any relevant States of Guernsey strategy for visitor accommodation) relating to the establishment; or where it is technically feasible to refurbish, extend, alter, redevelop or otherwise adapt the establishment to meet the standard for the type of visitor accommodation (as identified by any relevant States of Guernsey strategy for visitor accommodation) relating to the establishment -

it is not financially viable to undertake the required works and return a reasonable operational profit; and

the establishment has been actively and appropriately marketed for sale or lease for a period of 24 consecutive months and an appropriate offer has not been made".'

Deputy Soulsby: I have to say, I know this amendment is about visitor accommodation in Guernsey, but actually getting this amendment to this place has made me feel like I could do with experiencing visitor accommodation somewhere far away, (*Laughter*) preferably with a nice white sandy beach, palm trees and hot climate! (*Interjection and laughter*) I knew I was going to get that.

Sir, frankly, I am absolutely astounded that the consensus ... it is clearly not from, what I understand, unanimous views from the DPA that this will cause a deferral of the IDP, let alone a new inquiry. I would not want this amendment to be the reason for deferral, but neither do I believe that it requires deferral on the basis of a change of policy or that it is inconsistent with the SLUP.

In fact, the purpose of this amendment is to make the IDP consistent with the SLUP, take account of the viability of the industry and allow at least some change of use out of visitor accommodation, which may improve the future viability of the sector in the current market, and I will deal with each in turn.

The first is a very simple but important change. Paragraphs 7.6.2, 17.7.2 and 13.4.2 all refer to a sentence in the SLUP about the need for visitor accommodation being available to meet demand and allow growth of the visitor economy. However, SLP7, the actual policy, caveats that by saying:

‘... whilst maintaining an adequate stock of visitor accommodation to support the future viability and growth of the industry.’

2915 That is the important difference, and why the IDP is not consistent with the SLUP. So it is maintaining to support future viability, and it is the viability of the industry that goes to the heart of the matter and is the second reason for this amendment.

Deputy Tindall advised me in an email yesterday that, and I quote:

‘The marketing and tourism team are of the view that this rationalisation phase has been completed, and a base line achieved so that occupancy is stabilised at a level that should not allow all establishments given the support of the States and the number of ways including marketing the Island to operate profitably. The actions set out in the tourism strategy aim to significantly increase visitor numbers and therefore the stock of accommodation needs to be at least maintained.’

2920 Well, let’s look at that in more detail. Firstly, in relation to whether a base line has been achieved. I believe that is purely subjective, with no basis in fact. Indeed, this was the conclusion of the Planning Tribunal which considered an appeal against refusal of the Environment Department to allow change of use of Green Acres. Whilst the appeal was unsuccessful at that time, the Tribunal stated having sought to draw its own conclusions with respect to the impact of the proposed development on the stock of visitor accommodation. They said:

‘We heard from the Commerce & Employment Department officers that the Environment Department Minister had recently stated in answer to a written question that the stock had been stabilised to an appropriate level, but as that level or the basis of which it had been calculated was far from clear we cannot place any significant weight on that statement.’

2925 They went on to state:

‘So far as the Tribunal was able to ascertain there has never been an objective numerical assessment of what might be considered an adequate stock of accommodation for the purposes of applying the policy, either in overall terms, or by reference to sectors of the market. Nonetheless the Commerce & Employment Department took it to be that which would naturally sustain occupancy rates at 65% based on year round occupancy.’

Now, Members, at present we have average bed occupancy figures well below that, and have had for several years. The latest figures from Economic Development for 2015 showed an average occupancy of 56%. At the same time these are based on figures provided voluntarily by the sector and maybe overstating the position.

2930 That leads me to the other problem in the DPA’s reasoning, that the actions set out in the tourism strategy aim to significantly increase visitor numbers and therefore, and I quote:

‘The stock of accommodation needed to be at least maintained.’

2935 Well, that strategy had a design to reach 320,000 visitors in 2015 but numbers did not even reach 300,000 last year, and on the basis from the first half of 2016 those staying in commercial accommodation down 17.5% in quarter one and 8% in quarter two, the trend is down, not up. The inspectors themselves state:

‘That the action plans to increase visitor numbers seem largely continuations of existing measures rather than new initiatives with the potential to reverse existing trends’

I have also received written confirmation from all those in the steering group that the Plan was intended to be aspirational. Indeed, the Environment Department acknowledge through their amendments that it is an aspirational document, according to the inspectors, and if you are in

doubt it may not be the document we should be relying on. I give you the following sentence, in the Tourism Strategic Plan:

'The announcement recently by Condor of their purchase of the new Austal 102 trimaran will provide an enhanced experience for their passengers, which is good news for the Island.'

The fact that the IDP has been developed on the back of an aspirational document, without endorsement from the States, is the reason for the other amendment I wish to lay. It has led us into the mess we are in now. So we have an industry that is unviable, based on occupancy figures, that has shrunk 8% since 2011, when nothing is likely to change unless some major decisions are made, and none of that is happening any time soon.

That leads me to the change of use. As it stands the change of use policy is so restricted it will actually make a difficult market even worse by making future investment in visitor accommodation unattractive, both for those wanting to enter the market, and lenders. But you do not need to take my word for it; I forwarded to Members yesterday the views of three expert members of the Royal Institution of Chartered Surveyors and registered valuers – highly respected in their field and who know the Guernsey market well. We are told:

'If the property has a limited market and no alternative use, or that alternative use is difficult to obtain, the valuation exercise becomes very difficult. A valuer will therefore take a very cautious view, and will inevitably write down value. This naturally impacts upon bank lending, and the lenders attitude to the investment proposal, and the amount they are prepared to lend.'

Another point was:

'Whilst there may still be a desire for prime opportunities there is little interest in the older traditional bed stock. In other words preserving the industry in aspic is not the solution to developing a more viable industry.'

As another stated:

'There is no guarantee that the existing visitor stock will meet requirements of the tourism sector in the future anyway.'

Consumer requirements will change and the hospitality market will need to adapt its provision of accommodation. Something that has been achieved in Jersey, and it should not be forgotten that the most important factor for visitors, according to the YouGov survey commissioned by Visit Guernsey was the quality of visitor accommodation. It is all very well preserving it, but not much point when no one is interested in it. Indeed, it is worth pointing out that whilst a number of hotels have decreased since 2000, as Deputy Gollop stated in his opening address, self-catering has risen in the same period. I know when I was on Commerce & Employment it demonstrated that this was what more people were looking for.

Now, the use of the one star rating as a means of allowing change of use makes no sense, something Deputy Prow will expand on, and creates far too high a bar for exit – or should that be a very, very low bar for exit.

It is not as if this amendment will allow a mass exodus from the industry; it still requires various tests to be met, but is far more realistic than that proposed. We hear that the DPA has undertaken to keep the matter under review, and to amend the policy criteria if circumstances change. Well, change to what? How will they know? I put it to Members: we are told that the IDP is so flexible that changes can be made as circumstances change. That is the reason for keeping everything the same. But surely we should be looking at this from the other direction, if the process is now so flexible, given the rather limited easing of the criteria to enable change of use in this amendment, it should be adopted and monitored pending a tourism strategy coming to the States.

Bear in mind that the inspectors' state, in their own report, that:

'... operators concerns that the policies were effectively penalising them by forcing them to continue unviable businesses even if the visitor numbers fall short of the target are understandable.'

Well what more can you say? They say it is a difficult area. If you read that section it is far from black and white. Far less black and white than the DPA have been letting on.

So, in summary, after a longer than normal speech from me, but necessary to counter the incomprehensible status position of the DPA, this is an amendment that not only is consistent with the SLUP, but better addresses the current state of the tourism sector, and gives the prospect of at least some future viability. It will not open the floodgates, but allow a small drip of the least beneficial visitor accommodation on the Island. It reflects the reality of today and will tide us over until we get a tourism strategy approved by this States that addresses the future.

I urge Members both to make it clear that they believe the DPA are wrong stating this amendment would cause deferral or a new inquiry, and to support this amendment.

The Deputy Bailiff: Deputy Prow, do you formally second the amendment?

Deputy Prow: Yes, sir.

The Deputy Bailiff: Deputy Tindall.

Deputy Tindall: Thank you.

As mentioned, as with all the opening speeches of the Development Planning Authority, I will set out firstly the effect, if passed, of the amendment. This is based on the advice we have been given by the Law Officers. It is also based on the fact that the Island Development Plan has been given a certificate of consistency with the SLUP by the inspectors. We consider that, not only will this amendment, if passed, require a deferral, the inquiry would need to be reopened.

I apologise, I have to put my glasses on.

This will be expensive and the inquiry will only consider the same policies and strategies, unless amended by the States in the meantime, which is highly unlikely, which they considered the first time round. So it is highly likely they will reach the same conclusion. It would delay the coming in of the plan, and result in the need to extend the Rural Area Plan and the Urban Area Plan again.

As this is the first amendment we are dealing with which requires the reopening of an inquiry, I thought I would go into more detail to explain what this means. Generally, a public inquiry may be required for a number of reasons: where there is inconsistency between the amendment and the higher strategy, including the SLUP, so that the IDP will be inconsistent; when an individual, or group of individuals are subject to significant prejudice as a result of the amendment e.g. they have land allocated for housing, which would have had a particular value, and an amendment results in the development not being possible and therefore devaluing the potential value of their land; where there are issues of fairness, this is where an amendment may allow for development which has not been proposed previously, and has not been through a public inquiry, the result being that neighbours and other interested parties have not had an opportunity to comment – an example being Deputy Ferbrache's amendment.

In all of these cases, if a public inquiry was reopened the inspectors would be bound by the provisions of the Planning Law; as such, they would have had to be satisfied that the amendment would not result in the Plan being inconsistent with the SLUP as it is legally required to be so.

There is the possibility, therefore, that if the issue or reason why the amendment has been placed is because a Deputy does not agree with the direction given to the DPA by the SLUP that the IDP will be deferred, go through the inquiry again, but the inspector will be bound to find the Plan inconsistent, and therefore not approvable as the higher level of policy in the SLUP, which is the perceived real problem, has not changed.

In such a scenario the Plan just goes round in costly circles until the higher level strategy is changed. This is a good example of why it is important not to try and change the SLUP or any high level strategy through the IDP, but to make changes to those high level strategies through the correct process. If and when the high level strategy is changed, this will then be reflected in

3025 the IDP. I have already highlighted this is yet another reason, sir, for supporting evidence-based robustly scrutinised, expertly prepared Government plans.

3030 So, to this amendment: both the proposer and seconder believe that this amendment will ensure the IDP is consistent with the SLUP. However, the Plan is already consistent with the SLUP. The inspectors have given it a certificate of consistency, as I have said. Secondly, I am afraid the amendment actually does the opposite. As a result, if this amendment is passed, we would need to defer the Plan to consider the implications with the Committee for Economic Development and the inquiry would need to be reopened if they agree that the amendment seeks a significantly more flexible policy allowing for change of use. Policy SLP7 in the SLUP requires development plans to maintain an adequate stock of visitor accommodation to support the future viability and growth of the tourist related industry. The SLUP states:

‘It is essential that sufficient good quality visitor accommodation across all types and grades is available to meet demand and to allow growth of the visitor economy.’

3040 As the SLUP further allows, the IDP policy seeks to maintain the adequate stock of accommodation to support the future viability and growth of the industry, by only allowing for change of use in exceptional circumstances, for properties no longer suitable for tourism purposes. It is clear the SLUP intends the bar to be set high for establishments to leave the visitor accommodation sector, and acknowledges that, in reality, there will be only a few instances where this may be acceptable.

3045 In line with the policy, the marketing and tourism team have advised us that a rationalisation of stock has occurred, with many establishments having left the industry and a base line achieved. Occupancy has stabilised at a level that should now allow all establishments, given the support of the States in a number of ways, including marketing the Island, to operate profitably.

The action set out in the tourism strategy aims to significantly increase visitor numbers, and therefore the stock of accommodation needs to be at least maintained. The amendment would open up change of use for establishments that are still operational and at all grades.

3050 If the intention of the amendment is to allow consideration of change of use for establishments currently operating on the grounds of operational viability alone, not in circumstances where works are required to retain the star rating, this would be a significant change that would risk diluting the adequate stock of accommodation and making the IDP inconsistent with the SLUP. This amendment could result in establishments pursuing a change of use rather than investing in improvements to the establishment to make it more profitable, and thus making a greater contribution to the tourism economy.

3055 It is difficult to see how an amendment to allow a policy which makes it easier for visitor accommodation establishments at all grades to leave the industry, is in fact providing for the good quality accommodation and support for the sector that the SLUP requires. There is no evidence that supports the proposed approach in the amendment, and nothing has occurred to warrant a change from previous consultation with former Commerce and the inquiry inspectors’ recommendations. This would, therefore, be the worst kind of policy making on the hoof, and the IDP could therefore be unsound if amended this way.

3060 In addition, there could well be implications for the environmental impact assessment. At the very least, the amendment will result in a significantly different policy approach, which is not based on evidence and which has not been considered at a public inquiry or assessed by independent inspectors, as required by the Planning Law.

The DPA considers that, at the very least, it would therefore need to defer the Plan to consider the implications and whether a public inquiry would be required. I repeat, the IDP is flexible and can be reviewed and amended, if required, when new evidence is forthcoming.

3070 If my fellow colleagues decide to direct the Committee for Economic Development to review the tourist strategy and bring it to the States then that would be the appropriate time to change the IDP, if required, based on evidence, rather than now when an amendment could result in an unsound plan.

I therefore ask the Assembly to refuse this amendment.

The Deputy Bailiff: Deputy Prow, to be followed by Deputy Fallaize.

Deputy Prow: Thank you, sir.

I rise to fully endorse amendment 20. This amendment is about supporting the tourism policy of the Strategic Land Use Policy, which is SLP7, which can be found on page 43 of the SLUP, as it has become referred to in this debate. For the avoidance of any doubt, I shall read the main thrust, which is relevant to amendment 20:

'The Plans will seek to enable economically beneficial tourist related development, especially where this improves quality and choice of facilities at all accommodation grades, whilst maintaining an adequate stock of visitor accommodation to support the future viability and growth of the industry.'

That is what it says. I disagree with Deputy Tindall in her assertion that the amendment is inconsistent or in conflict with this policy. I pick out some key phrases:

'... to support the future viability and growth of the industry ... improves quality and choice of facilities at all accommodation grades ... maintaining an adequate stock of visitor accommodation.'

However, the Island Development Plan both misrepresents the tourism policy and the provisions of the plan, and uses, achieve and develop maintenance of an adequate stock are flawed. Paragraphs 7.6.2, 17.7.2 and 13.4.2 of the Development Plan fail to fully recognise the full impact of the wording of the SLUP, and most crucially the future viability of tourism. To make matters worse, in the following paragraph at 7.6.3 it is not made clear that the *Visit Guernsey* and Chamber of Commerce strategic objectives are aspirational and are no way a forecast. The current IDP approach is, as I have said, entirely flawed. The reality is that the tourism sector is in need of urgent strategic help and support, and the premise upon which the IDP is based is not supported by the facts.

I move forward that tourism is down over 3% over a 10-year period; the number of guests staying in commercial accommodation was down 10.3% in the first six months of 2016, when compared with 2015; 2015 also ends with a 6.4% drop in guests in commercial accommodation. That is the reality of future viability and I strongly recommend to this Assembly that it is in fact what we need to address.

In a planning sense, we need to consider the future viability needs to be dependent on a variety of factors, including the future development of Ports and the Airport, and this is what the amendment articulates. The strategic requirements of visitor accommodation must therefore be seen in this context. This is about enabling economically beneficial tourist-related development, and supporting, not stifling, growth and investment in the industry. Sections 1 and 2 of the amendment are designed to rectify this misrepresentation of SLUP's policy within the IDP.

To, again, ensure there is certainly about what this amendment is about, I should stress it is not about removing proper and sustainable conditions which robustly prevent good quality visitor accommodation disappearing. Section 3 of the amendment sets out what those change of use exceptional circumstances should be. Indeed, it increases one of the criteria dealing with the time the establishment has been actively and appropriately marketed from 12 months to 24.

However, what the amendment does remove is the nonsensical and irrelevant reference to an establishment no meeting the minimum requirement for at least a one star rating. The SLUP specifically mentions quality and choice of facilities at all accommodation grades. We are actually talking here of a development plan and the commercial viability of an establishment; ratings are not the issue as they also relate to, and I quote:

'Comfort of the guest, service received, guest experience, guest choice and ease of use, and cleanliness, as well as maintenance and appearance.'

3115 The SLUP expressly allows that properties and sites that are no longer suitable for tourism may
be allowed to leave the sector in its exceptional circumstances. This is exactly what the
amendment achieves, but in a way that does not stifle investment, it actually encourages
investment in accommodation. It is a race to the top and not to the bottom. Can the IDP really be
3120 allowed to facilitate a real risk of such visitor accommodation falling into decline until such time
they are not even capable of a one-star rating, and they are lying in ruins, as we have seen with
redundant glass houses?

I urge all States' Members to support this amendment.
Thank you, sir.

3125 **The Deputy Bailiff:** Deputy Fallaize, to be followed by Deputy Yerby.

Deputy Fallaize: Thank you, sir.

I do not think it is sufficient in response to every, or any, amendment for the Development &
Planning Authority simply to say, 'Do not vote for this because if you do it might cause a deferral
3130 in the Island Development Plan.' (**Several Members:** Hear, hear.)

The Planning Law, and the States Procedures that underpin it, envisage that the Island
Development Plan may be deferred. That is why there is such an extensive procedure, so well set
out, which explains exactly what happens, what is triggered in the event that the States do not
approve the Island Development Plan.

3135 Now, I have said many times in this Assembly that I think the States have tied themselves up in
knots over planning legislation. I think that the Strategic Land Use Plan should act as policy
guidance rather than as a sort of rigid bible, (**A Member:** Hear, hear.) which is the way it is now
applied. (**Several Members:** Hear, hear.) I think there is no other area of States' policy where the
States have tied policy making up in so many knots, and I think we should begin to decouple
3140 ourselves from it.

But if it is to be set out in this way, if it is to be applied in the sort of rigid way it is, then you
have to have clear and comprehensive procedures for what happens in the event the States defer
a plan. You cannot say, 'We are not going to allow you to amend this Plan in the way that you
could amend any other sort of policy that comes before the States,' and then also say, 'But if you
3145 do wish to amend it and apply yourself to the deferral provisions which are set out very clearly in
the Law, we are sort of going to hold a gun to your head and say you cannot do that.'

As Deputy Gollop would be fond of telling the States in other circumstances, you cannot have
the penny and the bun. (**A Member:** Hear, hear.) So I do think this business about it cannot, or it
must not, be deferred and needs to be challenged. (**A Member:** Hear, hear.) Now, I am not
3150 advocating deferral; I think it would be unfortunate if the Plan was deferred. I am just saying I do
not think it is sufficient for the Development & Planning Authority in response to amendments
simply to say, 'Well, if you vote for this it is likely to lead to deferral, *ergo* you must vote against
the amendment.' I think they are going to have to do more than that.

It is incumbent upon them, surely, to say in response to amendments which they oppose, or to
3155 explain why their proposals are right and why the proposals in the amendments are wrong,
because conformance or conformity, whatever the right word is, with the Strategic Land Use Plan
is only one criterion to take into account when setting the policies in the Island Development Plan.
There are a whole multitude of other factors, which have to be taken into account. At the moment
the Development & Planning Authority is relying, in my view, too much on one criterion, which is
3160 consistency with the Strategic Land Use Plan.

The issue is not whether, in the opinion of the Development & Planning Authority, their
proposals or Deputy Soulsby's amendment do more to fulfil the Strategic Land Use Plan; the issue
as far as deferral is concerned is whether Deputy Soulsby's amendment unarguably fails to fulfil
the terms of the Strategic Land Use Plan.

3165 Now, I do not know if other members of the Development & Planning Authority are going to
vote in this debate, but based on what I have heard so far, I cannot be convinced that this

amendment, unarguably, fails to deliver the terms of the Strategic Land Use Plan. I think if the Development & Planning Authority is going to tell us with some authority that if the States vote for this amendment it will lead to deferral and it will lead to the reopening of a planning inquiry, I think they have some obligation to point to the exact words in the Strategic Land Use Plan, and demonstrate, clearly, how this amendment conflicts with the Strategic Land Use Plan. Now, maybe they will be able to do that. But, if they do not do it, I am not just prepared to sit here like a sponge and absorb their advice that approving the amendment will invariably lead to the reopening of a planning inquiry.

Deputy Tindall, in her speech, has introduced the possibility, in the event of this amendment being passed, of further environmental impact assessments having to be carried out. Now, in the list that was circulated by the Development & Planning Authority, I do not know whether it was yesterday or on Monday, next to amendment 14, which was the original Soulsby/Prow amendment and we were told by the Authority that their advice in respect of this new amendment 20 was the same as the original amendment 14, there is no mention at all of an environmental impact assessment. There is mention, in their opinion, of conflict with the SLUP, but this business about reopening an environmental impact assessment has been introduced for the first time, just now, in debate. The issue is in interpretation –

I will give way to Deputy Tindall.

Deputy Tindall: I have to make sincere apologies. I mistook one of my pages of my speech, and I do sincerely apologise for misleading the Assembly, in referring to the environment impact assessment. That is not the case in this particular amendment. I do apologise.

Deputy Fallaize: Okay, I thank Deputy Tindall for that, which now provides clarity. The issue is interpretation. The Strategic Land Use Plan is such a high level document with so many abstract aspirations that it is obvious that it is possible to interpret it in a multitude of ways. That, for me, is the issue. I do not want the States to approve amendments which obviously conflict with the Strategic Land Use Plan; that would clearly cause deferral, it would probably cause reopening of the planning inquiry; but it has to be accepted that there is quite a large degree of interpretation in how the Strategic Land Use Plan is applied in practice through the Island Development Plan.

When you look at the words in the Strategic Land Use Plan about the support of tourism – and it is not a very long section – it is quite brief, it is quite abstract. If you compare the words in the Strategic Land Use Plan with the words in Deputy Soulsby's amendment, which talk about the possibility to exit the industry if it is not financially viable to undertake the required works and return a reasonable operational profit, and the establishment has been actively and appropriately marketed for sale, or lease, for a period of 24 consecutive months, and an appropriate offer has not been made, it is difficult for me to see, if that test has been met, how it is possible to say, 'Well the Strategic Land Use Plan has not been complied with.' I just do not understand that.

Therefore if I am going to vote against this amendment, which appears to me to be better for tourism than what is set out in the Island Development Plan. If I am going to vote against it, the Development & Planning Authority is going to have to do a better job than it has done so far to demonstrate why the wording of this amendment obviously and materially conflicts with the wording of the Strategic Land Use Plan.

Thank you, sir.

The Deputy Bailiff: Deputy Yerby, to be followed by Deputy Oliver.

Deputy Yerby: Sir, normally the States are accused of making it too hard to do business. On this occasion we are making it too hard to stop doing business.

As I understand it, the tourism strategy does not have the status of a States' policy and so, to put it more briefly than Deputy Fallaize, any direction that the States gives on tourism, even the

direction that we give through voting on Deputy Soulsby's amendment today, must have at least as much currency as the strategy itself.

I think the only thing that really has status in this discussion is the Strategic Land Use Plan. To paraphrase it, it says that properties and sites that are no longer suitable for tourism may be allowed to leave the sector in exceptional circumstances, but almost all such properties have already done so.

Now, I am perfectly willing to accept that any statement in the Strategic Land Use Plan that has a 'will' or a 'may' has the status of policy direction and needs to be interpreted as such in the IDP. But the second half of that sentence, the claim that all such property, or almost all such properties, have already done so, does not. It is a statement of fact – or a statement of fiction, as I think in this case. In fact, the Strategic Land Use Plan also says that there will be sufficient good quality visitor accommodation across all grades to meet demand. The inclusion of a one-star rating as a way of defining exceptional circumstances does not seem entirely consistent with the Plan in that respect.

Sir, I consider that Deputy Soulsby's amendment is at least an equally adequate way of defining exceptional circumstances. With an apology to her, I feel that the policy is still observed even with it. These barriers to exit are completely unjustifiable, because it must be possible for businesses to start quickly and to fail quickly, but while retaining the spirit of the Strategic Land Use Plan it increases flexibility and is probably the best solution we have on offer.

I would urge the Development & Planning Authority to reconsider deferral and I would urge Members to support the amendment.

The Deputy Bailiff: Deputy Oliver, to be followed by Deputy Roffey.

Deputy Oliver: Sir, given that I am a qualified chartered surveyor, I thought I should actually comment on this. I think Guernsey is a beautiful Island and many of us would always like to see it returned to its former glory of the tourist industry. However, the IDP and SLUP are concerned about the tourist industry, and quite rightly so, as the number of visitors are actually plummeting. SLUP states:

'that the development plans will seek to enable economic benefit to tourist related development, especially where this improves quality and choices of facilities on all accommodation grades, while maintaining an adequate stock of visitor accommodation.'

However, the IDP, although trying to protect the industry, is making it highly unattractive to invest or enter into. I do not want to turn the hotel market into a very closed market. If we have an unprofitable hotel, the owner should be allowed to reasonably demonstrate this. This is not saying that hotel owners can deliberately show unprofitable books.

When a surveyor values a property they need to value the property in a number of ways, by profit and loss of the hotel, what the comparable evidence is and what the potential of the property could be. If the hotel can only be used as a hotel, which is a limited market, the value will inevitably devalue the property, making it harder to get finance, and people more likely wanting to leave the sector.

Plus, I cannot see where the inspectors' report says anything about being only one-star. Looking at this pragmatically, if stocks are slightly reduced then it will make other hotels more profitable and help the investment. What we actually need is to improve transport links to the Island to enable more visitors to get to the Island, then hotels would become profitable and closures would not happen. I would hate to see that the property is made to stay in a dilapidated hotel just above one-star, therefore trapping somebody in an industry with the hope that maybe the tourist industry one day will improve.

I, personally, think the inspector might be minded to actually agree with this amendment. I therefore hope you do vote for this amendment.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: Sir, I believe I may be swimming against the tide here, but this amendment actually worries me, and I believe that the bar for leaving the tourist sector should actually be set very high indeed.

When I was President of Agricultural and Countryside – and this is relevant, honestly – some of my members used to say, ‘Well we always ought to support change of use for barns and outbuildings and redundant milking parlours, because that is helping the industry.’ I used to turn round and say I am not so sure about that. You know why? Because planners actually allow an awful lot of flexibility for those sorts of buildings to go in places that buildings would not normally be put because they understand the special needs of that industry. If they think they then can become something else, at the drop of a hat that flexibility is going to disappear.

Now, look around the Island, and where are some of our hotels? Absolutely perched in the most idyllic places – places often where I doubt housing would have been permitted: on headlands with sea views; some of them may have been burnt out, may be rebuilt others are still there. It worries me.

I do absolutely take Deputy Prow’s point that the last thing you want is a sort of greenhouse mark two with lots of dilapidated sites around the Island. However, it is very easy when you redevelop a property like a hotel to make it multipurpose. Yes, you are going to run it as a hotel so you get permission, but actually convert it into luxury apartments with those same sea views that that hotel has been given permission for, when it probably would not have been for a block of apartments, is the work of moments. It really is. Actually, it will probably be an awful lot more valuable as a property if it was in top end residential than if it was maintained as hotel accommodation. It is not difficult to prove, if you really do not want a suitable offer in 24 months, and you are the person marketing that property, it is really quite easy, I think, not to get a suitable offer in 24 months.

Now, I am not saying that this amendment is wrong; I think we do need to talk about this. There is no doubt that Deputy Soulsby is right, we have seen a steady contraction of the tourist industry over many years, and we have seen lots of – I remember when former Deputy Chris Brock, before he became a Deputy, took over as head of tourism and he had this blueprint for the future, and we were going to increase the number of bed stock in the Island. It was just aspirational and never happened, and we have had a contraction.

But I do tell you this: we have got to stop that, because if our tourism industry is contracting because of lack of connectivity, it is nothing to what will happen to our connectivity if we carry on allowing tourism to contract. That will affect all of our industries in Guernsey. So we have got to stop that. I am waiting for Deputy Ferbrache to come up with a golden bullet which will do it, but nevertheless I know we absolutely have to do that, and we do have to increase the bed stock and fill it in this Island. It is going to be a real challenge, but if we do not our whole economy is going to be in trouble.

Sir, I think this is a really big deal. I am not saying that Deputy Soulsby is wrong, but it worries me that amongst 20-odd amendments we are going to make such a big change, and one actually so late in the day because it was an amended amendment, we had to suspend the Rules to allow it to happen. I think it would be far better if this amendment was withdrawn, and if the people who feel strongly that our present policy is setting the bar too high for removal from the tourist industry, brought a requête to amend SLUP, (*Interjection*) so we could have an in-depth debate about what is the right way to go as far as – yes, balancing between not having derelict hotels and people being trapped in the industry, but –

I am sorry I think I am about to be interrupted –

Deputy Fallaize: I am thankful to Deputy Roffey for giving way.

Members cannot bring a requête to have the SLUP amended because there is a process in law which sets out how the SLUP is amended, and I think it can only be done by Environment or

3320 Infrastructure, or at the direction of the Policy & Resources Committee. That is why we should
decouple ourselves from these knots we have tied ourselves up in. (**Several Members:** Hear,
hear.)

3325 **Deputy Roffey:** Nevertheless, I am sure there are ways, and Deputy Fallaize would think of
them, because he can always think of a way of doing it. I will bring to the floor of this Assembly a
debate about tourism, and about what the right policy is about how difficult or hard you should
make it to leave the industry. But I just warn you, if you make it too easy, if you make the test
economic, and if the motivation is to get out of tourism – not necessarily because you cannot
possibly make it work but because your property is a heck of a lot more valuable converted to
something else – I think we might live to regret that.

3330 I am not saying we should keep it as it is, but I do think we are really in danger, on the hoof,
with a last minute amendment of doing something that this Island might regret, not just in
respect of tourism but in respect to the whole of our economy in 10 years' time.

3335 **The Deputy Bailiff:** Deputy Ferbrache.

Deputy Ferbrache: Sir, let me first of all, for anyone who is in any doubt and to be holier than
Caesar's wife, declare an interest in that my family have property interests which could be affected
by any decision that is made. So I declare that interest.

3340 I also speak as an ordinary Member of the States – well, we are all ordinary Members of the
States, some more ordinary than others! But as President of the Economic Development
Committee – but I do not speak on behalf of the Committee – we attended a seminar earlier in
the week. Deputy Gollop was also there, and I think it is fair to say that at that seminar the picture
was painted – and it has been a consistent picture that has been painted, ever since we have been
in office the last four or five months – that the industry is struggling, and struggling considerably. I
3345 could go through this little book again and quote more statistics, but it is 10 past or quarter past
five and people do not want to hear that; but they all point, sadly, in a southerly direction.

In connection with that, I believe that dynamic and able duo Deputies Soulsby and Prow are
going to bring another amendment in due course, saying, 'To direct the Committee for Economic
Development' – and if they do bring this, we will be supporting it – 'to come back to the States to
3350 submit a policy letter to the States setting out a tourism strategy for approval by the States by
31st October 2018.'

Deputy Soulsby was originally going to ask that we do that by the end of 2017. I asked her and
she kindly agreed, and I am grateful to her, to delay it till October 2018, because we will then have
had, from the previous policy by our predecessor Committee, Commerce & Employment, which is
3355 the policy that is referred to, will have effectively had probably another full season. We will know
the position of the season by October – by the end of October or near the end of October.

So the position I am taking in relation to this matter is that the tourist industry is in an even
worse position, if I may say so, than the construction industry. There is much to do in this term of
Government by this Assembly, and the tourist industry needs every conceivable assistance it can
3360 give.

I will abstain because, as I say, I do have a conflict of interest and I do not want it thought that I
will be voting in favour or against reflecting that interest, but I do ask you to bear in mind there is
the following amendment which will be laid, I understand, in due course, giving us a direction to
come back with a new, revised and up-to-date tourist strategy in about two years' time.

3365 Other than that, this is a difficult issue. I do agree in the sense that Deputy Fallaize made a
good point that it is not enough just to stand up every time and say, 'Here is a red card. You are
not complying with SLUP,' or, 'You are not doing this or the other,' or, 'It will be a delay because
we are going to have a planning inquiry – that will be 12 or 18 months.'

Nobody wants that. No Member of this Assembly wants that, but if that had to be the way,
3370 because that is the right thing to do, then you do the right thing. I do not know how on earth the

States – and I am very glad I have come back into the States, because I can make criticisms of previous States – to use Deputy Fallaize’s phrase, tied itself up in knots in relation to this. **(Several Members: Hear, hear.)**

3375 The SLUP and the IDP, or any development plan, should be on equal footing; one should influence the other, but not stand paramount above the other, otherwise you are looking at here a policy SLUP that is now nearly five years old, against an IDP that is brand new. What on earth is the point of that? We have had it in the past: so many developments could not take place because they were governed by policies in plans that the States had to have regard to, and that planners had to have regard to, and that courts have to have regard to, that were 10 or 15 years out of date. You cannot do that. We are in a modern world, we have got technology now. Even I can operate, to a degree at least, my iPad. We have got to move more proactively and we have got to move more quickly.

3380 Support the tourist industry in whichever way you can; albeit, I just emphasise again, I will be abstaining.

3385 **The Deputy Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

3390 Well, the Committee for the Environment & Infrastructure have ownership of the SLUP; not for too long, by the way, it is a relatively recent occurrence; it sat with Policy Council before.

3395 What I said in my opening speech was that the SLUP could be amended by Environment & Infrastructure and by P&R. I do not see that as an obstruction to aspirations from this Assembly. It would make sense to listen to this Assembly and inform the overarching policy. But I think we need to be very careful because we have now moved away from talking about an amendment that has consequences that we do not readily understand, and that Deputy Roffey has tried to touch on, and again we have drifted into talking about the process – surprise, surprise!

3400 I sat on the former Environment Department and believed that it would be the wrong thing to do to turn the Green Acres Hotel into a care home because bed numbers were falling. We knew that. We knew that on one hand you had the Committee for Commerce & Employment, who were trying to revive the tourist economy; they were trying to get people in; we were working very hard to get cruise liners in; we were working hard to get people on aircraft, and at the same time, a hotel in a picturesque setting – of its time admittedly, but there was a move, a successful move incidentally, to turn that hotel into a care facility.

3405 Eventually, I voted that way because the weight, the collective will, of the community, was clearly heading in one direction. Regrettably on the day, although the Committee for C&E had responsibility for the policy around hotels, unfortunately they decided not to show up for the public hearing, so that case was never made in the public forum. But that hotel was in a state of disrepair, that hotel was neglected, arguably. We have a hotel in a prominent position on the south coast overlong the east coast in one aspect; is that not the best place on Guernsey for a hotel? Surely that must be one of the best places on Guernsey for a hotel.

3410 We are falling into this trap of premium on neglect and we have to be very careful about that, because if you want to change policy, whether it is the SLUP or whether it is the IDP, why not let something go to wrack and ruin, why not let that happen, and then it puts you in a different position, it puts you in a different place in the market, a sales place in the market.

3415 I have great concerns about this amendment, where people will realise that perhaps in the absence of investment, and perhaps that premium on neglect I have referred to, it makes it easier for them to get out of the market at a time when we actually need as many people in the market as we possibly can.

3420 Now, Guernsey’s tourist economy is a very complex and dynamic thing. We have the voluntary sector restoring and doing some excellent work at the bathing pools. I know Members of this Assembly are also involved with the Little Chapel, to work on these tourist attractions. We want people in, we want them to look at our Victorian bathing pools, we want them to enjoy them, we

want people to enjoy the Little Chapel, and people are putting time and energy into that. Not everyone that will enjoy those facilities would be where possibly C&E, and where Economic Development, think they are. Our tourism is much more dynamic and complex than that, and we do get people that come to Guernsey that have been coming for years, that want a certain type of accommodation that we could lose if we are not careful. I know that Deputy Roffey has made the request before, but I would seriously ask Deputy Soulsby just to reflect and take the opportunity to withdraw this amendment.

I do feel a little bit, I have to say, for the DPA and for Deputy Tindall, because if you are involved closely to policy, and you work closely with staff who know very well and inform you what the repercussions are if an amendment is passed, really it is of no consequence to us as individuals if we do, but for the people on that Committee, and for the staff working in that area, this could represent a huge unnecessary body of work that could be resolved just with E&I and with P&R tweaking policy and amending it accordingly.

Thank you.

The Deputy Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

As the Strategic Land Use Plan has been criticised, as a member of the Strategic Land Planning Group that developed the plan, I just wish to speak to explain the process.

I think it was a vital process that we had, because we did not want the Island Development Plan developed in a policy vacuum; it needed direction from the States of where we were going. The Strategic Land Planning Group spent a lot of time listening to people from all industries from different parts of the Island before it came up with its plan. We spent an awful lot of time trying to understand so that a direction could be developed for the IDP. Yes, it took, time and again, inadequate resources. It has taken a long time from the Strategic Land Planning Group plan coming to the States in November 2011 to be here today debating the Island Development Plan.

But I think the process was right and as a Government we needed that. It would be totally wrong for the Environment Department or the Development & Planning Authority to come up with a plan in a vacuum without direction from the States. You need that high level direction. So I defend that and I just stand to support what Deputy Roffey said, which I think was very right. I always think of it being compared to glasshouses where development would never have been allowed on that particular site unless it was for a particular industry; we would not have allowed any other development on many of the glasshouse sites if it had not been a glasshouse.

I think tourism is the same. There are some very prominent sites which have been developed for tourism because of their location, and when they are then converted into residential accommodation, as has happened at Cobo, you have a residential accommodation that is incongruous, in my view – sorry to use that old IDC word – with the surrounding buildings, but it was there because a hotel had been built there.

So I think we have to be extremely careful that we do not allow tourist accommodation to be converted into other accommodation. Perhaps if they are no longer viable, perhaps they should be flattened and put back to green fields, which is what they were before they were developed, rather than into other residential accommodation.

Thank you.

The Deputy Bailiff: I turn to the President of the Authority, Deputy Gollop, to reply on the amendment.

Deputy Gollop: Sir, there has been quite a lot of noise about tourism recently and I do have a lot of sympathy and empathy for the industry because – well, in the words of one prominent personality in the industry – they have had a triple whammy, or a perception of that, for a variety of polices and unfortunate incidents.

3475 Nevertheless, if I could have a personal view, initially, I felt that a fairly draconian approach to
the industry is regrettably what we need in the short term; maybe the medium term, because I
think historically some Committees – not necessarily the new Economic Development, but their
predecessors, going back in the day, maybe even to the days of the tourist board – were acting as
3480 the public relations representations of the tourist industry, and were almost encouraging
delusions. The reality is the States perhaps should have been more of a regulator, more of a GFSC,
because the industry has been allowed to decline and we, perhaps, should have done more to not
only raise standards, raise incomes, where appropriate, but moreover support the infrastructure
for the Island that the industry needs; there needs to be a dialogue and support both ways.

What we feel we are doing, or at least my perception of my role, formerly on the Environment
3485 Department and now presiding over the DPA, is trying desperately to conserve what is left of the
industry, because there has been a structural shrinkage, as I said earlier, from 82 hotels to 40
hotels reduction almost every year. We have had too much optimism maybe in the past, from
promoters of the visitor economy. I wonder if we have the format right, and maybe we should
give over the States' budget directly to the industry to spend rather than trying to manage it
3490 through the Department, but that is a debate for another day.

But in the meantime I think the best speech I have heard this afternoon, and made the case
really exceptionally well for us, was Deputy Roffey, because he broadened the industry's impact
on to the Island, not only about its contribution perhaps, as people have said, to incongruous sites
and coastal locations and employing considerable numbers of workers – some of whom might
3495 not get well paid jobs in other sectors – but of course he focussed, like with agriculture, its overall
contribution to our society, that ranges from conference venues and meals to particularly – and
this is particularly important, I think, for Economic Development and Policy & Resources – to
transport links.

Being on the Transport Board, I will not go too much into that, but clearly our connectivity is
3500 vital to our future. I think that is a core strategic policy that we would all support, and I know from
listening to this that Deputy Soulsby of course was at the forefront of trying to stimulate new
business in the last term, and has sat on Commerce & Employment for a couple of years.

So if we are still committed, as we are from every policy, to support the industry, which we do
financially and in various other ways, but also to ensure that the industry stays with us, we have to
3505 take a very cautious approach to allowing units to fall out of the industry. The problem with some
of the comments we have heard, even from Deputy Yerby, Deputy Prow and a few others, is that it
would be very easy for an establishment to let itself run down to nothing, and then become a
bombsite, become derelict, and then over a period of time become like a greenhouse or a rust
belt.

I mean I actually, like Deputy Brehaut, belonged to the Environment Board. I went round Green
Acres Hotel and actually it was in better condition than some of the places I have lived in, but we
will not go into that! *(Laughter)* I personally think that it could have been reactivated, but the
problem was the market had changed in the perception of the owners, but of course one of the
snags ... I say 'owners', I do not want to talk about specific sites, it is not appropriate, but it is more
3515 than possible for a family or a company that is dedicated to tourism to, for whatever good
reasons, sell on the property to other parties, and the other parties might see the asset as
something that is potentially more valuable for another use.

That is the crux of it. I am not an expert, unlike Deputy Oliver, on chartered surveying land
values or real estate values, or all of those questions, but it is pretty obvious in a Guernsey
3520 context, with a few exceptions, that many of the hotel and guest house sites would be infinitely
more valuable if they were able to be used as non-affordable housing, if you like, or as office
developments, or in many other uses.

So planning, in a sense, is a bit statist; it is a form of socialism, in a manner of speaking,
because it is telling the owners of property and capital what they can do with their land; it is not
3525 allowing total freedom. In that sense, it is not particularly libertarian, although you could also

argue it gives people value on occasions too, rather than the anarchy of building anywhere, as you see in some other places.

But the reality is, if we said tonight it will be much easier in the future to leave the industry, then expect quite a few closures of hotels and other places in the next 12 to 24 months. A lot of people would find it easy to leave the industry because, for whatever reasons, we have perhaps not had quite the impact we could have done on, I don't know, tourism marketing or transport links, or other issues that the industry needed. We know tourism has grown in other places: in the UK, Chinese tourism has grown. It has not necessarily been the case here, so we have got to consider why and build back growth into it.

I do not believe today should be, especially at this time of night, a debate about the future of tourism. It is a debate about the credible plan and the process that we have been in for five years, and specifically as to the points that we raised, we know that the Island Development Plan has received a certificate to confirm it is consistent with SLUP; and the amendment, effectively, allows the movement of establishments on a much greater basis out of the industry, which goes beyond the exceptional circumstances in SLUP.

Now, I do take Deputy Yerby's point that we should not discourage budget tourists, and we should be inclusive to people across the sectors, but the reason why it was two stars and above were excluded, is our primary economic generators of money from tourism has to be the larger premises. They contribute more to our economy, I would suggest, than cruise ship passengers, per person. They are useful in other ways for building up the quality we need for, perhaps, in the future the wellness market, and the business conference and incentive markets. We benefit as a leading off-shore business centre from having world class hotels and restaurants. We should have more of them. The inspectors said that making it easier to exit the sector would run counter to the maintenance of adequate stock.

About a decade ago the Island went a bit slack on letting hotels out of the sector and we saw a significant decline; and surprise, surprise, we saw a decline over time in our air and sea links as well. Thirty years ago we saw a quite rapid decline in sea links and self-catering. Every time we have seen a shrinkage of the industry, we do not get more inclusive as a community, we run the risk of plateauing or even decline, both economically and in other logistical ways.

So I think it is very important to hold the line on this amendment – and not because it is a process, but because clearly, until we have more developmental work, maybe, from the industry itself in conjunction with Economic Development and the P&R Plan, we should work on the basis that, as far as possible, we want to conserve the industry at its size, and in its present locations, and to ensure that those locations, especially the prime sites, and the areas of potential future development, are conserved.

So I urge you to reject Deputy Soulsby's amendment.

The Deputy Bailiff: Members of the States, I am going to propose to you that we continue to sit, although it has just gone half past five, to conclude debate on this amendment. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: We will continue.

Deputy Soulsby, the proposer of this amendment number 20, to reply to the debate.

Deputy Soulsby: Thank you, sir.

Deputy Tindall, in her speech, repeated the paragraph she quoted to me yesterday about baselining reached and I dealt with that in my speech before she spoke. I heard nothing in the speech that explained basically, as Deputy Fallaize put it, that this amendment unarguably fails to meet the guidance of the SLUP; it does not, and I thank Deputy Fallaize for his comments. He has

got it absolutely right. It is an issue of interpretation and I am delighted that he comes to the same conclusion as me.

Again, I thank Deputy Yerby for making clear this amendment does not go against the SLUP, and I welcome her input. I also welcome that of Deputy Oliver, with her viewpoint, not only as a chartered surveyor, but also as a member of the Development & Planning Authority.

Deputy Roffey says the bar should be set very high. Well, the bar is still set very high under this amendment; in fact it may not be so high it needs a gold medal winner to jump it, but someone very close, if not a silver medallist. He comments that building high end units would be more valuable than a hotel. Well, it might be, but this amendment does not open the flood gates to allow that to happen. This test is not too easy, as Deputy Roffey puts it – far from it.

Deputy Brehaut says we have drifted into talking about something we do not understand. Well, with all due respect, I think it is very clear what we are talking about and what this amendment does. He talks about a premium on neglect. Well, that is exactly what the current proposals do; there really is no difference in that respect. He talked about how we may lose the accommodation that people may want. Well, if they want it in sufficient numbers, why would anyone running such accommodation want to get out of it; and if they do try to get a change of use they may very well fail the viability test. Remember this amendment requires advertising to sell as visitor accommodation for two years before any possibility of getting a change of use. So Deputy Gollop's scaremongering, and that of just a few others, is misplaced.

This amendment is not what the DPA say it is – well, I say DPA, but we have heard one member of that Authority who agrees with me. They are not of one mind. I have not heard a coherent reason why this amendment should be deferred, or require an inquiry. This amendment is consistent with the SLUP. It just gives at least some opportunity for change of use, as opposed to the proposals as they stand. It will not open the floodgates, as the criteria still have been strictly set, and we have heard the views of experts, who make clear their concerns about the proposals as they stand.

I urge Members to support this amendment.

The Deputy Bailiff: This is the amendment number 20, proposed by Deputy Soulsby, seconded by –

A Member: A recorded vote, please, sir.

The Deputy Bailiff: Seconded by Deputy Prow, and there will be a recorded vote. Deputy Greffier, please.

Deputy Merrett: Sorry, I just want to make the same declaration of interest as previous amendments, just to make sure that is done, sir.

The Deputy Bailiff: Is it likely that you are going to seek to make a declaration of interest throughout the entire debate, Deputy Merrett?

Deputy Merrett: No, I have just one other amendment that this will refer to, sir.

The Deputy Bailiff: Alright.

There was a recorded vote.

The Deputy Bailiff: Well, Members of the States, I will announce the result in a moment, but it looks as though that was carried.

Deputy Soulsby, can you confirm that if that is the case you no longer wish to move amendment 14 and that Members can therefore just shred that and recycle it?

Deputy Soulsby: I am quite pleased to be able to tell you that, sir.

3625 **The Deputy Bailiff:** We will proceed on that basis then, Members of the States.

Carried – Pour 25, Contre 11, Ne vote pas 1, Absent 2

POUR

Deputy Fallaize
Deputy Lowe
Deputy Laurie Queripel
Deputy Hansmann Rouxel
Deputy Graham
Deputy Green
Deputy Paint
Deputy Brouard
Deputy Dudley-Owen
Deputy Yerby
Deputy Soulsby
Deputy Prow
Deputy Oliver
Alderney Rep. Jean
Deputy Kuttelwascher
Deputy Tooley
Deputy Parkinson
Deputy Le Clerc
Deputy Leadbeater
Deputy Mooney
Deputy Trott
Deputy Le Pelley
Deputy Merrett
Deputy St Pier
Deputy Stephens

CONTRE

Deputy Smithies
Deputy Dorey
Deputy De Lisle
Deputy Langlois
Deputy de Sausmarez
Deputy Roffey
Deputy Tindall
Deputy Brehaut
Deputy Gollop
Deputy Lester Queripel
Deputy Meerveld

NE VOTE PAS

Deputy Ferbrache

ABSENT

Deputy Le Tocq
Alderney Rep. McKinley

3630 **The Deputy Bailiff:** Members of the States, the voting on amendment 20 proposed by Deputy Soulsby and seconded by Deputy Prow was as follows: 25 Members voted *Pour*, 11 voted *Contre*, 1 abstained, and therefore I declare the amendment carried.

Now, in accordance with the Rules, we will now adjourn until 9.30 a.m. tomorrow morning.
Deputy Trott.

Procedural

3635 **Deputy Trott:** Sir, we are making slow progress. Under Rule 6(4) I would like to propose that we extend our hours in session tomorrow by a total of two hours. I would like to propose we start at 9 a.m. finishing at 12.30 p.m. reconvening at 2 o'clock until 6.30 p.m. if required.
Thank you, sir.

3640 **The Deputy Bailiff:** Members of the States, it is permissible for me, in my discretion, to allow this to be briefly debated if anyone wants to say anything.
Do you want this put as a composite motion or do you want it bit by bit, Deputy Trott?

Deputy Trott: I think bit by bit might be safer, sir.

3645 **The Deputy Bailiff:** Let's tackle an early start, for at least politicians: 9 o'clock in the morning.
Any debate on that?

Deputy Tindall: Sir, I hope you appreciate the fact that, unfortunately, I did read part of the wrong speech out today, because I am extremely tired and it has been a very long process in getting to grips with all of this. I would therefore repeat, for both points, that it would be

3650 preferable to have the 9.30 a.m. and 12.30 p.m., 2.30 p.m., 5.30 p.m. – obviously extend the 5.30 p.m. if necessary.

Thank you.

3655 **The Deputy Bailiff:** Does any other member wish to speak on a proposal to sit at 9 o'clock in the morning.

Deputy Roffey.

Deputy Roffey: Sir, while I have no objection at all to starting at 9 o'clock in the morning, I wonder if Deputy Trott's weapon is best used like a nuclear weapon as a deterrent.

3660 I would have preferred, perhaps, to look at almost indefinite hours on Friday and carrying on, and I think that would just put lead in our pencil tomorrow, and speed us up a bit, but ... I don't know which bit I am talking about, the 9 o'clock start or the other bits, but I just wonder if that is an alternative approach.

3665 **The Deputy Bailiff:** I think technically the only thing that is in play is the 9 o'clock start at the moment.

I do not see any other Member rising, so I will put to you the motion that the adjournment be not to 9.30 a.m. tomorrow but to 9 a.m. Those in favour; those against.

Some Members voted Pour, others voted Contre.

3670 **The Deputy Bailiff:** We might have to go to an *appel nominal* on that! *(Laughter)*

Can we have a quick recorded vote please, Deputy Greffier?

Quiet please, Members.

There was a recorded vote.

The Deputy Bailiff: I think we have to wait for the result of that, because I think there is one in it. I told you it was close when you did it *aux voix*.

Carried – Pour 19, Contre 18, Ne vote pas 0, Absent 2

3675

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Lowe	Deputy Fallaize	None	Deputy Le Tocq
Deputy Laurie Queripel	Deputy Graham		Alderney Rep. McKinley
Deputy Smithies	Deputy Green		
Deputy Hansmann Rouxel	Deputy Dorey		
Deputy Paint	Deputy Yerby		
Deputy Brouard	Deputy De Lisle		
Deputy Dudley-Owen	Deputy Langlois		
Deputy Soulsby	Deputy Oliver		
Deputy de Sausmarez	Alderney Rep. Jean		
Deputy Roffey	Deputy Tindall		
Deputy Prow	Deputy Brehaut		
Deputy Ferbrache	Deputy Tooley		
Deputy Kuttelwascher	Deputy Gollop		
Deputy Le Clerc	Deputy Parkinson		
Deputy Mooney	Deputy Lester Queripel		
Deputy Trott	Deputy Leadbeater		
Deputy Merrett	Deputy Le Pelley		
Deputy St Pier	Deputy Meerveld		
Deputy Stephens			

The Deputy Bailiff: Well, Members of the States, there voted in favour of the motion, 19, and against, 18. The motion is therefore carried and the States will meet at 9 o'clock in the morning.

Madam Procureur.

3680 **The Procureur:** ... whether the 18 that voted Contre is because they cannot actually attend I am just concerned that otherwise we might not be quorate ... *(Microphone not working.)*

3685 **The Deputy Bailiff:** Well, if the States are not quorate when they sit at 9 o'clock in the morning, then obviously we cannot proceed, but the motion has been put. It is a motion that is consistent with Rule 6(4). It has been carried by a majority and therefore the States will now adjourn until 9 o'clock in the morning. *(Interjection)* No.

Deputy Fallaize: I do not want to talk about sitting hours, sir.

3690 I want to ask when will you seek to establish where we are with this business of deferral, because the D&PA can indicate that they are prepared to set aside the deferral provisions and then the States, presumably, would have to vote on whether they too are prepared to set aside the deferral provisions, and we have just approved an amendment which, initially, the D&PA said would cause a deferral.

3695 Are you going to invite them to reconsider or are they going to advise us in the morning, or are they going to advise us at the end of the debate on all of the amendments?

The Deputy Bailiff: Deputy Gollop.

3700 **Deputy Gollop:** In my view, I cannot speak for the rest of the Committee, but we will apply it at the end of the debate, when we see the totality of the picture and, technically, amendment 20 was a different amendment from amendment 14, so we did not actually talk about amendment 20 at the start.

3705 **The Deputy Bailiff:** Members of the States, you should just have received a hard copy of an amendment marked 25.

If you are looking at your running order for the morning, I propose to take amendment 17 first, and then, although it is a little bit out of order, for reasons that will become apparent, to move to amendment 25, on the basis that if amendment 25 were carried, some of the other amendments might then not be pursued.

3710 So that is the plan for the morning: 17, 25, which was nearly half an hour ago, and we will now adjourn until 9 o'clock in the morning.

The Assembly adjourned at 5.49 p.m.