



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 19th April 2018

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Present:

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

Law Officers

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,
C. P. Meerveld

The Vale

Deputies M. J. Fallaize, N. R. Inder, 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 and S. D. G. McKinley, O. B. E.

The Clerk to the States of Deliberation

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

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Procureur)
Deputy T. J. Stephens, (*absent de l'Île*) Deputy J. P. Le Tocq (*relevé à 9h 44*);

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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

Billet d'État XI

STATES' TRADING SUPERVISORY BOARD AND COMMITTEE FOR THE ENVIRONMENT & INFRASTRUCTURE

V. Waste Strategy Implementation – Household Charging Mechanisms – Debate continued

The Senior Deputy Greffier: Billet d'État XI – Article V – continuation of the debate.

The Deputy Bailiff: Deputy Prow.

5 **Deputy Prow:** Thank you Mr Deputy Bailiff.

Sir, I shall be as brief as I can, as the vexed question of waste has already been the subject of the decisions reached by the States on quite a few occasions, and indeed very many more by the previous States. It will therefore not be helpful to rehearse those debates.

10 I should say therefore from the outset that I fully appreciate the difficulties and the legacy policy baggage inherited by the two Committees now discharging their duty to implement a Waste Strategy Regime. This is not easy stuff and I both thank them and I respect them for taking on this challenge.

15 Sir, as a society we produce waste and I completely accept that we need to take up the responsibility to reduce the amount, recycle and deal with it appropriately. Historically the management of waste has been a partnership between the States and the parishes. It is a dirty job and not at all sexy, but a fundamental part of the duty of government. It is not a nice to do thing, it is a basic duty of government and is discharged often in the dark by unseen service providers.

20 In my view the required infrastructure which previous States have procrastinated upon fits with the Capital Reserve. It is a government's basic job, not an opportunity for cost recovery or a commercial opportunity like a runway extension.

I do not resonate with the words of section 6.4 on page 16 regarding the polluter pays. As it is not going to be at all absolute, it is regressive in nature, and it abrogates some of the responsibilities of the States.

25 Sir, may I refer to section 1.3 of the policy letter on page 5. I believe the simplistic principle of charging – and I quote from the report – in order to bring about behavioural change is flawed. Such social engineering will greatly impact on the poorest in society and will also impact greatly on middle Guernsey, who already bear a proportionately large tax contribution burden. (**A Member:** Hear, hear.) Whilst we should of course encourage recycling and do all we can to reduce the volume of waste we all produce, if you can afford to pay the charges the desired change – to
30 again use the words of the policy letter – will not be driven. However, what will be driven but we do not know to what extent will be the domestic burning of waste and fly tipping.

Sir, I again refer to the traditional Guernsey partnership which has for decades delivered waste services. These include the two parishes which I represent, St Martin's and St Andrew's, and the Constables of St Peter Port have also voiced their concern.

35 What is also a worry: this is combined with a further anxiety over the practical delivery implications as well as cost surrounding the operational delivery and their role within it. So often in government do we gloss over practicalities. I have received correspondence from them, that is the Constables of St Martin's and St Andrew's, as have other Deputies, in which they ask me to represent their views in this Assembly. I am happy to do this, not least because I agree with them.

40 Sir, I shall try and summarise my understanding of their shared concerns. Affordability – for the lower paid, pensioners and persons on a fixed income; borrowing from the Bond – the gate charge will increase but not if the money comes out of the Capital Reserve; fly tipping – a real concern for parishes, who will pick up the responsibility, both operationally and financially. The Constables will undoubtedly field the reporting and bear the cost, particularly on public land. The
45 practicalities of administration of stickers on black bags; the management and potential of non-compliance, a huge burden on the service providers; the efficacy and the design of food waste bins; glass collection bags, which appear may not be fit for purpose in adverse weather conditions; and the viability of the existing Eurobins.

The contracted service providers will become administrators of a fiscal arrangement and the consequences of non-compliance including checking for stickers, replacing food bins and glass
50 bags, which must increase their operational time spent, which will in turn increase costs; problems exacerbated on multi occupancy dwellings. Non-compliance will have an adverse effect upon the parishioners and the much-needed visitors and that will also have a rub-off effect on the economy.

55 Sir, I think it is fairly clear as to where I stand on most of the multiple choice Propositions before the Assembly.

Thank you, sir.

The Deputy Bailiff: Deputy Roffey.

60 **Deputy Roffey:** Thank you, sir.

I think the part of this policy letter that drew my attention first was the letter of comment from Policy & Resources and in particular the bit in bold on page 33, and I will read it out:

'The effect of replacing borrowing from the bond to funding from the Capital Reserve will be that past and current tax payers will be paying for assets which will be used to provide a service to future users...'

65 Yes. That is exactly what I want. I want past and present tax payers to be paying for the assets that will be used by our community in future – just as this generation is enjoying the assets paid for by the generation before. It does not mean the next generation gets off scot-free, they will be expected to pay for the assets for their children to come. (**A Member:** Hear, hear.) If this Island was a family I would like to be the sort of family that saves up for things and then buys them, rather than gets them on the never-never (**A Member:** Hear, hear.) or borrowing. I know that sits

awkwardly with the fact that we have a nice Bond to use, and I probably would have had something to say about that if I had been in the States at the time, but that has always been my philosophy. I just think it is prudent to actually put the money aside, and if it means our children and grandchildren benefit great. We are benefitting from what our grandfathers and fathers and mothers and grandmothers – before I get picked up – did as well. So that is that.

I have to follow up from Deputy Prow who said it was obvious where he stood. I am not sure it is, and I am not sure where I want to stand either, because I share his concerns about the impact on the lower paid, but the fact is the cost of the strategy is the cost of the strategy. What we are trying to do today is really decide what share of that comes out of the bag charge and what comes out of the standing charge, and Deputy Prow has pointed out that bag charges could be very hard on the lower paid, whereas the rich could afford to throw as much as they want. Well, that is great, that is one side of the picture; on the other side of the picture putting more on a standing charge which is flat per household, the millionaire's mansion paying exactly the same as the widow living in a modest house next door would be very characteristic of it. That is just as regressive; in some ways it is more regressive.

One of the problems for people worried about people on minimum incomes is that there are two big groups in Guernsey: one is the pensioner who puts out by and large very little waste and therefore would benefit from a higher waste charge and a lower standing charge; the other is the large family on a low income which would probably benefit from us tipping the balance the other way. So how to go? Well, Social Security are there to pick up some of the strain. Now, they have said it is going to be quite expensive for them. I am guided by the fact that actually the large family who are going to have to put out waste will at least, if they are on a low income, be likely to be getting some kind of income support. The pensioner on a single pension with no other income whatsoever, if they own their own homes – many of them do, because that generation did tend to – just will not qualify for income support because the requirement rate is lower than the pension. So I am going to tip towards putting more on the bag charge and less on the standing charge because I actually think overall that would be less regressive.

I have another reasons for doing it. This is not the waste strategy I would have chosen but I fully accept that it is where we are and there is no point in revisiting that, but I listened to all of the debates, sadly, as this policy was formulated and it was promised to the people of Guernsey that in future they would really be able to affect how much they paid by changing their behaviour. In future you will be able to change: if you recycle an awful lot you will be paying a lot less.

Now if a big chunk goes on a standing charge and only a small amount on a bag charge, the ability to do that is really very constrained indeed. (**A Member:** Hear, hear.) Because they could put up almost no waste but would still be paying 70% or 80% that they would be if they put out a whole load of waste.

So obviously it is hard to say how you are going to vote because there is a cascade here and it will depend what happens on the first vote how you vote later on. But I am going to tend towards putting more on the bag charge and less on the standing charge because neither are good but of the two I think that is the less regressive and in particular the pensioners, and I know they are not a particularly popular group in this Assembly it seems, we have taken away their additional tax allowances, with all sorts of things to hit them, because they are apparently all rich and going off on cruises. I do not believe that, I think there are an awful lot of very low income pensioners in this Island and I actually think it would benefit them to have a low standing charge, maybe nil.

I am going to listen to the debate and decide exactly where I am going to go, but I am certainly going to tend towards not having a hefty standing charge.

The Deputy Bailiff: Deputy Le Tocq. You have appeared – would you like to be *relevé*?

Deputy Le Tocq: Thank you, Mr Deputy Bailiff.

The Deputy Bailiff: Deputy Le Clerc.

Deputy Le Clerc: Thank you, sir.

Sir, I have a few points to make, some of my own and some points made at our St Peter Port Parish meeting and some on behalf of the ESS Committee.

125 Firstly, St Peter Port parishioners are not happy with the current proposals and want St Peter Port Deputies to oppose all the Resolutions. I have to make this point as I said I would. However, as Deputy Parkinson has already stated, and as I stated at the meeting, Mont Cuét is almost full to capacity, and we are now left with very few immediate options. So I regret, reluctantly I have no other option other than to vote something through today. But I would ask the Assembly to note
130 that this is against the wishes of most of those who attended our St Peter Port Parish meeting.

One of their concerns apart from cost and storage of recycling and waste was the potential for fly tipping. I think that we will see an increase, and an interesting fact came to light during the meeting, as the Constables explained that even if there is something within the bag such as a bill or other items with names and addresses that identifies someone, they cannot currently prosecute
135 that person. Apparently the only way to prosecute is to see the person actually fly tip the bag. Perhaps the President of STSB can clarify the position in his summing up.

On the subject of fly tipping I do believe we need further work on educating and communicating more on what can and cannot be recycled. I think it will be the larger unwanted household items such as old cushions, duvets, pillows, empty paint tins – actually you can recycle
140 half tins of paint because I checked that over the weekend. I looked at the Longue Hougue recycling site information and I think that it is not clear how some items can be disposed of, and many people will not have storage facilities or afford one tonne type skip bags to store up the more unusual items, and I think it will be the increase of these types of items that will be fly tipped, perhaps rather than the standard weekly black bag waste.

That leads me on to the cost of the bags, and I know this is getting into detail but I think it is something that people are interested in, and again with my ESS hat on, people will have to purchase bag stickers and if we go down the route of the £4.80 per bag sticker people will not be able to afford to purchase even a book of 10 stickers. So I would like to understand what the process and availability of purchasing those stickers perhaps on a weekly basis will be. Because I
150 think that will add again to perhaps the fly tipping situation.

Sir, I want to finish with the estimated cost for those on income support. I do not want the debate to be hijacked today by the figures for income support and the focus or choices made today on the basis of these estimates. The most important thing to remember is that this will be a cost to all households on Guernsey and we need to choose the right balance for all Islanders not
155 just the few that will be eligible for some assistance.

Thank you, sir.

The Deputy Bailiff: Deputy Ferbrache.

160 **Deputy Ferbrache:** Sir, I do not, I am sure like most people in Guernsey, really like where we are. Where we are is bureaucratic; where we are is going to be expensive; where we are will increase in expenditure; and where we are today, as Deputy Parkinson said yesterday, is dependent upon human behaviour in the future, and if anybody can predict human behaviour in the future then they are a very wise man or woman. I am sure, though there are lots of wise men
165 and women in here, they will not be able to predict where this is going to lead us.

So if we could start again I am sure we, the public of Guernsey, would not end up where we are now. It is a mess and we are clearing up the rubbish of previous decisions. Deputy Langlois is nodding disagreeing with me, but I would much prefer to see as much recycling as we could I would much prefer to see a purpose-built incinerator. (**Several Members:** Hear, hear.) I would
170 much prefer to see us controlling our own destiny, we would have to find somewhere other than Mont Cuét because as Deputy Parkinson has said it is full, probably overfull, and its lifetime is very short. But we do have other holes in the ground and we moved on eons from the days when

Bordeaux Quarry had every piece of rubbish that we all had tipped in to it. We have got beyond that, and we now recycle things that we would not have dreamt of recycling 10 years ago.

175 Now of course, it is my first States' meeting now sitting next to Deputy de Sausmarez, so I am sure she is pleased to have her environmental mentor sitting so close to her (*Laughter*) but in connection with all of that, we are told, and we are told this, and I make no criticism of the Trading Supervisory Board or the Committee for Environment & Infrastructure, they are saddled with this, as Deputy Prow said, and they are doing their best. So it is not a criticism of them but we

180 have still got to comment on the facts as they are.

Paragraph 2.1 of the report on page 6 it says.

The cost of waste management in Guernsey has historically been low, in the context of other household costs.

Well it has, what is wrong with low costs? Absolutely nothing, and it continues in that particular paragraph:

It has been known for some time that a modern, more sustainable approach will cost significantly more, and result in a step –

This is what the word says:

change in household waste bills.

185 'Step' should say 'steep increase' in household waste bills, because that is what it is going to mean, and indeed that is dealt with in the next paragraph 2.2. in which it says:

It is estimated that the average cost to households will increase from around £130 in 2018 to approximately £365 a year in future ...

Now, that is the equivalent increase, that is £4.50 a week increase. To a lot of people, it is only

190 £365 a year – not very much; it may not be very much to some or all of the people in this room, but to a lot of people, as Deputy Roffey has touched upon and other people, it is a heck of an increase, and where else would you go ... ? If you suddenly went to a shop and you are used to buying a pair of shoes and that same pair of shoes went up by nearly 200% from one day to another you would have some concern about that, or any item. You take your car for a service it

195 cost £200 last week; because you are taking it in next week it is going to cost you £600, you would be concerned. Yet we as a government are going to impose this at the end of today's debate on the public of Guernsey.

Now, where I distance myself a little from Deputy Roffey, because I agree with most of what he has said, is that I agree with him about the pensioners because pensioners tend to put out – little

200 old lady/little old man – and I am a little old man now – they tend to put out rubbish which is less than a family of two, three, four. We have got the income support and Deputy Le Clerc has helped us with that, and we have got Deputy Parkinson who told us the cost is over half a million pounds per annum. The anticipated cost is over half a million pounds per annum. That is great for some families. But there will be lots and lots and lots of families who are not rich but do not fall within

205 the income support banner, and they will have to suddenly – they will be the ones visited with the extra increase if we lump it all on the bag charge, because if you have got two, three, or four children they are going to produce a heck of a lot of waste because that is what youngsters do, and you have got to put that somewhere. You can recycle as much as you can but percentage-wise you are still going to have to put some in these blinking bags, and that is going to cost the

210 average family perhaps more than the increase of £4.50 that I have referred to.

Again this report, and no criticism of it because it is trying to protect itself for the future, when we quote from it no doubt in six months' time or a year's time or two years' time it is saying, well, we are not sure about this or we are not sure about that, we are not sure about the other. We are absolutely saddled with a £31.6 million capital cost, because Deputy Parkinson, I do not know

whether he was on his bike or driving his car but he has told us that it is well on its way now and will be completed soon. So other than we wanted to create an ugly monument for nothing we are foisted with that £31.6 million.

Now this is where I agree with Deputy Roffey that we should not be paying for it on the never-never; we should say this comes from Capital Reserve (**A Member:** Hear, hear.) because it is an expense that has to be borne, and it should not be borne by the current taxpayer or the taxpayers in the future because we have got those savings and rubbish is something that we have got to sort out. So therefore if we have got to spend £31.6 million on this expensive piece of kit we have got the money in the bank we should pay for it, not borrow from the Bond, because the Bond has got this money that nobody really knows what to do with and it has been sloshing around for ages, and we have invented things to get an income from it, whereas in normal commercial terms you would case that asunder.

But anyway again with that we are where we are, but we should not be ascribing a cost to that under the Bond whether 50% or whatever, because that will have to be paid for and that will have to generate an income.

Now Deputy Le Clerc has touched upon what the St Peter Port Constables have said to us in correspondence and otherwise. What they have said, and I very much agree with this, they have said keep the black bag charges as low as possible. They say that the Waste Disposal Authority should have robust arrangements to quickly deal with fly tipping on public and private land, and they also say – and I agree with all these points – they also say there should be a two hour response time to removing residual waste left on the streets funded by the States, because we are going to have increased fly tipping. It is not the same issue but I just mention it. I am foisted in my garden with so much dog poo that does not belong to my dogs, so much rubbish that does not belong to me, because people decide in their public spirited way as they drive past my garden to throw it into my garden. Now that is going to happen even more so, even more so going forward. I am not the only one with an above average size garden I would have thought.

But people will fly tip because they think they will save money – (*Interjection and laughter*) Somebody said something amusing – that is very unusual!

But in connection with all of this we have opened a Pandora's Box that we have got no idea how we are going to end up. I hope it is not a disaster. We have got to deal with it practically, so I will be voting for the £31-point-whatever-it-is million to come from Capital Reserve and I will also be voting for the bag charge, whatever option that is, and I cannot instantly remember without reviewing the proposed resolutions etc. to be as little as it possibly can, because the ordinary man, woman and family of Guernsey are not getting a good deal. He, she and they are having tax upon tax upon tax foisted upon them. The rich can look after themselves; the poor are to a degree provided for; the middle ground we leave as a States to float their own canoe and that is not fair.

The Deputy Bailiff: Deputy Le Pelley.

Deputy Le Pelley: Thank you, sir.

I rise quickly because I know that Deputy Merrett has got a very long speech coming up. I know she has done a lot of research so I shall be listening very intently to what she has to say. We both represent the same district, sir, so I think we come from more or less the same sort of place.

I note and support the views that were made by Deputy Prow earlier in a speech that actually highlighted quite a few very interesting observations. I also take heed of what Deputy Le Clerc said, having taken note of her Douzaine's view, and I also take note of what Deputy Ferbrache has just said.

I think it is fair to say that parish officials, Island-wide are not happy with the proposals as they are currently laid out. It is something which has been inherited by this particular group from not only last States of Deliberation but also from the one before that, and probably the one before that, so it is nothing that is new, but it is rolling on and on and on.

Saying that the problems will not occur, or hoping that the problems will not occur, does not mean that they will not occur. I am pretty sure, certainly in the district that I represent, that we are going to suffer quite considerably from increased amounts of burning, burying and fly tipping. None of those things are healthy options. If things are buried in quarries and things under controlled conditions, that is fine, but if you are burying stuff which is near to controlled streams or if they are near to other things like greenhouses or wherever other things may be being grown or cattle may be grazing or whatever, that is not a good thing to happen.

We have in my particular district quite a number of private clos, we have a number of housing estates, and if the States have their way, the way we are going it looks like we might have another 1,600 houses or so in the north of the Island, which is also going to be adding to the problem.

We have Delancey Park within our parish boundaries, we also have the Bowl. Both of those areas have suffered in the past from indiscriminate fly tipping. We also have some industrial sites which will need to be watched very carefully, because it is easy to fly tip into something which has already got some kind of waste already there. It is very easy to actually add to it without people noticing immediately what is going on. We have also got some very beautiful coastal areas.

But looking further afield, looking around at most of the coastal areas in St Sampson's and the north of the Island are easily maintained, easily got to, if you are going to be pulling off stuff that has been fly tipped. But if you get to the outer parishes places like the Forest, St Pier du Bois, Torteval, it is going to be a different kind of game trying to get rubbish that has been fly tipped on to the cliffs being brought back into the centre.

So I think this is going to resolve – I think that there will be a lot more fly tipping, a lot more burning, a lot more burying, and I think it is going to bring an awful lot more cost to the actual centre. Cost has got to be borne by somebody, and the person who is paying and playing the game properly, who is taking their civic responsibilities properly, and actually paying their rates and getting rid of their rubbish in accordance with the law, they are going to be paying what is a considerable increase, 300% I think it is, to get from £120 to £360 – that is a massive ask in one jump. I know from the kind of people that come and talk to me either as a parish Deputy or as a parish official because I still serve as both, that there will be a number of people who are going to find it extremely difficult to actually be able to pay the legal requirements of them.

What is worse is that those people who decide that this is not for them, that they cannot afford to actually comply with the law and who do either fly tip, or bury, or burn are either going to pollute or damage the environment, or they are actually going to add an increased cost to the actual removal of this fly tipped waste, and that is going to be people everyone is going to pay for that in their various rates, but the people who have already paid for their proper collection of waste are going to be paying a second time. They are going to be paying for the people who could not be bothered, or could not afford to pay in the first place. So you are going to have clean up charges which are going to impact on those people who have already paid once anyway.

I would like when the Presidents of the Committees respond if they can explain to me exactly how much this is going to cost and what things they are going to put in place to actually ensure that this mess which, I see you sort of shrugging and saying 'I do not know', but I think the Guernsey public need to know what is the estimated cost of all this clear up going to be, what is the extent of it likely to be, because if you have not planned, it is no good sort of shrugging and saying 'We do not know, we will see it when it happens', because that will be too late. I think we do need to have a plan in place to anticipate what this is going to be –

I give way, sir.

Deputy Parkinson: Perhaps Deputy Le Pelley would care to give us some advice on exactly what quantity of material he thinks will be fly tipped and then we will be happy to give him a price.

Deputy Le Pelley: I give way to Deputy Merrett, sir.

Deputy Merrett: Thank you very much, Deputy Le Pelley.

I have actually queried this with WDA and I have been informed by officers that the majority of Douzaines do not want to take responsibility for picking up abandoned waste, shall we say, and therefore they have brought a team together and they have registered approximately £50,000 per annum to deal with it. I can forward that to Deputy Parkinson – I am sure that might be useful.

I give – oh, I cannot give way because – yes, thank you, sir. *(Laughter)*

Deputy Le Pelley: I give way to –

Deputy Brehaut: Can I just point out that the team that deal with waste management found a relatively high volume of household refuse. They dealt with it, they went right through the bags, the person was billed £150 for disposal and that person paid. So it is wrong that people fly tip but there are remedies without always using the law to do so or the courts.

Deputy Le Pelley: Thank you, sir

But also I can advise Deputy Brehaut that as a parish Constable I also pick up an awful lot of fly tip rubbish and get rid of it at my own expense or at my parish's expense, because that is part of the duties of being a parish Constable and making sure that your parish is neat and tidy and that everything is as good as it could possibly be. I have other members of the Douzaine do much the same. I also go on regular patrol with the community police and we also spot bags that have been fly tipped and we actually forensically – well, I do not personally – but I know that the police officer that is in attendance actually calls up back up and they actually go through the bags forensically and identify, if they can, the people that have fly tipped. But of course the fact that some piece of evidence inside the bag may identify who that object of rubbish belonged to does not actually mean they are the person who fly tipped it. I think someone actually made the point earlier that you actually have to see the person physically doing the fly tipping to actually secure a prosecution. So there are problems.

I would like to know what would happen to the bulk refuse arrangements that we have at the present time. I am also a little bit concerned that we may actually be on a slippery slope here that we are trying to educate and to encourage people to have a better, healthier, neater, tidier Island. Absolutely agree with that and I think the money spent on that kind of education is well spent, but I think you need to have a population that is buying in – and I do not mean buying in with money – but buying in to the actual arguments that are being made.

If you are going to reduce the number of recycling areas around the Island and you are going to expect people to then put that recycling into bags to be collected by roundsmen that is fine, but three years down the line please do not start bringing in some kind of charge for that collection, because I can see that is the way we are going to be going, that sometime in the next three, four, five years there will be no more bring banks, or very few of them, and that there will be this recycling route going around with the various collectors, and there will be a bag charge, because that is going to have another reaction of people saying, 'We cannot afford this, this is just another stealth tax, it is another way of getting more and more money out of us.'

I agree with my learned friend Deputy Ferbrache, I personally would have preferred to have seen incinerators. **(Several Members:** Hear, hear.) I cannot see that ... Our carbon footprint is not our carbon footprint if we actually have the poisoning or the pollution being done somewhere else in the world. If it is our rubbish, it is our rubbish. So we have to deal with it I think on Island. How best to do that, I am not so sure that it is going to be as easily done as we are actually having proposed here. Of course we also have the problem of the carbon footprint caused by the fuel being burnt off by whatever ships are taking it off Island.

So I think we need to carry on looking at ways that we can actually reduce all of this rubbish. I think the money would be better spent on educating people, I think the money would be better spent on retaining the bring banks, more of them and in better locations. It seems absolutely barmy to me that most of them are placed on coastal sites, where the wind is going to whip up,

370 stuff is going to be all over the place, it is going to be on the beaches, it is going to be on the rocks, it is going to be very difficult to collect it, it is going to be very easy for it to be dispersed. It would make much more sense to have them somewhere where they could be covered and they could actually be, even if they are sort of these iceberg things that you get in Europe where they could actually be better serviced.

375 I think we also should be looking at some of the retail units being required to actually take back some of the packaging and the onus being on them to commercially (**A Member:** Hear, hear.) export the stuff away. (**Several Members:** Hear, hear.)

So I started off by saying that St Sampson's, the Douzaine and parishioners that have spoken to me are not happy with these proposals. There is a great fear that this user pays may actually backfire. It may backfire because the user may be asked to pay too much.

380 We have a number of elderly people in our parish who have come to us and actually made the case that they are going to find it very difficult to fill a bag of rubbish, even a half bag per week. A lot of them live in flats where there is very little storage space, where they are likely to be having, if they were to get the best value out of their bag, it will probably take three weeks or four weeks to fill it, and that is going to be a health hazard for vermin, gulls or whatever, if those bags are actually placed out and about, and they will smell.

This is an Island which really should be appealing to its tourist industry. I will give way –

Deputy Tindall: Thank you to Deputy Le Pelley for giving way.

390 I am a bit curious about this element of the vermin and the health hazard when actually the food is no longer going to be in the black bag but actually in the food container, which can be put out more often.

Deputy Le Pelley: I give way further to Deputy Oliver.

395

Deputy Oliver: Sir, there may not be food in the bag but there will be nappies which will cause rats and everything.

Deputy Le Pelley: I give way to Deputy Ferbrache next, sir.

400

The Deputy Bailiff: Just a minute, before you speak, Deputy Ferbrache, you cannot give way to somebody who is not standing.

Deputy Le Pelley: Sorry, he had stood, sir, and I –

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The Deputy Bailiff: You cannot stand when somebody is speaking in a give way either. You have got to stay in your seat, so that was Deputy Brehaut earlier. You can only stand when the speaker who is speaking is on his or her feet. So please, we are having an awful lot of give ways at this particular point – it is entirely up to you, Deputy Le Pelley, once you are back on your feet, as to whether if somebody then stands when you are on your feet you give way to them.

410

So if you sit down everyone. Deputy Le Pelley can stand up again and then we can see what happens next. (*Laughter*)

Deputy Le Pelley: Thank you.

415

No-one is standing. (*Laughter*) I give way to Deputy Ferbrache.

Deputy Ferbrache: I thought I was I was told to sit down.

I am grateful to Deputy Le Pelley for giving way.

420

Would Deputy Le Pelley accept that it must be more environmentally friendly, as we have at the moment in St Peter Port two collections a week but in most other parishes one collection a week, than having one collection every fortnight. So perhaps he would agree with me that those

that may take a contra view would be able to say how that is more environmentally friendly if we have less collections.

425 **Deputy Le Pelley:** Thank you, sir.
I now give way to Deputy de Sausmarez.

Deputy de Sausmarez: I thank Deputy Le Pelley very much for his infinite patience in his speech which I know he intended to be short and it has not quite panned out like that, largely
430 because of the contributions from other people.

I would first of all like to pick up on the interjection from Deputy Oliver in that there may well be nappies. With nappies, even disposable nappies, any solid waste in those nappies is not supposed to go into a black bag; it should be flushed into the grey water system. We should have no solid waste in black bags, it is against World Health Organisation guidelines. So that is the first
435 point.

I would happily explain to Deputy Ferbrache at great length why two collections is not more environmentally friendly. The very fundamental answer is that the more convenient you make waste collections, the more waste people generate, and it is the waste itself that has the environmental impact, so actually by making the alternative options such as recycling, especially
440 food waste, which is an average of about 40% of black bag waste, by making that more convenient and allowing that to be collected weekly but making black bag waste slightly less convenient you will actually discourage people from generating non-recyclable waste and will have a positive environmental impact compared with the current situation.

445 **Deputy Le Pelley:** Sir, in response to Deputy de Sausmarez's interjection there, what should happen and what will happen may very well be two different things. (**Several Members:** Hear, hear.) I suspect that the average person will just stuff everything into the most convenient bag at the time.

We do have, as I mentioned, in St Sampson's quite a large number of people that are either
450 living in housing estates or in private rented accommodation, and they are going to have great difficulty in keeping five or six bags or however many bags are on the go.

In answer to the point raised by Deputy Ferbrache, St Sampson's parish did actually have a two bag collection, two bags per week collection, and it was one I think of only two parishes that had that, St Peter Port being in the other one. That all came to an end when the States' Works
455 Department actually came in with a rather different and financially better offer for actually collecting the parish waste. It was quite considerable and the parish officials decided to go especially with the recycling that is coming along we actually changed the actual number of bags that we collected per week. Ideally two collections per week is what I would want, it is the healthier option, it is the better option.

460 We are going to have a number of people who are going to have to put either a lot of spare capacity into the black sack – in other words, not fill it properly – and pay a fair old price for the sticker that goes on this bag, and actually it is going to cost them more, because they are either not going to be able to have that black bag completely full but they do not want the smell or whatever else is going on so they are actually going to have to have it removed quickly or they
465 are going to actually have the black bag removed when it is only half or a third or whatever full. That is going to cost the parishioner.

I do not know further on down the line what the actual plans are going to be for glass collection, but I on a regular basis have people complaining to me about what may happen and what has happened already. One of the people that phoned me in the last 24 hours has
470 complained about glass collection at Salerie Corner. It is not so much the glass collection, it is the glass being deposited that is causing some concern. Now, I am told time and time again by the Authority that they have been trialling this in St Peter Port and there have been very few

complaints. That does not mean that there is no noise, it does not mean that people are not annoyed by it; it means they have not complained to the authorities, that is all that tells you.

475 So be very careful you do not actually get something in place and then have the kickback immediately afterwards because just at the moment no one is actually doing that.

A slight aside I notice that some parts of France, parts that I frequent, where glass collection has been done from the end of the property in glass containers which I think is the proposal here, and those have actually lasted for about three years, and because of the excessive cost involved
480 those are now actually being withdrawn and more bottle banks are being put in place for people to actually take part by actually going to the end of the road or to the supermarket or to wherever and actually depositing the bottles in these bottle banks.

I also know from some of the countries that I visited in Europe that these bottle banks are not to be used between the hours of 8 p.m. in the evening and 6 a.m. in the morning because of the
485 actual racket that is created by one bottle dropping on to another bottle; it may be some considerable height if you are using the bigger containers.

So there are a lot more things that have got to be sorted out. I have had people complain to me about stickers, how you are actually going to monitor these stickers. Are you going to have, honestly, people going through the Eurobins checking out four or five bags to make sure that
490 every single one has actually got an appropriate sticker on it, or are you just going to hook the bin on to the back of the truck and have it tipped? Are your bin men going to actually at two o'clock in the rain actually stop and check every single one of a pyramid of bags on a housing estate where there may be as many as 60, 70, 80 bags – are you actually going to be having every single one of those bags checked? If not, they are going to be dumping grounds for every other person
495 who is passing by who has got a bag without a sticker on it.

I have also been approached by some people who have actually asked if it is possible. I am a welfare officer for St Sampson's as well as a Constable, and there may be other people in other parishes that run a welfare system, the old Procureur of the Poor system, who have actually been approached and asked will there be an opportunity for the parish to actually give out free bags to
500 people who can prove that they are of low income families?

Ladies and gentlemen, Members of this Assembly, think very hard about every member of this society. I think several people have mentioned that most of us in here, probably all of us in here, are affluent enough to actually not be too badly damaged by these charges, even if they were to go up by 300%. But we represent an awful lot of people in this Island that are not so well off.
505 Please bear everybody in mind.

I am going to be listening to the rest of this debate with some interest but like my fellow Douzeniers of St Sampson's, I am not happy with everything that is in front of us.

Thank you, sir.

510 **The Deputy Bailiff:** Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

Sir, I think at some stage, and I probably might be the only Member of the Assembly, I will be seeking some advice from HM Comptroller in regard to how I navigate my way to the option I
515 prefer in the Propositions because it is not clear to me at the moment. It is great that there are so many options but it is a very convoluted set of Propositions so I am really not sure how I get to where I want to get to when it comes to the vote. There will be a time I think when I will be seeking that advice.

Sir, I think it is probably quite well known that I have never been convinced by this particular
520 strategy, I have never felt able to vote for it or to support it. I have tried to put forward alternatives both formally and informally in other words I brought something to the States that was rejected, informally I made other suggestions. I accept that these suggestions were rejected and that this strategy has been approved and developed.

So I can definitely relate to the waste hierarchy. I can understand the rationale for basing a waste strategy on the waste hierarchy but for me it is I suppose you would term it is the model of delivery that I have always had misgivings and concerns about, both operationally and cost wise.

So I feel in a sense, and this ties in with Deputy Ferbrache's comments, I feel in a sense that Islanders have been lumbered with this strategy by the States, and as I said I also agree with other comments I mean no disrespect to the STSB or the Members of Environment & Infrastructure they are running with the ball they have been handed, the members of our community have been lumbered with this strategy because of the decisions of the States, and as such I feel we have a duty when it comes to charges to find a balance that helps to ease the financial pain as much as possible for households, and if that means axing the Capital Reserve then so be it. I think as a States we have a responsibility because we find ourselves in this position because of previous States' decisions, so we have a responsibility to Islanders to try and ease that financial pain of the charges.

Sir, like other Members I am thinking very much about households who will not qualify perhaps qualify for income support assistance, who might be just above that grouping but who will still be hit hard by the cost of this strategy. I am also trying to keep the cost to income support down, and I was very grateful actually to be supplied by one of the officers at Employment & Social Security to be supplied with an information sheet called projections on the effect of the Waste Charging Strategy, strategies on income support expenditure and the one that I am trying to get to, sir, eventually when we get to the Propositions is the one that will have the second least impact upon income support. I know Deputy Le Clerc has said she does not want us to focus too much on that, but I think that is something we need to take into consideration the cost to the public purse in a different way really by welfare support and welfare help.

Now, sir, as Deputy Prow has commented and other Members have commented on the user or polluter pays approach that is meant to be being taken in regard to this strategy, but we know that only applies to a certain extent because of the significant fixed cost element of the strategy. I said from the very start, sir, I always maintained that there will be a tension between the revenue raising side and the fixed cost element, and if Islanders were not careful if they really embraced the hierarchy supporting the strategy and did their best to minimise their waste and not produce waste they would be victims of their own success, or the success of the strategy, because the fixed costs have to be met somehow. So they will pay in a different way if this strategy is successful from a point of view of minimising waste. They will have to pay in a different way because there will be a fixed cost that cannot be bypassed.

So resisting the use of the Capital Reserve based on the user or polluter pays argument does not really hold water, sir. Also I think if we look at just going through a few points in the report, if we look at page 8 of the report, I think Deputy Le Pelley's fears could be founded, because if you look at page 8 in c) – there is a), b) and c) just near the top of the page – it says:

There is also a provision to apply a pay as you throw charge for recycling...

Okay, that is not going to be implemented initially, but that provision, or that threat, exists and it has been provided for:

although this will initially be set at zero.

So that has already been hinted at that actually if the strategy is successful and people reduce the amount of waste that they might otherwise have produced, or they recycle too much, there might eventually be a charge for recycling.

Now, sir, on page 19, 7.11 we are told:

However, recovering all costs through bag charges, even if only at the outset, still risks a significant shortfall being incurred immediately post-implementation which can only then be recovered through increased future charges.

So once again that confirms the fact that the intention is for this to be a user or polluter pays approach, but actually it is not completely weighted in that way because once again of the fixed cost element, so there is that tension again, sir.

570 On page 23 we see the same thing, I believe in 9.10. This brings another point to me, another kind of tension really, in the sense of you can have something which is intended to be environmentally progressive but actually it can be socially regressive because 9.10 says

Smaller households, such as single adults and single pensioners, would have the lowest net increase in costs because they are assumed to produce less waste. Larger households – with children – would be assumed to produce more waste and therefore face higher charges.

575 This is where you see the clash or the tension between environmental progressive policy which I think we could all agree to, but the clash between that and how it is at odds with progressing social policy.

Page 12, sir, 3.15 and other Members have already covered this, but it says:

Moreover, the effect of replacing the planned borrowing from the bond will be that past and current taxpayers will pay for assets that will be used to provide a service to future users.

580 Once again that is not true because future users will pay via various charges and perhaps increased charge if bag charges might go up, or charges for recycling bags come into play. So once again I think that is a somewhat false argument, and also as has been mentioned if the Bond is used there will be interest to pay for everybody on that, because there is interest to pay back on the Bond repayment.

585 The option I want to get to, sir, if we can, and I am just going to go to the Propositions which is where I need to know we are going to get there, so I will need some advice on this. The option I want to get to is in 2b)ii. So that goes from or near the top of page 3, which is a bag charge of £3.20, which is one of the lower bag charges but it is still I think a high enough charge to encourage people to try and reduce their waste, and a moderate fixed charge of £45, that is a Waste Disposal Authority charge. If the initial capital costs are to be wholly funded from the
590 Capital Reserve, that is the option I would like to get to and vote for, but I really need to know what I need to do, have some sort of idiot's guide really, to get through the other Propositions to get to that point where I can vote for that one. So, sir, that is the advice I am seeking.

I give way to Deputy Merrett, sir.

595 **Deputy Merrett:** Thank you very much.

Just to point out to you, Deputy, that 2b)ii. actually is initial costs being funded 50% from the Capital Reserve and 50% from the Bond. Was that the Deputy's intention or was it that he wanted it funded from the Capital Reserve in which way he could only vote for any of the options under Proposition 2, starting with the i. so 2a)i., 2b)i. or 2c)i.

600 Just for clarity, sir, I am not sure if the Deputy is a bit confused.

Deputy Laurie Queripel: Yes, I said ii. I have said 2 (*Interjection*) 2b) oh i. –sorry, yes 2b)i. I am getting confused already before I am even being guided (*Laughter*) through the Propositions and the options!

605 Yes. Sorry, it is 3... it is 2b)i. £3.20 bag charge. (*Interjection*) £45 fixed charge if the initial capital costs is to be wholly funded from the Capital Reserve.

Deputy Fallaize, I give way to him, sir.

Deputy Fallaize: I am grateful to Deputy Queripel for giving way.

610 I think at this point it is worth noting that it does not really matter. It is not going to be possible once we get to vote if we were to vote on 2b) on the roman numerals, because the roman numerals simply pick up whatever would have been approved earlier in 1A. So the States

will have to determine in 1A how much of the capital charge will come out of the Capital Reserve and how much will not. Then whatever comes out of that will inform which of the roman numerals still apply when we come to vote on 2a), 2b), 2c) etc. etc. So I think by the time we are voting if we are voting on 2b) we will not have an opportunity to vote on the roman numerals; the appropriate roman numeral will just have to be inserted based on the vote in the earlier Proposition on 1A. I think that is right.

Deputy Dorey: Point of correction.

The Deputy Bailiff: Point of correction Deputy Dorey.

Deputy Dorey: It is not 1A? It is 1A or 1B or 1C.

Deputy Laurie Queripel: Thank you, sir. I am still not very clear. *(Laughter)* It is probably more of a maze than ever for me, to be honest with you, but that is where I want to work my way to anyway. So anyway...

I give way to Deputy de Sausmarez, sir.

Deputy de Sausmarez: I thank Deputy Laurie Queripel for giving way.

I was just going to answer Deputy Queripel's question in my own input in the debate but I think actually, given that there seems to be some confusion, it might help if we can resolve this now.

Basically, as Deputy Fallaize alluded to, the way in which we vote in Proposition 1, and I take that as a whole Proposition, will affect what options apply in Proposition 2. So if Proposition 1A wins, then the options labelled i. in all the Proposition 2s will apply. I hope that makes sense.

If Proposition 1B wins, then all the options within Proposition 2 labelled ii. will apply, and if Proposition 1C wins then all the options labelled iii. in Proposition 2 will apply.

I hope that provides a level of clarity.

Deputy Laurie Queripel: I will probably leave it there, sir, but ... *(Laughter)*

Anyway I have articulated my option, and I have articulated my preferred option, I have articulated my reasons why that is my preferred option, so I will leave it there.

Thank you, sir. *(Laughter)*

The Deputy Bailiff: Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, sir.

My first comment might be that actually it would have been helpful to accompany the policy letter with some form of flow chart when you do have complicated Propositions like this for Members to deal with. So that would be my plea for other Committees when presenting complicated options in the future. Thank you very much.

Just to say that I agree with many of the aspects that have been raised by pretty much every speaker this morning, and concerns have been raised with me by Western Parish Douzaines which echo exactly those voiced by St Peter Port, St Andrew's, St Martin's, St Sampson's Douzeniers and Constables.

I wanted though to pick up on a point touched upon by Deputy Ferbrache earlier about larger families and their ability to reduce their waste and commensurately reduce their waste charges. They are somewhat hamstrung by this. So by way of example, I am just going to give a quick personal demonstration here that my household of five produces half a bag of general waste per week, which is pretty low. I recycle strictly and I am lucky enough to have a good compost heap, a flock of chickens, and a dog, and a strict policy of serving uneaten dinner from the night before

for breakfast the next day, so that is a threat. I do not tend to do it often – I have never done it – but the children do believe me, so please do not tell them. (*Laughter*)

Very few families in Guernsey would mirror my situation, so therefore how do they reduce their waste? Well, the key to my situation is about strict buying choices. I object really strongly to paying twice for packaging which I do not want, do not need and will not be able to use again. This is all about single-use plastics. As Deputies will know, I have sent out before messages to try and remind Members well not to use our single-use plastics in the Assembly, so it is something that I am quite passionate about.

So what goes unmentioned time and time again is the responsibilities of our retailers, and I really would like to see evidence of a strong and robust stance from Environment & Infrastructure and STSB in dealing with the amount of packaging that is brought into our Island which contains our consumables. It is not enough to say that larger retailers who are UK based will not change their behaviours for little old Guernsey. The pressure is on them also from the UK government. Michael Gove, the Environment Minister this week has announced his intention to ban straws, plastic stirrers and ear buds, and that is just the tip of the iceberg. He has done that because he says he is haunted by the images from the *Blue Planet* programme about the devastating effects on our marine life.

Now, it is not just about that; it is also about the single-use plastics. So the pressure is on them and it will not stop. Already retailers are keen to explore the options and I really sincerely hope that E&I are being proactive, but I am just not hearing that they are.

I was recently told by the head of Waitrose locally that he had been to a conference and actually it sounded very exciting for someone like me who is passionate about trying to reduce this. He said they had been shown a packet of tomatoes and the packaging was made out of tomatoes. He said the cardboard box was made out of the vines, and the cellophane was made out of spoiled tomatoes which came from the juice. Now, this is hugely innovative and a massive move forward in not only reducing the waste from the plant for the farmer himself so that they also get a value from the whole crop but also in allowing us to have a biodegradable product which keeps the consumables fresh and also not damaged.

I think that we have got a really good opportunity here in Guernsey to be innovative, to push ourselves as a first footer on this and to allow ourselves to be used as a test bed, and I encourage strongly that E&I make moves to retailers to see what they can do in partnership with each other.

So in arriving at my decision today, I will bear the wise words of Deputy Le Pelley in mind and I will think about the effects of all the Propositions in the strategy, and in this policy letter, and the charging on all members of our community, and I urge other Members to do the same.

Thank you.

The Deputy Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir.

In this policy paper we have quite a sweep of options, with one decision made regarding Proposition 1 having knock-on effects to Proposition 2. So hopefully this speech will help Members out.

So basically, how we vote in deciding the first set of Propositions will affect how we will be able to vote on Proposition 2, meaning which options will still be available to us and which in theory should fall away. It does not state that clearly but if we agree Proposition 1A then we can only in theory agree Proposition 2a)i. or 2b)i. or 2c)i. as we have already voted to refund the capital cost from the Capital Reserve.

So the first question on the Propositions we have to vote on is how we fund the capital cost of the infrastructure. Should it be from the Capital Reserve – let's call that our savings account, monies that have been accumulated; or should it be half from our savings and half from the Bond, which I will refer to as our credit card, being monies that we have available to lend but with an interest rate; or all from our credit card?

The first decision is important because it will determine if we should use our savings account or to what degree we wish to use our credit card. Using our credit card, the Bond, will mean our community does not just have to pay the £32 million capital costs but also an additional £650,000 per annum for the term of the borrowing, which is 20 years, so approximately £650,000 times 20, which is £13 million. £13 million interest on a loan of £32 million, so that makes the cost of the capital investment over its 20 years a staggering £45 million. So why would we do that?

There is no recommendation required from STSB or E&I but luckily we have a letter of comment from P&R, and are even more fortuitous to have elements of the letter in bold. So we know exactly what their concerns are. We even have a veiled threat of what P&R will do if we decide to fund the capital costs from our Capital Reserves, being that if necessary they would bring proposals to the States in an endeavour to expand the range of entities and uses for which loans can be made, even if the Bond was taken out with the intention of only being used within strict criteria.

So why would we ask our community to borrow money from themselves to pay it back to themselves but cost an additional £13 million? Why? Because the last States voted to invest in the Bond, and that one of the uses detailed in the justification for the issue of the Bond was to fund the Waste Strategy. Furthermore it represents a staggering 10% of the overall amount borrowed, but of course there has been a change of government. So should we feel duty bound by the last government and agree because that is what they agreed? I do not think so. No, sir, that cannot be the reason why I would agree to use the Bond.

Would I have agreed to lending the Bond money in the first place to getting the value into what is probably its first ever crimp of a national debt, without knowing exactly what the money was needed for, without knowing exactly which of the trading entities would transfer any debt from the existing provider to borrowing from the loan and thus ensuring our community would be financially better off by doing so? Oh and of course ensuring the business case would stand the test of time and that future States would clearly see the benefits of using the Bond money rather than using savings from the Capital Reserve for capital projects? Luckily, sir, I do not have to answer these questions as the deal was done before I entered this Assembly. But I can decide how, when and even if it should be used.

We are advised, sir, that allocating the funding from the Capital Reserve would mean a reduction in the amount of investment return received on the balance. 6% is quoted as an example meaning £2 million per annum, so use the Bond and charge £650,000 per annum for the privilege but have it over 20 years which means it will cost our community £13 million; or keep our savings and earn an additional £2 million per annum. Does that sound all right? We make £2 million per annum but our community has to pay the extra £650,000 per annum.

This Assembly has been advised that if the £32 million stays in the Capital Reserve that the £30 million is indeed receiving an investment return of £2 million per annum, is that likely to be sustained. I have it confirmed, sir, that last year it had a return of 6.5%. Furthermore I have had confirmation that the Bond last year had an investment return of 7%, is that likely to be sustained? If it is then why would we be loaning it on for a return of 3.625%? If it is recognised that there is no guarantee that either the current returns are sustainable, then whether we use the money from the Bond or the Capital Reserve becomes less relevant. Either way we will lose money on investment returns.

Now, this bit is important, sir, I need to let Members know that in fact I have had it confirmed that from 2018 all investments are managed together with the consolidated investment reserve so there will be a single investment return. So, the argument based on borrowing from our credit card to avoid losing money from our savings becomes even less relevant, because all the funds are now consolidated and invested together.

So why would we loan on the Bond money with only 3.635% APR? Is it because we can act as a bank, fix the APR rate? Is our investment return more important or is the market too volatile? Of course we can fix our own interest rate when lending money from the Bond as we have a guaranteed income stream, meaning we have the people of the Bailiwick to pay for it.

That remind me of a term, sir, a captured audience. A rather unbecoming term for the government to be associated with, especially as the captured audience is the very community that we serve.

Arguably the Bond was issued with the intention that it would be lent on instead of the entities using more expensive borrowing from external providers. In this case it looks like the entity, being the WDA, will be using a more expensive entity, being our credit card or the Bond, than if the funds were taken from our Capital Reserves. Why? Because there will be no extra £13 million to recuperate. The capital cost will be provided with no APR provision, no repayment plan so why would we be using a more expensive entity to fund the capital cost?

We must recognise, sir, and acknowledge that we are not only the lender; we are also the borrower. So who should pay for the capital costs?

P&R's letter refers to their belief that borrowing from the Bond and, sir, this bit in their paper is in bold so I know it must be important, so I quote, sir:

The effect of replacing borrowing from the bond to funding from the Capital Reserve will be that past and current tax payers will be paying for assets which will be used to provide a service [for] future users...

This is a point that other Deputies have already picked up on. Does that mean that they believe the service will be paid for by future generations or future users? Presumably they do.

So do they mean our children or our children's children? Are we lending money from the Bond to future generations giving them our debt to pay off? Whereas I might agree that a fee should be based on the level of consumption, on the collection charge and the residual bag charge, on the consumption of the actual service, but is it right for what I consider to be a capital cost which I consider to be infrastructure? So future generations, future users – presumably they also mean our current taxpayers who will be using the service from the end of this year. Presumably they do, but arguably they also mean past taxpayers and current ones. I am after all a current taxpayer, a future taxpayer, and I was a past taxpayer. It is all me. I am an example of the past, and the present, and the future.

One Deputy once referred to taxpayers as cash cows (*Interjection*) and referred to the fact that it does not matter which type of cow you milk, it is the same cow – and that really is my point.

So I cannot really support that argument, especially when we then try to decide what would we actually spend past and current taxpayers' money on? What is in our Capital Reserve being reserved from past taxpayers and presumably will be spent on things that only benefit them and not the rest of our community? What would or could that possibly be?

Furthermore we are advised that the Capital Portfolio is undersubscribed – excellent, so let's use it. But then we are told that as set out in 2018's Budget Report, there is strong encouragement for the development of proposals in this period in the Grow category. Brilliant, excellent, but will that benefit only past taxpayers? Surely it will also benefit future users, being future generations. I certainly hope so.

Now that I have established that future taxpayers are highly likely to be the same taxpayers as they are now, and a high proportion are likely to be past taxpayers, quite how, or even why, would we want to determine what past taxpayers' money should be spent on compared to what future taxpayers' money could be spent on? Should we have different tax rates? You have a child so you pay more because you access the education system; you do not have children so you can pay less; or you are a past taxpayer – presumably that is because you have retired, so your past tax can pay for retirement but no-one else's.

You are a taxpayer in August 2018 but not in time for the Waste Strategy in September 2018. Anyone retiring that month will become a past taxpayer, their tax has gone to Capital Reserve but you wish to use a waste service from September, so you need to pay more because you are now using the service. Forget the tax that you have paid in the past, we are saving that for you to spend on our Grow category which anyone could benefit from. It makes no sense to me.

Of course that is notwithstanding anyone who retires within that timeframe, because we should assume they still wish to have their refuse collected, so they will still be paying for the

service regardless of whether they are a current, past or future taxpayer. The argument is clearly lost.

820 So is it really more about ensuring that the Bond money is loaned on with a guaranteed income stream that we will ensure that this national debt is repaid and is a success story, even if our community are footing the bill to a tune of an additional £13 million on a loan of £32 million, as long as it is the right members of our community paying for it; or should we use Capital Reserves for which I deem is a capital investment because I see it as part of infrastructure?

825 Now, I put this in bold so it must be relatively important as well. I would just like to state that our forefathers paid – and foremothers, etc. – paid for our harbours, so am I expecting a bill for that because I am now a member of the future generation who uses the harbours now? I do not think so.

830 The implementation of the Island's Waste Strategy represents a significant evolution on our waste management. Refuse rates are going to increase. Do we really want to loan money from ourselves to the community to pay ourselves an extra £13 million when we have another option? Do we want to negate as much of the financial pain as possible, thus allowing our community to adjust to a more reasonable more controlled rate? Do we want evolution rather than revolution?

835 The user pays or polluter pays model could still be achieved and could be financially less burdensome on our community in the way we determine Proposition 2. How much we want to set the balance between the Waste Disposal Authority fixed charge and the residual waste or bag charge. The higher the fixed charge the lower the bag charge. Arguably the higher the bag charge the more likely our community will change their behaviour, but change it in what way? In the way they regard spending almost £5 on a sticker, personally I would stick a £5 note on my black bag and leave it out for collection. So option 2a)iii. is £4.80 if the initial capital cost are to be wholly reserved through the waste charges. Page 6, 1.9 states

The aim of the waste strategy is to drive behaviour change...

845 £4.80 a bag would arguably do just that, but would the behaviour change be the desired change of behaviour or would it be fly tipping, maybe a sneaky bonfire, or how about simply dropping rubbish into a public bin when passing? How about the cost of enforcement when this behaviour is detected? As alluded to earlier, sir, I have contacted officers discussing non-compliance and what process will be used and I am happy to forward that to all Members after I sit down after the debate, during the debate in fact.

But most of all, sir, my situation is this, how about the affordability for our community. I do not believe that charging £4.80 for a sticker with the kind of behaviour change that is desired.

850 The strategy focuses on minimising the amount of waste that is generated, reusing and recycling as much as practical and then recovering energy from the residual waste that is left, of course with no incinerator we cannot recover the energy from residual waste but another jurisdiction can which presumably will help keep the cost of sending our waste to another jurisdiction down with no benefits to burning our waste.

855 So should the strategy also focus on minimising the financial cost to our community wherever possible? If so then we should use the money from Capital Reserve hence saving the £13 million or the appropriate interest rate on borrowing from the Bond, and then try to keep the bag price down as low as possible, at least in the beginning, so that our community can adjust to the changes and try to move towards less residual waste as being paid for and encourage more recycling. Having a fixed charge equivalent to 40% of the total household charge £85 may allow 860 householders the certainty of a fixed cost whilst adjusting to the new system. A bag price of £2.50 would help householders have some control over what they spend whilst driving some behavioural change.

865 If anyone is confused, sir, and I believe some Members may be, this can be achieved by voting for Proposition 1A and then Propositions 2c)i. Then as our community sees the cost benefit of having less residual waste and to drive more behaviour change we could adjust the percentage of the total household charges whilst increasing the bag charge. Evolution to avoid revolution.

Sir, I am unclear as to when the charges will be reassessed, and would appreciate confirmation of this when the President, whichever President, as I am unsure, sums up – including will it be determined by this Assembly or by STSB?

870 Lastly, sir, I need to mention additional risk contingency that is a whopping 50p a bag, in scenario 2c)i. This would make it a 25% charge for risk contingency. I assume this risk contingency will be removed and any accumulated funds will be used to help negate the need for bag rise when the STSB are more accurately able to balance their books. Oh, that might mean that past payers of the bag charge might be discounting future users. Sir, assumptions can be terrible
875 things and get us into a terrible mess and lead to terrible misunderstandings so I would really appreciate, when whichever President sums up, knowing what any surplus funds raised by the 50p risk contingency will be used for, after the risk has been negated or at least lowered.

The President concerned will be pleased to know that I am not asking if it is Fred who was a past user of the service, had two bags a month but is a current user of one bag a month but in the
880 future he might use three bags a month. No, sir, I simply wish to know what any surplus money raised by the risk contingency will be used for in the future and when realistically it might be removed.

So let's aim for evolution not revolution, and let's use our savings account and not our credit card. Or in Government speak, please support Proposition 1A and Proposition 2c)i.

885 Thank you, sir.

The Deputy Bailiff: Deputy Smithies.

Deputy Smithies: Thank you, sir.

890 I would like to thank Deputy Merrett for her forensic analysis and if I can quote Lord Birkenhead, I am much better informed but probably none the wiser. (*Laughter*)

The debate has wandered into the realms of discussing the practical implementation of the Waste Strategy and not really dealing with the charging mechanism. So if you will indulge me I will just continue that for a moment.

895 I have often said that we are fortunate to live in an Island of generally law-abiding community-minded citizens. I do not believe that there will be an explosion of fly tipping (**A Member:** Hear, hear.) I am not naïve enough to believe that there will be no increase in these incidences of law breaking, but I do not believe it will become endemic.

Any incidence of fly tipping should of course be reported, must be reported, and should be
900 dealt with by recourse to the law. There has been reference to the difficulty of proof in criminal cases and *pace* the advocates and lawyers amongst us, if I can just say fly tipping is a criminal offence for which the threshold is actually quite high for evidence. However, there have been successful prosecutions in the past, and wherever possible the Waste Authority will be looking to secure prosecutions to deter others. The duty on households to comply with requirements for
905 setting out their waste will be subject to civil fixed penalty notices and not criminal prosecutions. So of course the level of proof is a deal lower in that case.

I would like to make a few brief comments on this preoccupation with fly tipping which seems to me to be almost making it a self-fulfilling prophecy (**A Member:** Hear, hear.) It is already a problem as Deputy Le Pelley has referred to but it is mostly commercial. Mostly commercial waste
910 is being fly tipped, and indeed we have incidences of it at the moment in the car park adjacent to the Vale Church and indeed in the drive to the Vale Rectory, which is being dealt with I am happy to say.

Deputy Roffey gave a very good summary, I thought, of where we are today and argued well for a less regressive approach. I happen to agree with much of his argument, so I am not going to
915 rehearse it now, but one place where I will take issue with him perhaps is in his selective quotation from the P&R letter appended to this document, to the policy letter. To me the argument for taking the capital from the Bond is given in the P&R letter on page 32. Deputy Roffey quoted from page 33 and I do agree with him that that is a fairly weak argument, but the opportunity cost

920 of depleting the Capital Reserve on a project which is eligible for a Bond loan is real. As is stated
at the bottom of page 32, and I think Deputy Merrett referred to this as well, the provision of a
loan from the Bond to fund the Waste Strategy was one of the uses detailed in justifying the issue
of the Bond in the first place. It seems to me that in bold again on page 32 notwithstanding such
allocating funding from the Capital Reserve to the Waste Strategy will inevitably result in a
925 commensurate reduction in the funding available for other projects, or a requirement to further
increase the appropriation from the General Revenue to the Capital Reserve and that seems to me
to be important. Projects which cannot draw on the Bond will be put to one side because the
money which was in the Capital Reserve has been given to this project.

However, as the President of the STSB has said, at the end of the day the STSB or the Waste
Authority is charged with implementing this policy, so the actual place the money comes from is
930 really not of major importance to the implementation of the policy. Clearly it has huge social
implications and that I think is what Deputies are going to have to vote on. Personally I think the
Bond is the right place but I am not going to the barricades over it.

One other small point and I am again not trying to score points but I would say that the
middle ground and I agree with all the arguments about the pensioner versus the large family and
935 that, but I would say that the previous proposal which we came to the States with when the first
policy letter, the unamended policy letter, was debated we came forward with the Proposition of
£2.50 per bag and £116 per year as a standing charge, which would have meant roughly on the
average family an even split between the payers who throw and the fixed charges. So we aimed to
try to cover the middle ground but I do take the point of Deputy Roffey when he has allocated
940 those costs more forensically.

Thank you, sir.

The Deputy Bailiff: Deputy Fallaize.

945 **Deputy Fallaize:** Thank you, sir.

First of all with reference to the capital costs and whether they should be funded from the
Capital Reserve or from a loan, there is a conspiracy theory that the proposal to fund them via a
loan is because the last States agreed to take out a Bond and the money has not all been
allocated and needs to be used up, otherwise the politicians who were responsible for the Bond
950 are going to look daft and that is the whole thinking behind it.

Now, that is completely misplaced and how we know it is misplaced is because it has been a
policy of the States for more than 20 years that the new Waste Strategy, once it has been put into
effect, would be funded, or the capital aspect of it would be funded, through a loan. For most of
that time the assumption was that it would be what was known as internal borrowing, so the
955 States would use what was then known as the cash pool to fund the infrastructure. Since the
States took out the Bond, the assumption has been that that money would be used. But it is all
the same basis that the infrastructure would be funded from a loan. So the idea that this is all a
conspiracy, it is just to use up the Bond money, is quite clearly not true.

The proposal to fund the waste infrastructure out of borrowing has nothing to do with taking
960 out a Bond; it is a consequence of our approach to taxation. We have – and in these sorts of
debates, this is never recognised enough – relatively, comparatively, low rates of taxation from
conventional sources, we have comparatively low rates of income tax, we have no consumption
tax, we have no capital gains tax, we have no inheritance tax. We have rehearsed all of this stuff
before, I have. Therefore an increasing proportion of the cost of funding infrastructure and public
965 services is being shifted onto user charges. But that is not a consequence of having taken out the
Bond, it is a consequence of our general approach to taxation. I would be perfectly happy to fund
the whole of the waste infrastructure from the Capital Reserve in fact probably... I was not in
support of borrowing, I have always voted against borrowing externally, I still would now. I think it
is unwise for many of the reasons that Deputy Roffey set out, but that was the decision taken by
970 the previous States.

I would be very happy to fund the whole of waste infrastructure out of the Capital Reserve, the problem is that we are not appropriating from General Revenue to the Capital Reserve enough annually to allow us to use up the Capital Reserve money on infrastructure projects which could reasonably be serviced by the user. That is the problem. So for those Members who are saying we should fund all of this through the Capital Reserve I want to see the amendment which transfers an equivalent sum from General Revenue back in to the Capital Reserve so that we can invest adequately in the future in those capital projects which can only be funded from the Capital Reserve, because at the moment we do have, under existing policy, some projects which could reasonably be funded through borrowing, whether it is internal loans or external loans, and waste because it generates user charges is one of them. But there are a whole load of capital projects which can only be funded through the Capital Reserve, unless those same Members who are saying we should fund waste infrastructure through the Capital Reserve at some future point are going to say that we could build hospitals, or schools by borrowing, and who then is going to pay the charges? We are not going to charge the users presumably, the patients or the students, so who will end up having to pay those costs?

So I am not questioning the policy proposals in relation to funding it all through the Capital Reserve put forward by Deputy Merrett and Deputy Roffey and others, but what I am saying is they are not squaring the circle or they are only giving us one side of the argument, and if they could even give assurances if it is not appropriate to lay amendments in this debate if they could give –

I will give way to Deputy Roffey.

Deputy Roffey: I thank Deputy Fallaize, although I think he was almost coming on to what I was about to say, that this is not the appropriate debate to lay amendments to suggest how much we should put into Capital Reserve, but I also ask him to recognise that because of the extreme short-sightedness of this Assembly in not carrying out almost any capital works over the last eight years, or significant ones, we have far more in the Capital Reserve than we had any reason to expect and so long as we do not balk over the next few years at putting the large amounts that we should be on an ongoing basis to the Capital Reserve then we will not prejudice the possibilities of school builds and hospital builds, which I quite agree should take precedence over this sort of scheme as far as limited Capital Reserve is concerned.

Deputy Fallaize: Well certainly, there is more in the Capital Reserve than was anticipated, the Treasury Department in its various guises have become masterful every year at warning us that the States is about to run out of money for capital and of course the problem is not running out of money but finding projects to spend it on.

But I think P&R's letter of comment does put some doubt on Deputy Roffey's analysis because I think most of what is in the Capital Reserve is already allocated and we do know that there are various pipeline projects ahead of us. So I do think there is some possibility of our finding that there are inadequate sums in the Capital Reserve and that risk will be greater if we use that money to pay for waste infrastructure which for the past 20 years we were going to fund through borrowing.

So I am happy to fund waste infrastructure through the Capital Reserve, in fact I would be rather more comfortable doing it, but I am not going to agree to do it until I can see a commitment from the States to transfer more money from General Revenue into the Capital Reserve because otherwise we are imperilling future capital projects which are actually more important than the waste infrastructure.

Secondly in terms of paying for the cost of the Waste Strategy on a daily basis, I am amazed that some Members have argued for lower user charges and higher fixed charges and then said that they are doing it on the basis of wanting to protect poorer Islanders. Effectively the fixed charge is a waste poll tax, it is completely unavoidable. I was never very keen on basing waste charges around TRP, but at least with TRP there was some relationship between the charge levied

and the ability to pay because the person living in a larger property was paying more. It is not a perfect relationship; it is quite an imperfect relationship but there was some relationship with ability to pay. Now there is going to be none at all. It is just a waste poll tax levied on a flat basis on every household, the person who lives in a very small house, indeed a person who rents, is going to pay the same as the person who lives in the clichéd mansion. I think that is wholly wrong and the higher this fixed charge is does nothing to protect people on lower incomes. In fact if we are really interested in protecting people on lower incomes we should make the fixed charge as low as possible. If possible we should get rid of it completely.

I do accept that the consequence of doing that is that you end up with really rather high per-bag charges, and that will have some impact on everybody including on people who are less well off, but at least it is to some extent avoidable. At least if the household generates less waste then they do have a chance of avoiding the variable cost in a way that they cannot avoid the fixed cost, and therefore I think we should put as much of the expense as possible onto the user, and I think that it is more possible than many Members would accept to minimise waste disposal that comes out of households. I am not saying that ... Some ultra-eco-friendly impression that is sometimes created, that you can eat the waste and not put out anything in a black bag, is clearly unrealistic but I think that waste minimisation has a lot further to go.

Finally I want to make a parochial point, or not really a parochial point; it originates in my parish it relates to the Vale Commons, but the Commons of course are used by the whole Island. I think the Vale Commons are at particular risk in relation to fly tipping. If one thinks about it, it is a very large area of land, it is open, it is unpatrolled, the ownership of vast parts of it is uncertain, it is municipal, and so I think there is a risk that if there is going to be an increase in fly tipping an area such as that is going to bear the burden, and indeed recently the Vale Commons Council has had not insignificant problems trying to remove fly tipping. Therefore I think that whoever is going to reply to this debate, I would wish for them to provide some assurances that if this does become a problem, it will be possible to take action very quickly, and what that action may be is the States taking on the costs, at least initially, they may have to be passed on to the users, but taking on the costs of recovering or disposing of waste that has been fly tipped in municipal areas such as the Vale Commons, because otherwise the cost is going to have to be borne by the Vale Commons Council and I do not think the States ... particularly Deputy Brehaut's Committee should not have any interest in wanting to revisit the rather long, drawn-out saga of funding the Vale Commons which we experienced in the last States, but that is what is going to end up happening if a large proportion of the additional grant to the Vale Commons Council ends up having to be used up disposing of waste fly tipped there as a result of the new Waste Strategy of the States. So I would seek some assurances in relation to that from Deputy Brehaut or Deputy Parkinson at the end of this debate.

Thank you, sir.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you, sir.

I am not quite as idealistic as Deputy Fallaize so at the moment to a degree, probably like a lot of people who were not in the successive Assemblies that have got us to this point, I have largely lost the will to live – no, that is next month! – regarding the Waste Strategy.

So really at the moment I am at a place where I want, in short, the cheapest deal for the user, and without wanting – well, I say without wanting – I am going to have to – and I think it is looking like ... Oh gosh, it is looking like if 2a) has been defeated, it is one where basically it says the cheapest bag charge of £2.50, a WDA charge of £85 and the whole lot comes from the Capital Reserve. *(Interjection)* Sorry *(Interjection)* Well, at some point when we get to the vote, I am not going to start talking about fly tipping and the fact that we could have done this and we could have done that; we are where we are. I just want the cheapest deal for the public in terms of what they are going to have to pay on a daily basis.

1075 I am not interested – actually weirdly enough I was always taught by my father that once you have spent capital it is actually very difficult to replenish it, so I am going to go against that advice because we do have the money, successive generations before us including myself have actually built that reserve, we do not appear to be doing an awful lot with it, it may be identified for other areas. Right now, I just do not care, that is the truth of it. I just do not want our householders being burdened by another charge.

1080 It is going to be extremely expensive for people, and I do not need to go back over my old speech over the fuel prices, the lack of the pension rises, all the other bits and pieces that are affecting people. So somewhere through this, possibly when Deputy Brehaut or possibly Deputy Parkinson sums up or maybe through HM Comptroller, I want to know how I get by voting to that £2.50 charge with the £85 and everything from the Capital Reserve.

1085 Thank you, sir.

The Deputy Bailiff: Deputy Lester Queripel.

1090 **Deputy Lester Queripel:** Thank you, sir.

Sir, as with all the issues we discuss in this Chamber we need to strike a balance here. So even though I consistently voted against everything to do with our waste, and even though I am totally opposed to exporting our waste because I think we should take the responsibility of dealing with it ourselves here on Island instead of shipping it off somewhere else to burn, that does not make any sense at all to me, I am extremely uncomfortable with that, but like some of my colleagues, 1095 sir, I am where I do not want to be. In a very real sense just like the previous debate on waste I feel as though I have a gun to my head. I really wish I could have come up with what I consider to be an answer to all this, but I have not been able to do that so I have not submitted an amendment.

So I think the best thing I can do is vote for the least painful option for my fellow Islanders, 1100 which seems to me to vote in favour of the lowest possible black bag cost, and I will be doing that in the knowledge that whatever I vote for will be wrong in the eyes of many of my fellow Islanders.

In my mind there is no doubt fly tipping will increase and so will the illegal burning of waste in bonfires.

1105 Now yesterday in his speech Deputy Ferbrache ridiculed me for laying two amendments to restrict the lighting of bonfires to certain days and certain times in a previous debate. The reason I did that, along with my seconders Deputy Soulsby and Deputy Prow, was because I could see all this coming and I felt the need to address it. However, Deputy Graham and Deputy Merrett laid an amendment which was supported by 22 Members of this Assembly which resulted in the situation 1110 now being anybody in the Island can light a bonfire any time of the day or night any day of the week, so I suspect a lot of illegal burning will take place at night on any one of those seven nights of the week. I tried my best to address that, sir, so did Deputy Soulsby and Deputy Prow. Unfortunately we did not get the support that we needed. If we had done, that would have put strict timelines on when bonfires could be lit. When in fact I am sure my colleagues will recall 1115 Deputy Prow and I laid an amendment to restrict the lighting of bonfires to two days a week from something like seven in the morning to seven in the evening.

So , once again, sir, I am where I do not want to be, but I fully appreciate that there would not be a great deal of merit in rejecting all of these proposals even though that is what many people have asked me to do.

1120 As we have already heard from some speakers because there will be some people who do not qualify for income support who will struggle to pay whatever extra cost is introduced. They are the people who fall between the cracks, and some speakers have focused on pensioners specifically in their speeches, but I think it is important to point out, sir, that not all of our pensioners struggle financially. Thankfully they do not, and I take a great deal of comfort from that. Out of 1125 approximately 17,000 pensioners in the Bailiwick I think I am right in saying just over 700 claim supplementary benefit, I am sure Deputy Le Clerc will correct me if I am wrong.

Having said that, yes some of our pensioners do fall between the cracks, they are asset rich and cash poor, they are living in dire desperate circumstances. They own their own homes and they cannot afford to heat or maintain them, the fact of the matter is they certainly will not be able to afford the extra costs, but as an aside to that, sir, if you would just allow me a moment of indulgence, the Age Concern Fuel Fund has successfully resolved 91 applications from pensioners who fall between the cracks this winter, so there is help available to pensioners who do find themselves falling between the cracks.

Sir, as we know, the struggle to pay any extra costs for dealing with our waste will not just affect pensioners, there are other Islanders who will also find themselves falling through the cracks, if they do not do that now. So whatever we decide to do it is guaranteed to upset some of our fellow Islanders.

As I said earlier in my speech my view is I have to support one option, the option that will be the least painful financially to our fellow Islanders. Now, like my brother Deputy Laurie Queripel, I thought that would be to vote in favour of the lowest possible bag charge with the money coming from Capital Reserve, but after hearing the confusion that arose from his seeking clarification on that issue, 2b or not 2b, I am now totally confused. I am sure I am not the only one in the Assembly. So I am hoping one of my colleagues will be able to allay my confusion when they speak. Failing that I am hoping Deputy Parkinson will be able to allay my confusion when he responds.

Thank you, sir.

The Deputy Bailiff: Deputy Green.

Deputy Green: Sir, thank you very much.
I shall be brief.

First of all in relation to how we fund the capital associated with the infrastructure, I would like to persuade Members to consider voting for 1b). Instinctively I think there is a good argument, there is a sound case for funding at least the initial capital costs of the Waste Strategy from the Guernsey Bond, it clearly fully fits the criteria, it clearly has a secure income stream, the provision of the loan from the Bond in the first place the case for funding the infrastructure for the Waste Strategy was always envisaged when we had this debate, but I am not entirely unappreciative of the points that Deputy Roffey and others have made about the potential benefits of using the Capital Reserve to fund this. I am very aware that we should not be seeking to unnecessarily deplete the Capital Reserve, but I do think that you have to come to some sort of balanced opinion on this. I think probably that is why 1b) appeals to me to split it 50/50 between the Capital Reserve and the Bond.

So I wanted to make that argument particularly because nobody has really indicated a preference for that so far today, so I think that is probably where perhaps the consensus should be. As I say instinctively I think in principle the Guernsey Bond would be the purest way of funding this because of the nature of the project and the fact that it does have an income stream and all the rest of it, but you have to have a wider look at the social implications, and I think given some of the arguments we have heard there is at least some merit in using the Capital Reserve so what better way than to fudge the issue slightly (*Laughter*) and to split it 50/50. So I would like at the very least I would ask Members to think about that as a potential because there is some merit in that.

Secondly in relation to the core issue of the charging mechanism what we have to find somehow is the right balance between an annual household charge that is not going to have a regressive affect upon the lower middle and middle income people in our community, but nonetheless one which will actually provide the WDA with a level of cost certainty that they obviously require to manage the strategy in an effective way. That, sir, is inevitably a question of political judgement, as is also the issue of the level that you apply to each individual bag.

Now I broadly agree with what Deputy Roffey said, which is that I think the less regressive effect is to be had keeping the annual charge as low as is conceivable or as low as is consistent with providing the WDA with a certain level of cost certainty and perhaps therefore having slightly higher cost on the bags because the converse to that argument is that if you have a high level on the annual charge and a lower level on the bags then – sorry, other way round, if you have a lower annual charge and a higher price per bag, you potentially run the risk of more of a problem with fly tipping. But I think on balance I am persuaded that the better approach from a social perspective is the one that Deputy Roffey outlined which is a less regressive approach by having a lower annual charge and a comparatively higher price per bag.

I did want to say just something finally, sir, in relation to the risk of fly tipping. I think Deputy Smithies hit the nail on the head for me, which is that we need to be very careful about what we say in this Assembly about the risk of fly tipping, clearly there is some risk, we do not know exactly how human behaviours are going to be impacted, but Deputy Smithies said we run the risk of a self-fulfilling prophecy and I think that is absolutely right. We need to keep things in proportion. We need to decide these things as we see them, we cannot do anything more than that, mindful of potential effects, but we should just be very careful with what we say I think in that regard.

So, sir, I would encourage Members to support 1b) and I will then be affected as we will all be by the cascade effect, but I will be looking for applying an annual Waste Disposal Authority fixed charge probably at the level of about 20% I think and accordingly the bag charge that will flow through from that, because I think that is probably the best way to avoid an effect that is not too regressive on the people that we really should be trying to avoid steeping any further burdens upon.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

The Waste Strategy is very much focused on waste minimisation, sir, on ensuring that as little as possible remains for treatment or disposal, and kerbside collections of both dry recyclables and food waste is an integral part of this strategy, as is the introduction of a challenging but achievable 70% recycling rate to be reached by 2025.

Now Guernsey has gone a long way, sir, in terms of waste reduction and minimisation in recent years. The black bag household waste has fallen from 70,000 tonnes to about 28,000 tonnes in 2016, the last figures we have got available, as dry recyclates and cans and paper and also commercial waste have been progressively taken out of the waste stream. That is very commendable to have come down from that 70,000 tonnes that was going into Mont Cuet a few years ago, to get that down to 28,000 through recycling and so on.

My early simulation scenarios which were put to the States in 2006 showed that we were able to reduce household and commercial residual waste down to 17,000 tonnes, so we have got quite a way to go and we have to tackle food waste in the black bag and also further reduction in dry recyclables in the black bag, because essentially in total 50% of the black bag is still recyclable, if you like, for the future. So we can get down to that 17,000 in the near future if we really work on it.

This is where a lot of families actually are not recycling at the current time or just partially recycling, but if they recycle totally and take on this philosophy then they will certainly be able to reduce significantly the amount of black waste and the cost of the black bag into the future. So I think it is a matter of families taking on this recycling philosophy into the future.

Of course we are giving a lot more opportunity with this new programme, because essentially it will not be just the blue bag and the white bag for recycling and of course there is no cost upfront to that means of recycling, we have decided not to charge for the recycling bags, but it is also including now the food waste which is being collected all at the front door and also glass. So there are a lot of opportunities there for further recycling.

1230 Some people of course have looked at the possibility of on-Island disposal. It comes back into the debate continually. Incinerator investigations actually have cost a huge amount of money to Guernsey: £11 million up front. The cost is horrendous actually for bringing in incineration and I just mention that. Instead of £32 million – we are talking about £32 million now for the transfer station in terms of capital costs – we were talking about an upfront cost of £93.5 million with SUEZ and the total over 25 years with interest would have been £260 million.

1235 Also disposal of waste in quarries is increasingly expensive because due to quarry purchase, and that is just the purchase, the new regulations of in lining quarries to stop water ingress and seepage and dealing with leachate and methane gas problems require stabilisation of waste and that really means bringing in an MBT plant pre-tipping. So it is all very expensive in going that direction as well.

1240 So it is more effective actually to export. In reality what is being brought in is cheaper as capital costs are much reduced and we are talking just a third of the capital cost of SUEZ, and the big thing through exporting is that it encourages further reduction. If you are paying to export then let's reduce as much as we can to get that payment down as low as we can in order to cut the costs of export, and we are not caught with a 25-year contract as we might have been with an incinerator of that large capital cost.

1245 But there is another angle there of course that we have to consider and that is it is not 100% disposal if you go for incineration. It is only 75%, you are left with 25% toxic bottom ash to dispose of laced with arsenic, lead and zinc, and then you have got the 4% of fly ash which is a carcinogen and toxic material. Jersey has a real problem in terms of dealing with this particular problem of the residual waste, if you like, from incineration and where to put it. They are digging pits all over the place. Just to give you an idea they have just been digging another pit for £400,000 cost to deal with this particular –

1255 **Deputy Fallaize:** Point of order, sir.

The Deputy Bailiff: Point of order, Deputy Fallaize.

Deputy Fallaize: This has nothing to do with the debate that is before the States.

1260 **The Deputy Bailiff:** I think, Deputy de Lisle, that there is some merit in the comment, there is a Rule that says the debate must be relevant to the matter before a meeting. There is no issue at the moment, I know other people have spoken about incineration, but we do not need to rehearse all the arguments that have been had about incineration. This is about where the money is coming from and how much we are going to pay.

1265 **Deputy de Lisle:** I will not go on further with that particular point, sir, but I thought I would just mention it because it had been mentioned by others as their preferred option.

The Deputy Bailiff: Yes, well, I think we can move on now.

1270 **Deputy de Lisle:** My philosophy is to keep as well the black bag cost as low as possible, and as a result in order to minimise the cost to the householder I suggest that we draw from the Capital Reserve for the £32 million funding to meet the capital elements of the Waste Strategy.

1275 Then with the bag costs I want to keep it as low as possible with a £2.50 cost per bag and perhaps an £85 fixed fee. That is £150 over 26 weeks, because do not forget we are only collecting every two weeks for the black bag. A lot of asking me, 'Please, please, please have a half bag!' There is a lot of confusion as to what this tag bag is all about, rather than having a States of Guernsey bag, and a half bag that you can buy at the supermarket or wherever on a daily basis. So please if we can have a half bag I think that would encourage more recycling of course and it is a way of reducing the cost even further to people with respect to waste charges.

1280

Wholly funded from the Capital Reserve with a £3.90 cost per bag puts the cost up, although when you realise that it is every two weeks and there would be no annual WDA fixed charge, it is actually enticing because if you look at the £2.50 cost per bag and the £85 fixed fee that is £150 over 26 weeks, whereas if you go for the £3.90 cost per bag without the WDA fixed charge then we are looking at £101.40. Now we have got to add to that of course the collection charge which is about £85 per household.

So I would encourage Members to keep their eye on zero waste into the future through minimisation as much as possible, keep the black bag cost as low as possible, and please avoid the sticker idea. Produce another bag like you have been producing the white bag and the blue bag: this would be a black bag and please a half bag as well as a full bag with relative charges on those.

Thank you, sir.

The Deputy Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, the Waste Strategy, or rather the financial modelling of the Waste Strategy, has been woeful from day one. The figures we have today bear no material relationship to those we were provided with in the last term by PSD. Every policy letter on this issue has seen a revision upwards, and even now I do not get the impression that there is confidence in what the costs are going to be. What is giving me that view is the fact of the 25% contingency added to the black bag charge. That is 25%, that means either we are all going to be paying a 25% premium to add to a war chest or the actual costs are likely to be 25% higher than currently calculated.

Now given how figures have risen exponentially over the years my suspicions sadly are that the latter is more likely. Even yesterday Deputy Parkinson stated that the costs to the ESS will be higher than the previous estimate of half a million pounds. Now that does not mean we should have chosen an incinerator – well, not the one proposed in the last but one States anyway. Given how the figures for the current strategy have panned out anyone who thinks it would have been a cheaper option is probably living in cloud-cuckoo land. Whether we should have had a different sort of an incinerator is another matter.

Anyhow what it does mean is that there is a need to have a proper review of just how the costings have gone so horribly wrong. I would ask the Scrutiny Management Committee to really have a look at this and that we can find out just what went wrong and how lessons can be learnt.

Just picking up on other points in terms of either using the Capital Reserve or Bond, I agree totally with Deputy Roffey and what he said, which is no surprise given I seconded his amendment.

Yes the fudge option Deputy Green proposed, probably has its merits and if the first does not succeed, is defeated, I will support that.

I did think Deputy Merrett's analysis was excellent but what she did not mention and what Deputy Fallaize did not mention, in what I thought was quite an interesting speech, was that the Bond was not even a twinkle in Policy Council's eye when the strategy was developed. I did like Deputy Fallaize's analogy of the fixed fee as a poll tax, and for me I do think there should be one, but it should be kept to a minimum.

In terms of fly tipping well it is as if it has never existed, it is this thing that it will be a huge issue as if oh, in the past and with rose-tinted glasses we never had this problem. Yesterday I talked about 50 years ago the States got its first computer; well, back in the day, I have been looking at *The Press* of 50 years ago, at some point I will explain why, but one of the things that popped out for me was on a regular basis on the front page of *The Press* back in 1968 and in letters to the Editor were constant photographs and moans about the level of fly tipping going on – it seemed to be far worse than it is now. I think Dyson's Quarry at the time was being used as an unofficial tip and it had to be completely cleaned out at one point.

I am less confident than Deputy Smithies that it will not be a problem, but quite frankly we do not know until it starts and that is not reason certainly at this late stage to pull the plug.

Just finally on waste avoidance, I totally agree with what Deputy Dudley-Owen said. I am just pleased to see that 10 years since my business started selling biodegradable straws that the UK Government has just cottoned on to the perils of plastic.

The Deputy Bailiff: Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Thank you, sir.

Deputy Parkinson was correct at the very beginning of this debate saying we need to get on with this, so I will try and be quick.

The entire process of the Waste Strategy has been an example of how not to run government. (**A Member:** hear, hear.) I say this not to criticise and separate myself from the responsibility because we are all responsible.

When bold new strategies are adopted by an Assembly after much debate it is too easy for it to come back to this Assembly and have bits taken out, shifted and changed, and it is too easy for Members slightly concerned with one element to pick at it and make the whole unravel.

Scrutiny Management Committee's review in 2016 of the Waste Strategy revealed how much of the strategy had changed from what had originally, and I believe Deputy Soulsby has alluded to that in her speech. Costs escalated, things changed, and instead of a centralised Island-wide pickup system with specially bought waste trucks that could weigh the waste, and that was based on the modelling done from the most successful pay as you throw place that had implemented the system, well that changed. Now we have stickers, very sticky stickers I am told. There are a lot of concerns around the stickers, and believe me when I say that every conversation that I have had with civil servants, they are very aware of all of the issues that have been raised, and have thought about this far more than I think they wished to. They are hoping not to have to bring another policy letter back to the States.

There are variables in size and shape and there has been some concern. There is a half bag charge. All these variables add risk to the management of the system. That is undeniable, we are moving from a very clear model system to a pay as you throw system, there are variables in that system. That added risk is partly demonstrated in the 50p contingency which has been added to the bag charge.

Changing to a new scheme with a direct pay as you throw element in it does not make for easy accounting. In fact I think there are grey hairs or lack of hairs now in some of the people who are doing the modelling on this project.

With the history of this project and the amount of times that prices have escalated or changed, I believe we have reached the point where we simply need to get on and implement the scheme and see the reality of the operating costs against the countless financial models and business plans, etc., SCIP, bits and pieces. We have reached the point of what I call risky business accounting, because there are too many variables with a pay as you throw system.

There is also perverse incentive to not make it successful. When I say a perverse incentive if we are too successful and reduce our waste too much, everybody gets on board and not enough black bags get put out, then we might not pay for the scheme. That is a perverse incentive I am not willing to buy into. If we have gone through all the effort to get to the point of actually implementing the system, there is no doubt that the pay as you throw will give the biggest incentive for change, but it does make for comfortable business modelling.

I will leave it to others to make argument about the capital costs, and there have been some very cogent arguments already. Originally when the policy letter came to us in December I voted against the Roffey amendment because at that point I did not want further delay to the system and to have to bring a policy letter back to the States, but it passed, and here we have an opportunity to mitigate the cost to the customers, and most Members have mentioned this that we are trying to mitigate those costs to the customers.

Where we differ slightly is the logic behind what will mitigate costs to customers, or what will give the public the biggest incentive or the biggest ability to control what they put out. Overall on

1385 the capital costs it does not sit well with me that we should be paying back £13 million in interest
on top of the other operating costs. It is perfectly sensible to have operating costs of a project
covered by the user pays the operating costs, but it does not sit well having to pay back the
interest and the building. As an example, we do not make the user pay for the hospital building,
but we do charge them to visit A&E. They pay for the use of A&E, but they do not pay for the
1390 hospital. Why should we charge the public for the building? Yes, the operation of the strategy
which they will be paying as they use it, but not the building it is housed in. The fact that the
Capital Reserve is created from General Revenue and I believe Deputy Fallaize mentioned that,
General Revenue is one of the most equitable ways of collecting monies, these flat charges are far
less equitable and make no distinction on ability to pay.

1395 We have to implement this policy and others have mentioned this already. There are three
areas to look at, one is effective policy objective, to reduce waste, the second is to mitigate the
effects of the move from TRP and give the public the biggest control over reducing the amount
they have to pay, and the third is to ensure that a balance is reached between risk and reward.

The first is policy objective, reducing our waste, if we step back and take all the other factors
1400 away, by concentrating the charge on black bags we are concentrating on the waste and
incentivising reduction. If I have a black bag and that black bag is going to cost me for instance £4
– I am not recommending that – but £4 for that bag, I am going to be more conscious of
everything I put in that bag, and if there is a large standing charge there is less control in reducing
the costs. I simply pay, there is less incentive to reduce the amount I am going to put in the black
1405 bag because I am paying anyway.

Some members of the public have raised the point that if there was just a standing charge, and
other members have also raised this, we would just pay it and would not think about it. Yes, there
is something to be said about that, people would grumble but they would pay. But it would not
be as tangible as actually paying for the sticker and seeing everything that you put into the black
1410 as money that you are spending. If we just put on a fixed charge then there will be less pushback I
am sure because it would just be another hidden charge, but we cannot get around it, that one
large bill, and you pay it and you get on with it, there is no incentive to change to reduce your
waste and crucially there is zero control over your bill.

This leads me on to my second point about giving the public choice in controlling how much
1415 they pay. If there is just a big standing charge they cannot reduce the amount they pay past a
certain point – apologies, that is a tedious repetition from what other people have said already
and I have just said in my speech. There is a big jump in how much we are going to pay for waste.
The best thing we can do now and decide today is to give the public the greatest opportunity to
keep those prices down. As much as people are resistant to the idea of a high bag charge it
1420 should be our job to give the biggest chance to reduce their costs. A high standing charge will not
give that effect.

If Members look at table 7 on page 24 it breaks down the predicted total household costs for
different types of households. Deputy de Lisle mentioned some of that but he was not actually
referring to the table. Now that table is a predicted model, but if you just look at the final column
1425 and I am presuming that the will of the Assembly is the same as it was in December and that the
full capital costs are going to be fully funded from the Capital Reserve and we choose a middle of
the road scenario. So that is £3.20 per black bag, and a £45 fixed charge. It is important to note
that less than £45 fixed charge and you start making a fixed charge unworkable because the £5
admin that it will cost to recover a fixed charge. So £45 is the smallest fixed charge that we can
1430 do: £3.20 per black bag, £45 fixed charge and an estimated £85 parish collection charge. That is
still estimated and it will vary from parish to parish depending on how they choose to set out their
collection. I will be interested to see if anybody chooses to move out of parishes where there is a
high parish charge.

At the top of that table we are talking about a single pensioner and the modelling predicts half
1435 a bag per week, but again they are fortnightly collections so that would equate to one bag every
two weeks. The annual cost to that is £213. That is half a black bag per week, realistically and – I

think about pensioners and Deputy Le Pelley mentioned it even in his speech that he had a parishioner who would not even get to a full bag... they might get a full bag every three weeks, so possibly they can even reduce further, that would mean if they reduced their black bag waste to one bag a month, that is half a bag every two weeks, when there is the fortnightly collection, then they could reduce their annual bill to £172 per year, that is down from £213. There has been concern raised about the larger households, so I look down in the table the three person household that is either a single parent with two children or a couple with one child with weekly set out of one bag, that is two bags every fortnight that is £296 annually in the table, but they still have the ability to lower that to £213 if they went down to one bag a fortnight, which is realistic.

Change is not easy but it is much easier when you are young, and I have had people say to me that it will be hard for families with children – and I have two of the mess pets myself, so I have some sympathy for that.

Actually I think we are looking at it too much from our perspective, how we grew up and what we are used to. It is the same as technology, what seems awkward and sometimes out of reach for us is not for our children, who are digital natives. Well, our children are growing up to be green natives. Our children do not know the world before oceans were filled with plastic. They are growing up in a completely different planet to the one that you and I grew up in, this is their inheritance. They see things that we just do not, so do not underestimate our children, and do not underestimate the power of hearing it from a teacher. I do not know if any other parents have noticed this amazing phenomenon, when you tell your child something over and over again and then give up and they come home from school and say, 'Well the teacher said this and they said that', and then you turn round to them and say, 'Well, that is what I have been telling you for ages.'

Other Members have raised this: education and not only for our children but for the entire populace is absolutely essential for this strategy to work. So I do not think we should underestimate the effect that children will have with this strategy. I already have my daughter aware of black plastic, asking about straws and those are things that we have the capacity to start affecting change to really contribute to fixing the problem.

My last point is the balance of risk and reward, and many people have mentioned the risk of increased fly tipping, the risk of having too few bags setting out and that is the WDA's headache. The reward and the success of the strategy resulting in a reduction of waste and a cleaner healthier environment. Fly tipping, when anyone has mentioned it to me, I have asked them, are you going to fly tip yourself, without fail they have said no. Actually there was one Vale parishioner – not Deputy Inder (*Laughter*) – who confidently said yes they would and they would never recycle, ever, ever, ever. Well, that is their prerogative. There is always somebody else who will, those others will.

I am not naïve enough to say that there will not be any extra fly tipping but we have to get this in perspective. There will be some who get to a full refuse bag on the wrong day of the week and are tempted to just dump it, and there will be people who will flout the law, there are now. There will be more or less people struggling to make it, but what we need to do is give people the best chance to not be in a jam where they are tempted to do it, and for those who just flout it, we need to be smart about enforcing it. We need to look at how other jurisdictions do it cleverly and along with how we do... we are changing the whole system; why not change how we track? There are fly tipping apps. There are hundreds of different bits of technology that make it simple for people to report things. You have camera phones, you can take photographs and pin the exact geo location. We have DNA tracing for dog poo, we are in an age of technology, we can and will track down enforcers. I see no reason for someone to believe that they will not be caught out if they flout the law.

I will give way to Deputy Prow.

Deputy Prow: I thank the Deputy for giving way.

The question of fly tipping was raised by Deputy Fallaize in relation to the Commons Council and he asked the President to perhaps give us some advice on this.

1490 I do not take anything away from what Deputy Hansmann Rouxel has said about fly tipping. The issue for me is about the enforcement of it, and that is where the policy letter is perhaps silent. Deputy Smithies said about a high burden of proof, and what concerns me and what has already been said we do not know the level of increase in fly tipping, but the Douzaines and many Deputies in this Assembly are suggesting that it will increase. I think the point about us discussing
1495 it will actually increase it, I do not think it is an argument.

My question to the Presidents in their summing up: could they perhaps give some guidance as to where there is fly tipping how it can be dealt with and removed? That is a question that the Constables of the parishes have asked, and how this is going to be enforced, particularly as Deputy Smithies says it will be of a high volume.

1500 Thank you, sir.

Deputy Smithies: Point of correction.

The Deputy Bailiff: Point of correction Deputy Smithies.

1505

Deputy Smithies: I never said it would be a high volume at all. I said my faith was in the native people of Guernsey not to have an explosion in fly tipping.

Several Members: Hear, hear.

1510

Deputy Hansmann Rouxel: Thank you for that interjection, Deputy Prow.

Since you raised the fly tipping, myself as a Vale Deputy along with Deputy Fallaize and all other Vale Deputies, did hear from the Vale Commons Council, there was an incidence of fly tipping at the Commons, and there is always an uncertainty about land on the Commons,
1515 however, the Waste Disposal Authority inspected it found some evidence in the bag potentially indicating its source which has therefore been reported to the Police and we arranged for States Works to collect the bags and we now have them in storage. So it is about working with Douzaines and the WDA do go out of their way to work with the Douzaines. Again, that incidence of fly tipping was builders' waste, so those incidences are being dealt with as they have *ad*
1520 *infinitum*. The incident possibly that we are talking about is black bag waste, and Deputy Smithies did relay that there is a different fixed charge – no, I am not giving way again – there is a fixed charge that will –

Deputy Inder: Point of correction, sir.

1525

Deputy Hansmann Rouxel: Is it a point of correction, sir?

The Deputy Bailiff: Point of correction, Deputy Inder – if it is not, there will be trouble.

1530 **Deputy Inder:** I am just not convinced Deputy Hansmann Rouxel knows the Common as well as I do – (**Several Members:** Ahh, shame!) I am sorry –

The Deputy Bailiff: Deputy Inder, that is not a point of correction –

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Deputy Inder: Well, I had not finished, sir.

The Deputy Bailiff: Deputy Hansmann Rouxel to continue.

Deputy Hansmann Rouxel: Thank you, sir. I will move on from fly tipping.

1540 I think there is something in the psychology of setting the bag charge too high, that there is a risk that someone at the end of the month will not be able to put their bin out and they may just chance it because they do not have that £4 kicking about. Yes, I see the risks set out in 7.8 to 7.18 but I also need to set it at a point where there is the greatest chance of reward.

1545 I urge Members to give the public the greatest opportunity to reduce their costs and the best opportunity for the policy to succeed in reducing our waste. Vote for 1A that is the full capital cost recovered from the Capital Reserve and then for 2b) which is £3.20 black bag charge and £45 fixed charge. If 1A does not pass I hope that there will be a pause in the proceedings and the Presiding Officer can just clarify what that means for the vote on Proposition 2, just so that there is complete clarity for Members. However, at this stage from the timbre of the debate I believe
1550 that 1A will pass, therefore voting for 2b) which is £3.20 black bag charge, which may feel high but is the smallest fixed charge which you cannot do anything about and people can reduce their waste and reduce their black bag usage and therefore have more control over what they have to pay – I believe that this is the most balance we can provide while giving people the opportunity to keep their costs low.

1555 Thank you.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Thank you, sir.

1560 I find myself actually agreeing with Deputy Roffey. I have always been taught to save before I spend and I do not think this should apply different to Government. So therefore I will be voting for 1A.

I will not repeat what the Douzaine and the parishioners have said to me because it is exactly what Deputy Prow and Deputy Le Pelley have said, it has already been covered, but what I would like to ask is that people vote for 2a) or 2b). Deputy Inder said he wants the cheapest one and so did Deputy de Lisle. If you forget about the parish rates of £85, then although 2c) appears to be
1565 the cheapest at a bag rate of £2.50 you also have an additional fixed rate of £85. So therefore it is not the cheapest. If you vote for 2a) you will have a bag cost of £3.90 but no additional cost. so therefore that means in real terms you can put an extra two bags out if you like plus eight so it is saving of £60. If you vote for 2b) it works out exactly the same, it is still a saving of £60. So please
1570 do not vote for 2c) it is the most expensive in the end for the parishioner.

Thank you.

Oh sorry, just one other thing, the other thing is that everybody has talked about this being a very different beast after a number of years. What none of us have actually said is that after five
1575 years we need to get a new contract, whether it be the same contract but the prices will potentially be different anyway, so after five years this could look very different.

Thank you.

The Deputy Bailiff Deputy Dorey.

1580 **Deputy Dorey:** Thank you Mr Deputy Bailiff.

I will try and speak just on Proposition 1 and Proposition 2 household charging mechanisms.

Deputy Fallaize said about the States have consistently voted for funding by loan, of course he is absolutely right, if you go back to the *Lurgi* in 2003, and I remember Deputy Roffey was one of
1585 the people who fully supported that project, it was on a user pays principle with a loan of £80 million to be repaid from user charges. The States all the way through have consistently voted for it, and even this Assembly voted for it in Resolution V of Article III of Billet V of 2017. This Assembly voted on the basis of a loan. I just find it very difficult to understand why there has been this sudden change.

1590 Interestingly Deputy Soulsby talked about the changes in charges. Well, actually if you go back to those presentations made to States' Members just after this Assembly started in, I think it was

June, something like 2016, about the charges, and they set out the £7 charge then, so the charges have not always changed. Yes, they have changed during the previous Assembly. They changed significantly in the various presentations to the States' Members. I am sure she can remember them as she was a Member of the Committee at that time, but since the beginning of this Assembly they have not changed.

I do not understand why there is new information which causes people to suddenly say we should not do it by loan. I am going to vote consistently with how I voted all the way along, it is that it should be done by a loan on a user pays principle. For example we know that electricity is expensive but we do not subsidise it because in Guernsey we pay high electricity, so why waste and not electricity. I could actually argue that electricity is far more basic and important to people in this Island than waste charges are, but we do not choose to subsidise it. We have debated about waste water, while that was from Capital Reserve. This Assembly then changed its mind and said it was going to be funded by a loan. So there seems to be changes in the way Members approach things from issue to issue which I do not think is good government. (**Several Members:** Hear, hear.)

Being a Member of Environment & Infrastructure and Education, Sport & Culture I see the many projects that require capital and those which have-not even made it into the capital programme, but they do not have any income stream so I cannot vote for anything but 1c) I think we need all the capital reserve that we can for projects. So I would urge Members not to vote for 1A and just move the cost from the user to the taxpayer. It will only result in projects being delayed or taxes will have to increase the Capital Reserve, the money is not for free, somebody has to pay for it and you are just moving it from one to another. I think user pays is the fairest way.

I now move on to Proposition 2 fixed variable. I think Members need to remember that there will be food waste, glass waste, the blue bag waste, the clear bag waste, green waste, the household waste recycling centre, that is what is currently at Longue Hougue, but that facility is going to dramatically improve with a new building, new facilities, and that again will be free, except if you are taking your black bag waste to there where you will be charged. We will also have some bring banks. So all those facilities will be free of charge. If you look in the previous States they looked at charging for recycling bags, which I think some people mentioned, but the administration of charging for it did not justify the cost. So somebody has to pay for all those things, they are not for free, they are not charged for, but somebody has to pay for it. So the key question is should that be charged by a fixed charge onto everybody, or should the black bag person pay for that waste through their sticker?

I think again, to be fair, that everybody should contribute to it, because everybody will have food, glass, blue bag, clear bag, green waste, household waste recycling centre, where they recycle their fridges etc., bring banks. Yes some people use it more than others, but I think everybody should make a contribution by a fixed charge, rather than putting it all onto the black bag. But also if you look at paragraph 4.5 on page 13 it says there 75% of the WDA charges are fixed. So I will support 2c). 40% of the charges will be fixed. It is the nearest model to that actual costs model. Yes it is not 75% which is what if we really wanted to match our charges to the actual costs ... but 40% is nearer. It is far nearer than 0% or 20% as in 2a) and b). But I think most important 2b) is fairer because everybody will contribute towards those free services by a fixed charge and not a proportion of black bag costs.

Members have spoken about the effect on different members of the community and I think a couple of the last speakers have referred to page 24 and table 7. If you look at that for a single parent with two children or a couple with one child they are better off with a higher fixed charge and a lower variable charge. So actually say if you are looking at the effect on the community, yes, Deputy Roffey talked about pensioners; yes, a single pensioner will pay more with a fixed charge, but I think that overall it is a fairer way forward.

So I am going to vote for 2c) which is the 40% fixed charge model and the lower bag charge. It will also have the advantage of hopefully trying to reduce fly tipping by reducing the variable charge per bag.

1645 Some Members have spoken about half bags. Yes, there will be a half bag sticker for half the cost and Deputy Le Pelley the bags will be checked by the contractor who collects them before they put them into the vehicle for transport.

Some mention has been made about the 50p extra, and if you turn to page 34 you will see the sensitivity of bag charges and set out rates. I think it is a very sensible thing to add that 50p, 1650 because we do not know exactly how many bags people will put out, they have done some testing but there could be a significant change to that. My family, there are five adults, we put out probably less than one black bag a week. So we will be under what the expected amount of black bag waste. If other people do that then we will have a shortfall of income no matter what model we use based on the per bag variable charge. I think it is sensible at this stage to put in an extra 1655 charge because of the unknown in terms of how people react. Then once we know actual figures we can then react to that and adjust the charges in future, how much waste people actually put out.

The long-term model is based on a reduction of waste that was what the Resolutions of the States were. So over the 20 year period there is an expected reduction.

1660 So I would urge Members to vote for 1c) and 2c).

Thank you.

The Deputy Bailiff: Deputy Tooley.

1665 **Deputy Tooley:** Sir, my speech is brief.

The most important thing we can do today is make an agreement and move on. Rubbish must go somewhere. As Annie Leonard, American proponent of sustainability and critical consumerism said, there is no such thing as 'away'. When we throw something 'away', it must go somewhere. Well, where our waste debate has gone is worldwide and we are not praised for it. In conversation 1670 with my brother-in-law, a chartered surveyor and partner in a big London firm, I mentioned that we were debating waste and that this had gone on for a long time. 'Oh yes, I know,' he said. 'They teach the Guernsey waste story in university as an example of bad practice.' We have finally decided what we are doing and now we need to enact that without further delay.

Now, I was persuaded by Deputy Merrett's arguments about funding, and I was persuaded by 1675 Deputy Fallaize's arguments about funding, but I cannot agree with both of them. I am inclined to ask Deputy Green to budge up on his fence and pass me the fudge, (*Laughter*) but Deputy Dorey is also very persuasive. When it comes to charging the public I am of the opinion that the best way forward is to make the standing charge as low as it can possibly be. Yes, this makes bag charges higher, but that is in our power as consumers to reduce. Will there be fly tipping? There 1680 might, but we need to deal with that when it happens, enforcement may need to be looked at again. In response to the fantastic advert Deputy Fallaize has made for the facilities at Vale Common, I would like to be able to tell you – I would *like* to be able to tell you – that St Peter Port will be installing fire breathing dragons along its coastal areas to prevent this.

Thank you.

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The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Yes, thank you, sir.

Deputy Le Clerc was one of the first speakers today and reminded us that some of the 1690 Deputies attended a fairly hot I suppose St Peter Port Parish meeting, when there was certainly a lot of opinion against, in broad terms, the Waste Strategy. And even a viewpoint that they would vote against it all if they could, if there was a populist reference tomorrow. The reality is that is not going to happen and we have to move forward.

But like others there I was a bit surprised that there seemed to be difficulties in implementing practical rubbish collection penalties and I thought to myself, 'Oh, have to be careful and not put many things in my bags, because they will unwrap the bags.' There were cases of famous artists whose bags used to be looked at to see if they had any sketches in. The mind boggles with people looking for information as to whether persons have dumped any bags with their papers in. I tend to collect rubbish as a hobby rather than wanting to dispose of it, but that is another matter.

I think perhaps the fact that there has not really been much thought given to practically policing rubbish by the parish is indicative that that is a grey area across the whole policy letter. Actually if we are going to be stricter we are going to follow Deputy de Lisle's and other Members views that we really should reduce our waste arising, I think you are going to have to have a bit of a stick as well as a carrot, and the view that is becoming increasingly widespread that we will inevitably see an explosion in fly tipping really has to be challenged by frankly the Waste Disposal Authority working with the parishes to ensure that – maybe even Home Department – to ensure that something more robust is put in place.

Also we have talked a lot about persons – one-person household, two-person household, three-person households. What about one-person households with pets? Because the pets sometimes have waste as well. You have got to think about a broader picture here. So everybody is different.

I must admit when you start to get involved with different ideologies, parties, associations, charters and so on, they do sometimes conflict because of course by definition the UK Green Party has always had a reduce, reuse waste hierarchy argument. But I think what is often mistaken, where possibly the European and British Green parties differ from a lot of environmental thinking in Guernsey, is that it is sometimes absurd that critics of green people in the UK sometimes say you are overtly green but inwardly you are red. It is the dynamic between social justice and ecological concern.

Now I think perhaps in Guernsey we have seen more of an environmental movement that has perhaps underplayed socially regressive policies and the difficulties of balancing that. I think well we know it as Members but there has been in the last few years gaining momentum, a kind of populist revolt of the electorate, and sir, some States' Members are reacting to that accordingly, which is causing policy shifts. *(Laughter)* We will not be consistent with where we were before because times and attitudes have changed.

Deputy Fallaize has reminded us that we do have a structural problem with the way we collect our revenue and the way therefore, what would be infrastructural costs on the wider tax base anywhere else, it tends to be put here as stealth charges and issues that perhaps are more trouble than they are worth in a sense if we are trying to convert the public to support the States more.

So where I am coming from is that despite what Deputy Fallaize said, I think I agree with a lot of what Deputy Dorey has said and Deputy Ferbrache, that although it is a bit inconsistent, although we have a duty to encourage people to recycle, I want to see more recycling banks everywhere and perhaps located in better places, I worry about high bag charges on people whose cash flow is difficult, on people who for whatever reason are in a situation where they are producing a lot of rubbish and they cannot help it. I think that does, generally speaking, impact not only on the more reckless members of society but on the less fortunate members of society, the marginalised people who live in bedsits, who perhaps are here in difficult situations or only half working situations or have other social issues. Therefore the lesser of the two evils for me is the higher standing charge, and Deputy Fallaize says that is regressive with the public, but frankly it is an alternative to rates. It is more of a poll tax than a rates tax, but to a certain extent it is a tax per person, because ironically enough people –

I will give way to Deputy Oliver.

Deputy Oliver: Thank you, sir.

1745 Would Deputy Gollop agree with me that it is easier to find £3.90 or £3.20 than it is £85 or the
£45?

1750 **Deputy Gollop:** Yes, well, it depends on your situation because some people do not always
pay their bills, or they pay them in instalments, or by standing order, or by other arrangements,
whereas I can envisage a situation where persons will literally not have the money to buy bags.
Sometime parishioners and the public who are most vociferous against these policies they come
up to me and say it is totally wrong that I as a well-off home owner should be paying the same as
extravagant people who use a lot of waste. Well yes, that works on an ecological basis but it is not
1755 fair socially and it is not progressive. I mean we have actually detached to a certain extent rates,
for decades we have had a situation where ratepayers were subsidising rubbish, and people who
lived in the bigger houses and the bigger businesses, especially those attached to greenhouses,
were effectively paying for less well-off people. We have stopped all of that. Talk about moving
backwards socially. That is exactly what we have done.

1760 I entirely agree with the arguments I have heard from many Members, Deputy de Lisle, Deputy
Roffey and others, that in the good old days in a sense we were underpaying for rubbish, but
when the incinerators that would make a very interesting university course, we have heard, were
on the agenda and were cancelled by us, regardless of whether that was wise or not – and I
supported the cancellation twice, for the record. I knew at the time, and if other Members did not
they were fooling themselves, that it was going to mean higher revenue costs, but we saved on
1765 the capital, we did not spend the money. Now is the time to admit that and therefore not only will
I vote for the package of the cheapest bag, but I will also vote on this occasion for the £32 million
from capital, because I think you are balancing the way public feeling is now with the
responsibility of ensuring there is not too much further hostility from the parishes and from the
possibility of fly tipping.

1770 Another issue I would also like to point out: I had an argument with a Douzenier the other day,
who was making the usual accusation that somehow or other E&I, or the Waste Disposal
Authority, or Deputy Parkinson's Committee had got things wildly wrong and did not understand
what they were doing. I said, 'Yes they do, it was very clear when we went down these waste
strategies where we were going.' It was all about behaviour change. What does that mean? It
1775 means higher costs. It means in a sense the nanny state. It means forcing people who are perhaps
the most wasteful to change their behaviour. It is a bit like paid parking, it is a bit like putting
expensive costs on cigarettes – it was all about telling people what to do.

The public are opposed to it, and we have a responsibility to balance it a little bit, and that is
why I am moving slightly more to the centre here and going for a solution which I think is best for
1780 this year at least.

The Deputy Bailiff: Members of the States, I think we will adjourn until 2.30 p.m. now.

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

**Waste Strategy Implementation –
Household Charging Mechanisms –
Debate continued –
Propositions 1A, 2c), 3-6 carried**

The Deputy Bailiff: Deputy de Sausmarez.

1785 **Deputy de Sausmarez:** Thank you, sir.

In December last year I brought an amendment seconded by Deputy Hansmann Rouxel requesting that a range of options on a balance between the fixed charges and the bag charges was brought to the States. My concern then as it remains now is that those costs are decided by us as an Assembly and not simply by a single Authority or a Committee, because it is

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fundamentally a question of political judgement.
I have my own preferences which I will go into shortly, but whatever the result of the final vote I will at least be content that it is a decision that has been taken by the whole Assembly or however much is actually here.

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The Propositions are necessarily complicated so I will do my best again further to Deputy Lester Queripel's request to summarise how they affect each other.

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Proposition 1 concerns the funding of the capital elements, so the options are 1A, 100% from the Capital Reserve; 1B 50% from the Capital Reserve and 50%; and 1C which is 100% from the Bond. Whichever option is successful in Proposition 1 will affect which options are available in Proposition 2. So essentially it is like a knock out in effect. So whichever wins in Proposition 1 affects which will be available to vote on in Proposition 2. So if Proposition 1A wins all the i options in Propositions 2a), 2b) and 2c) will apply. For the avoidance of doubt ii and iii options in 2a), b) and c) will no longer be on the table. So if 1A wins the only options available in Proposition 2 are 2a)i, 2b)i, and 2c)i. You can scrub out the rest. In other words if 1A wins, Proposition 2a) means that £3.90 bag charges will apply but no fixed charge, 2b) means £3.20 for bag charges and a £45 fixed charge and 2c) means the £2.50 bag charge and a £85 fixed charge. So I hope that helps clarify.

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If Proposition 1B wins then all the ii options will apply, and if Proposition 1C wins then all the iii options will apply in the same way. So I hope that helps clarify the situation a little more.

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Sir, I think with this debate there are obviously two clear areas that we are being asked to decide upon, and the first is the funding of the capital elements, and for me the most important thing to understand is this is the only real opportunity we have to actually influence the immediate cost in terms of the consumer, and so of all the options before us the 100% funding from the Capital Reserve is the one that will reduce costs for the householder across the board.

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Now P&R have submitted a detailed letter of comment, and as Deputy Merrett pointed out they did put certain bits in bold, which I too found very helpful. So I went through the bits in bold in particular. So P&R have made the following points. They confirm that there is enough money in the Capital Reserve pot, which is great, fantastic, good start. They also point out secondly that if we fund the capital elements through the Capital Reserve then the transform category will be over subscribed. Now for me this is a bit of a moot point because to me these are arbitrary divisions in any case. If there is a more obvious and immediate need to invest in transformation right now in the form of waste then we should invest in transformation, and not get too hung up about the arbitrary categories that has probably been dreamt up by an accountant, I imagine.

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So the third point that P&R make is if we take money out of the Capital Reserve account then we will lose the interest on it. Well if the States' chief function were banking then this should be our primary consideration, but the States' chief function is in fact to provide essential public services, so when weighing up the problem of more interest versus more public services I really do believe we should use our money to provide the public services we need right now, not create interest to provide public services we might need in the future.

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Speaking of the future P&R, I also make the point that using current and past taxpayers' money to fund a service for current and future taxpayers is inequitable and there have been some very interesting things said on this point already. If we think about the pressures and problems current and past generations have stored up for future generations – think housing affordability, the demographic dependency ratio, the eye-watering projected economic cost of climate change, the ongoing costs associated with the depleting way in which we have managed our waste over the past few decades, for instance – then my personal feeling is we kind of owe it to future taxpayers to redress the intergenerational inequity in this relatively small way. Further to some excellent points made by other speakers on that particular issue.

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P&R also point out that using the Capital Reserve for this portion of the Waste Strategy is effectively using general taxation to fund what should be a user pays system, and this was a point that Deputy Dorey also reiterated. It is correct and again I think actually using general taxation to fund this particular element of the Waste Strategy is justified because the goal posts have moved, the costs have soared since the strategy's original inception and they are now of a different order of magnitude. What we are talking about here in real life is a transition from our current system to a system that is very different, and it is that transition which is really important to get right. The new system will be considerably better but also a considerably more expensive way of dealing with the Island's waste. In the 100% Capital Reserve funding option – Proposition 1A for the avoidance of doubt – we have the chance to ease that transition for the community by paying for a portion of the overall costs of the strategy through, yes, general taxation. General taxation is a lot more progressive than the flat fees per household that will rise if we do not use the Capital Reserve.

I know Deputy Graham is not a fan of the word 'progressive', so I will put it another way. Using general taxation to fund this part of the strategy means that it will be paid by those best able to shoulder the cost. The flat fee per household by contrast is regressive: unlike income tax it has no regard for householders' ability to pay, and in a nutshell it hits the poorest hardest. Using the Capital Reserve would mean that flat fees and all the subsequent options will be minimised.

It is important to remember that there was no flat fee element in the original inception of the Waste Strategy that our predecessors agree to. The 100% user pays principle was acceptable because the costs were more affordable before the economic goalposts were shifted. This is a hugely important transition from one waste management system to another and whatever we decide today it is going to be an expensive one that will take a lot of adjusting to. Please, let's use the Capital Reserve to ease that transition and make costs at point of use that little bit less expensive for the community.

So on to fixed charges versus bag charges, which was the subject of my original amendment in December. By choosing to fund 100% of the capital elements through the Capital Reserve we can effectively reduce the overall cost to householders, but the important thing to understand about the other options which relate to the balance between the fixed charges and the bag charges is that we are not altering the overall average cost; just how those costs are divided up.

Another important point to understand is that none of these options is unequivocally fairer than others. How we divide the costs between fixed charges and bag charges will affect different groups of people in different ways. Every option that makes the charges more affordable for some make the charges less affordable for others.

Before I get on to the options set out in Proposition 2, I would just like to remind Members about the parish charge. There is nothing we can do really about this parish charge. The Douzaines need to cover the cost of collection and it is arguably fair enough that the charge is covered by a flat fee because regardless of whether you put two bags out a fortnight or one bag out every two months the contractor has to have the ability to collect from every household on every round. Now although I am not a fan of flat fees because they bear only an indirect relation to the user pays principle and even less in relation to a household's ability to pay, the flat fee per household that will be levied by the parish is to my mind justifiable and for those that think it is not, I would remind them that there is nothing we can do about it.

The important thing to bear in mind when debating the options set out in Proposition is that the fixed charges in that list of Propositions do not include the parish charge. So when thinking about the impact on householders we have to mentally add an additional £85 per household per annum or thereabouts and also bear in mind that that is an estimate so actually it could in fact be higher.

The options in Proposition 2 range from a fixed charge of zero balanced by a bag charge of £3.90 if we opt for the 100% Capital Reserve funding in Proposition 1A to as fixed charge of £85 balanced by a bag charge of £2.50. Adding in the parish charge of approximately £85 per year that option Proposition 2c), which has had some support in debate, would mean that

1890 householders would have to pay around £170 a year before they bought a single bag tag. For
context the average household currently spends about £125 a year on waste charges. So the
option with the highest fixed charges will mean a significant rise in cost that they can do nothing
about. They cannot get out of them and they cannot do anything to bring those costs down. Even
1895 if they are an incredibly conscientious person and generate very little waste or recycling, their
costs will soar. Under Proposition 2c) the average household will hit a financial cliff face that they
cannot avoid.

It is also important to remember as others have pointed out that the flat fee is charged per
household regardless of how many people are in that household. It not only hits the poorest
hardest but it also disproportionately affects smaller households. A household of eight or 10 pays
1900 the same as a household of one, so if you think about the costs per person the discrepancy is
huge.

However, as I explained earlier none of the options is unequivocally fairer than the others. As
much as high fixed charges discriminate against smaller households that generate less waste they
benefit relatively speaking larger households that generate more waste. We are faced with a kind
1905 of Sophie's choice: which group is more deserving? Is it that large low income family or is it the
elderly widowed pensioner who scrapes by on a tiny fixed income? It is an absolutely awful way of
thinking about it because of course neither group, nor any of the variations in between, deserve
their costs to rise disproportionately to the other, but we do have to take a rather dispassionate
look at the situation and make this very hard decision.

1910 After much consideration I think we should minimise fixed charges and maximise bag charges
for two reasons. First of all we know this policy will have a bigger negative effect on larger low
income families, but families in this bracket are more likely to receive States' support in the form
of family allowance and income support, for example, than elderly people who happen to own
their own home yet live on a meagre fixed income, for example.

1915 The second reason is policy outcomes, which we have not actually discussed in any particular
detail today to my surprise. Whatever version of Proposition 2 wins there is no avoiding the fact
that some people in the community will be more negatively affected than others, that is a fact,
and it is an important one, we must not lose sight of the effect that these charges will have on
how much waste we generate as a community.

1920 So to remind those that have not been on the edge of their seat and tapping the armrest over
the last 15 years or so as I have as the Waste Strategy has evolved and reinvented itself several
times, our new Waste Strategy aims to reduce the overall volume of waste generated in the Island.
If you think of all the waste streams as a pie, we want the size of that pie to shrink but we want
the size of the slice that is recycling to increase within that shrunken pie. Shrinking the waste pie,
1925 all of it, will reduce the amount of waste that we have to deal with and therefore that we have to
pay for as a community.

With that in mind it makes no sense to disproportionately penalise in effect people who will be
doing the most to achieve the best possible policy outcomes. Given that there will be negative
social effects with whatever option we choose we may as well at least maximise the policy
1930 outcomes and reward with relatively lower cost those who make the most efforts to reduce the
volume of waste, including recycling, that they generate. This is one of the reasons I favour a
lower fixed cost and higher bag charges.

Higher bag charges penalise those who generate more waste but crucially this is part of the
cost that they can actually reduce as Deputy Tooley explained earlier. The higher bag charges
1935 offer families and householders more autonomy more control over how much they pay, and
please, as was so brilliantly illustrated by Deputy Hansmann Rouxel, let's try to avoid the
misguided assumption that all large households generate large volumes of waste. We have
already heard from Deputy Dudley-Owen as well that there are plenty who defy that particular
stereotype. Children in particular are really hot on waste prevention, recycling, and they get it far
1940 more in my opinion than my generation and those above me.

Now Deputy Ferbrache is right, this is a new system for Guernsey and no we cannot predict exactly how many people will react and how they will behave in future, but it is a not a new system in many places around the world, and we do know how those people in those places have reacted and behaved. Unit based pricing has been in place in many jurisdictions around the world for really quite a long time. So we do actually have a broad data base and quite a lot of empirical evidence to look at. Call me old fashioned but I do still believe in evidence-based policy making, and I find all this speculation quite frustrating when there is a good evidence base available that can and should guide us.

I will not bore the Assembly with all the facts and figures so I will simple pick out a couple of robust examples that illustrate some very typical results from all the studies that I have looked at. When 29 of the 50 municipalities of Maine in the USA switched to a pay as you throw system in 1994, the average reduction in residual waste was 40%. Just under half of that was accounted for by diversion to recycling streams; but just over half, so 21% of the original volume, simply was not generated to begin with. So that was a 21% reduction in overall waste.

Another example when a unit based pay as you throw system was introduced in a particular area of Sweden the waste reduction in that area compared with a flat rate control group was 20%. That figure does not include the increased shift to recycling. That 20% is the actual average reduction in residual waste as a direct result of the pay as you throw system.

A couple of people have mentioned the contingency and to be completely honest when the contingency first appeared in the modelling it was not something I was particularly delighted about, for the reasons that have been quite rightly aired by Deputy Soulsby and Deputy Merrett, but having looked at the modelling as closely as I possibly can I do think that it is a necessary evil and we do need to have that contingency, at least in this first situation. Not least in part because I am not 100% confident that our modelling accurately reflects the waste reduction that I believe we are likely to see. There are obviously sound economic reasons why that contingency is in place too, but I too am keen that the costs are adjusted to the real costs at the earliest opportunity.

So while we must use our political judgement to determine the balance of charges, we do know that moving to a pay as you throw system is likely to achieve positive policy outcomes. It is worth also bearing in mind incidentally that whilst diverting some waste to recycling is better than putting it in a black bag, reducing the total volume of waste is far better and that is the primary aim of this Waste Strategy.

There has been a lot of talk of anti-social behaviour and I think it is relevant to this debate in so far as it affects people's judgement about that balance of cost. So with the Assembly's indulgence I will just say a few words on it. One of the main concerns we have heard repeatedly in the media and in this debate is fly tipping and, as we have heard already, there is fly tipping already. We know that and we know that we will have it in the future. When it comes to the Propositions, though, the question for us today is not how much will fly tipping be likely to increase, but how much more likely will fly tipping be at say £3.90 as compared not to zero which we pay now, but as compared with the £2.50 option. This is assuming we get 100% Capital Reserve option C, it is the elasticity not between zero and £2.50 or zero and £4.80; the elasticity that we need to consider is the difference between the minimum possible bag charge of £2.50 and the maximum possible bag charge of £4.80 or so. So that is the elasticity, please let's not confuse this with the idea that because there is a charge there will be fly tipping. However, I will come on to that.

Do not worry, there is not too much longer.

Just as there is a lot of empirical evidence on behaviour change related to pay as you throw, there is also unsurprisingly a lot of empirical evidence on anti-social behaviour related to pay as you throw – which again is why I find this speculation quite frustrating. What is surprising though is what the empirical evidence tells us. The first theme through all the studies that I have looked at is that the fear of fly tipping etc. ahead of the implementation of a pay as you throw system is universal, absolutely every jurisdiction that I looked at reported high levels of concern ahead of the implementation of the pay as you throw system. That is not the surprising part, by the way.

The surprising bit was that the data showed after the implementation of these pay as you throw systems that very little or no rise in fly tipping, that there was very little or no rise in fly tipping was noticed in any of the studies I looked at, and these included studies across Europe and the US. The studies showed that – and especially where recycling opportunities were broadened and made more convenient and where the social responsibility aspect is emphasised in communications – increases in anti-social behaviour such as fly tipping was insignificant at best. By social responsibility, I mean the idea that if this kind of anti-social behaviour is actually a cost to the whole community and we will have to pay for it somehow, it is anti-social.

Now I ummed and ahed about whether to say the next bit, especially as I am within kicking distance of Deputy Ferbrache, but I think it is actually a really important point. It is so relevant to a lot of the discussion that has been happening today, so I will go on to say it, and I will just take a small step to my right. Anyone who has worked in advertising will be familiar with the concept called social proof, which is a very well evidenced phenomenon where humans, being essentially a herd animal, are more likely to behave in a way which others like them behave. Everyone will recognise this from adverts that say something along the lines of 79% of people just like you prefer this brand over the competitors. Essentially, we assume that if everyone else likes something then the chances are we will too. So that is absolutely great for advertisers, but it does work in reverse too. So the reverse concept is something called negative social proof, which is basically a concept where if you can show that a significant number of people are carrying out a behaviour that you do not want to encourage, then more people are likely to take that up.

One of the definitive experiments was done in Arizona's Petrified Forest National Park. They were having a terrible problem, visitors to the Forest had had a habit of taking back just a small piece of petrified wood as a sort of memento or souvenir, and even though the pieces themselves were very small, cumulatively it had a really devastating effect on the Forest as a whole to a point where actually a tonne of petrified wood was being stolen from the Forest every month, so it was something they had to do something about. They decided to test the most effective way of doing it. So they put up some signs and they put up different signs in different areas. The signs in the first area essentially explained that the fact so many people were stealing wood was having a detrimental effect and then asked them not to do that. That was the negative social proof message, if you are thinking as I am sure Deputy Ferbrache is in social behavioural economic terms. The signs in the second area essentially reminded everyone that stealing was bad and told them not to do it. That is the social responsibility message incidentally. And in the third area, no signs were set up because they used that as the control area in the experiment.

So to the results. Stealing rates in the first area, that is the one telling people that everyone was stealing and it was terribly bad and having an awful effect, the stealing rates in that area were four times higher than the stealing rates in the second area, where the signs simply told people not to steal. (*Interjection*) But the really telling bit of the experiment was the results in relation to the control group where there were no signs at all. The rates of stealing in the first area with that negative social proof signs were twice as high as the area with no signs at all. So that just illustrates the perverse effect of effectively publicising the behaviour that you would like to discourage.

So please, I think this is a really important message to take away, everyone here. It is not hard to see how this relates to how we talk about anti-social behaviour with regard to the Waste Strategy. I have seen a few media reports in recent months that are essentially fantastic adverts for fly tipping. 'Oh, look how much fly tipping there is here.' They do not mention the fact that it has got nothing to do with the Waste Strategy of course. Loads of people must be doing it, and that is probably because it is so easy. They do not even mention the fact that it is illegal, let alone the fact there are sanctions.

So I am not saying there should be a moratorium on reporting fly tipping – of course not. What I am saying is that the way in which it is reported has predictable outcomes, and I think it is something that we can all ... So if everyone in this Assembly, everyone in the media, everyone in the Douzaines, and everyone in the community, if we understand this a little bit more and we pay

heed to it, then we can actually do our bit to make sure that the likelihood of any increase in fly tipping is minimised. We need to stress that it is illegal, it is anti-social and it is not acceptable.

A couple of random points. Deputy Gollop says that it is socially regressive that we no longer make people in large properties effectively subsidise the waste charges of people in smaller properties. I understand that there will be a significant cohort of people in this Assembly who instinctively or ideologically believe that people in larger houses should pay more than people in smaller houses and with some caveats of course I would agree with that general principle. But the important point is this: the appropriate mechanism for that is property taxes, not waste charges. Let's not muddy the tea.

One further point is that when we are talking about affordability, it is very easy to confuse the affordability of the fixed costs with the affordability of the bag charge. Now I think the problem that some people who have expressed support for 2c) for example, with the logic there, is that £2.50 is a smaller amount than £3.90 and of course that is the cost that people have to find in the immediate sense, that is what they have to find in their pockets, at the bottom of their bags, scrabbling around in their purses when they need to buy that bag for the week or for the fortnight. However, it is clearly not nearly as big a cost as the fixed cost and so for me the fact that it is more immediate does not make it more affordable. In fact that is the cost you have got control over, that is the cost you have got the ability to do something about and ultimately it is a smaller cost, and it is easier to budget for. It is easier to make a very small adjustment to a weekly budget than it is to get hit with a very large bill. Please let's not forget that when we are talking about the fixed rates we have to include the parish rate in that. So do not get sucked in to the flat rate that you see in the Propositions 2, mentally add another £85 to that, at least another £85. That is the flat annual fee that people will have to find and that they have no control over. They can do nothing to influence that, they can do nothing to bring those costs down.

Now personally, I would find it easier to make those small budgetary adjustment over the course of a week or fortnight than to find an awful lot more money. Especially if I am someone who perhaps lives on my own on a very small fixed income and I do not generate very much waste at all.

So I would urge Members to vote for Proposition 1A and then to err on the side of lower fixed charges, rather than lower bag charges, as it gives greater autonomy and control to householders, and gives people a greater incentive to reduce waste volumes, which will result in lower costs overall for the whole community.

The Deputy Bailiff: Deputy Graham.

Deputy Graham: Thank you, Mr Deputy Bailiff.

Members of the States, the Capital Reserve currently stands at around £200 million. It is in that state because it was £159 million at the end of 2016 and thanks to our good housekeeping last year we were able to transfer £43 million so that it currently stands round about £200 million, give or take one or two.

Now the projects that are currently in the programme for capital works amount to about £236 million, that is an estimate, but I have no reason to discount it. So there is already a shortfall on known projects, let alone any that might suddenly appear over the horizon in need of urgent address.

With that in mind I have noticed during the debate that individual Members are approaching this raid on the Capital Reserve as the easy way out with varying degrees of cavaliness and gusto, but whatever degree of enthusiasm Members of the States are planning to do that, could I ask that they ask themselves two questions before they vote on Proposition 1A. The first question is have they taken the time and made the effort to remind themselves of what those projects that are currently in the programme are, and not only have they reminded themselves of it have they made an assessment of the relative importance of each of those projects *vis-à-vis* giving a good service to the public that we are here to serve? The same public that we are trying to protect from

the costs of the waste scheme. If they have done that I would ask them: which of those projects are they planning to forego or postpone?

2100 **A Member:** Hear, hear.

The Deputy Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

2105 Sir, we have a problem – in fact we have got a myriad of problems. I do not really want to vote for anything to do with this strategy but I will, I do not really want my fingerprints anywhere near this mess. We are being told what people should do in the future will be what actually happens.

It is being assumed that we can change human behaviour at the flick of a switch. The vast majority of those that I have discussed waste charges with have already decided on alternative solutions and the vast majority of this vast majority are going to burn all of their combustible waste. We all know that there has already been a spike a surge in the purchasing of domestic incinerators. What an environmentally friendly path we are about to tread! 'Come to smoggy Guernsey.' Okay, that might be quite extreme but indiscriminate burning will significantly increase, we will all have more toxic emissions in our local air. There is also a potential for the fires to get out of control requiring the Fire & Rescue Service.

2115 Let me spell out how I see this unravelling. The States will today agree the ongoing costs to the public of this ridiculous strategy, some people will be able to afford these massive hikes and just go along with it. Some will not be able to afford it and some will just not want to pay, and living in Guernsey is expensive enough as it is. Lots of people will burn all they can, this will include plastic and other oil based materials, some will fly tip – fact. Others will be responsible, not happy about the cost and being told how to live but will begrudgingly go along with it and continue to recycle and minimise their waste where possible. There will probably be some that will do a mixture of the actions I have just outlined.

2120 Sir, Deputy Dorey said this morning that the bin men, or should I say bin people, will check that each bag has a sticker on it before it goes into their truck. So the bin men will come to Mon Plaisir in the Green Lanes where I live on a Monday, as they do now. There are roughly 100 properties on that site, all using communal Eurobins that are conveniently located in designated areas. The bin men will empty each Eurobin, some of the bags will have split and so their contents will probably spill out on to the floor and they will check that the dozen or so bin bags they each contain have stickers on them, and then throw the ones with stickers on in their wagon and put any others without stickers back in the bins and then clean up any mess this process may have caused.

2135 Really! Has anyone got any idea how long this would take? The noise of this will just keep everyone awake, it just simply will not work. I cannot see them being able to check every bag in a Eurobin, it is just madness. Black bag waste will then be processed and turned into RDF, refuse derived fuel, and shipped off apparently to Sweden. All of this at a cost to the taxpayer. Lots of carbon dioxide will be emitted by the ships and lorries taking our waste to Scandinavia or wherever it may be. I do not believe the reverse logistics argument, it is nonsense, because every extra tonne that is aboard those vessels and vehicles requires more diesel. So obviously –

2140 **Deputy Smithies:** Point of correction

The Deputy Bailiff: Point of correction, Deputy Smithies.

2145 **Deputy Smithies:** The waste will not be shipped off to Sweden; it will be shipped to the UK, and it will be shipped back on empty vessels, otherwise there will be no extra vessel movement, which would not occur anyway.

The Deputy Bailiff: Deputy Leadbeater to continue.

2150 **Deputy Leadbeater:** I do not accept that, sir, because the more weight you have on a vessel, the more fuel it burns. It is common sense. The more weight you have in a vehicle, the more fuel it burns. Madness if you cannot understand that.

2155 Sir, I have always been of the opinion that we should not export our environmental responsibilities. I believe that this strategy will not pan out as it its architects envisage it will. I am glad we only have a short-term contract for the exportation of our waste because I believe the States will be revisiting this strategy in the not-too-distant future.

2160 Sir, I would just like to finish by picking up on something Deputy Brehaut said yesterday in regard to fly tipping. I think he said that most fly tipping is currently done with the use of tonne bags and he suggested that to combat that we could have numbered or coded tonne bags. Well this notion is just as bonkers as the strategy itself. *(Interjections)* There are countless outlets where you can buy tonne bags and liners, you can never control them as suggested by Deputy Brehaut. Even if you did anyone wanting to fly tip would simply dump their rubbish and take their tonne bag home with them.

2165 Sir, this is not a strategy, it is pure fantasy. I would like the Committees involved to look to form a different strategy to replace the current one before the end of this exportation contract.

Thank you.

The Deputy Bailiff: Deputy Langlois.

2170 **Deputy Langlois:** Thank you, sir.

I was reminded during Deputy de Sausmarez's speech why I did eventually cave in and allow her to have these Propositions in the order they ended up in front of you, by sheer weight of argument (**A Member:** Hear, hear.) and other factors.

2175 As Deputy Dorey and Deputy Fallaize have said earlier, for 15 years a Treasury loan has been accepted as the most appropriate way to fund our Waste Strategy. (**A Member:** Hear, hear.) It is ironic that nobody challenged that principle until now when the balance of costs is tipped so decisively toward the operating expenditure inherent in a waste export strategy. If one wanted to relieve the burden on Islanders which does seem to be a major part of a lot of the speeches we
2180 have heard so far, it would be much more sensible to enable the operating expenditure to be subsidised on an annual basis from General Revenue. That is what you should all be arguing for, (**Several Members:** Hear, hear.) not tinkering around with the capex funding in the way we are doing. That is simply not an efficient way to deal with the problems identified by Deputy Laurie Queripel, which is the conflict between social and environmental policies.

2185 We are going about this completely the wrong way. It cannot be sensible for us to financial flip-flop and make a £32 million capital grant to the Waste Disposal Authority when there are so many other projects on the horizon which can only be grant funded because the services such as education and health are provided free at the point of use, and Deputy Graham has made that point, I thought very well.

2190 What I try to understand is how we have got ourselves into this mess. Obviously Deputy Roffey's amendment has to take some of the blame but a lot of other people have jumped on the bandwagon without really thinking it through.

2195 I mean the States provide many services that are fully or partially funded by user charges, and there has been a tendency in the past for Departments when seeking capex funding for such services to propose initially a Treasury loan, rather than a Treasury grant, perhaps in the belief the States, knowing the capital will be repaid, would be more amenable. However, once the loan has been agreed and as the reality of the increased charges hit home, there is often backpedalling and calls for grant funding. The classic example of that was the saga of the Airport terminal funding.

2200 This financial flip-flopping is highly unsatisfactory, even irresponsible, and yet we have another example before us today. Such situations will arise again in the future unless we rethink the principles behind capex funding for services which are not provided free at the point of use.

2205 Personally I would like to see a rule that such capital expenditure is presented to the States as being funded half from a Treasury loan serviced by charges and half from a Treasury grant. From that neutral position the funding debate would be more informed and the final decision whether the Propositions are amended in debate or not might have a better chance of sticking, rather than going through what I can only describe as the farce of this debate. But that is the future obviously, I cannot influence what has happened to date on this particular project.

2210 Now, as Deputy Soulsby pointed out, the capital expenditure on the waste plant has increased considerably since the estimate on which the States agreed the strategy – I think considerably is probably a euphemism – offset to an extent by a reduction in the estimated operating expenditure. For that reason though I will not vote for it I will not lose too much sleep if the States approved Proposition 1B the 50/50 option in preference to 1C. What I would not want to see is Proposition 1A being voted through because that would be the worst kind of expediency and it is going to drive us into an extremely messy funding situation in the future. That is probably enough on Proposition 1.

2215 So Proposition 2 is there a single utility service anywhere that does not include a standing charge as a crucial element in its business model. We know that originally the proposal was to fund the strategy without such a charge, but that was an error of judgement on the part of the WDA. The WDA is not infallible. It was also predicated on a charge being made for the disposal of recyclables. That charge was later subsumed into the standing charge. So eliminating the standing charge would now create the false impression that there are no costs involved in disposing of recyclables. It would also result in the charge for the residual waste in the black bags being set at much too high a level. It is the one thing a lot of people can agree on.

2225 There is obviously a degree of bureaucracy involved in issuing the standing charge bills, and so for the sake of efficiency, I do not believe the charge should be much less than £100. Therefore I will be voting for Proposition 2c).

I do hope States' Members listen to Deputy Dorey, who gave a very thorough analysis of the situation and the sense of voting for Proposition 1A, rather just jumping ship at the 11th hour, just for the sake of expediency.

2230 Thank you, sir.

The Deputy Bailiff: Deputy Tindall.

Deputy Tindall: Thank you, sir.

2235 I want to start by saying that whilst this is a difficult subject especially considering the various permutations. I think the policy letter is well written. I did prepare a grid of the options just to make it a little clearer for me, but I do feel that it is a tricky subject matter. I also want to acknowledge the most excellent speech of Deputy de Sausmarez in explaining all these points.

2240 We have to decide today firstly whether the capital should be from the Bond, or half and half, or from Capital Reserve. Once that decision is made we need to decide the proportion between the Waste Disposal Authority charge and the tag charge. Before I go through my views I want to also thank Deputy Le Clerc for setting out the positions of St Peter Port parishioners and Douzaine and who attended the parish meeting on 11th April, and also for asking some very sensible question about enforcement and the method of purchasing tags and their affordability having to buy in bulk.

2245 So Propositions 1A, B and C. Proposition 1A is to pay for the infrastructure through the Capital Reserve and not the Bond so general taxation is being used to fund provision of an asset for use by a trading entity which operates under a user pays concept. Firstly I do not want to change what has already been agreed in that a loan should be used. I agree with Deputy Fallaize that using

2250 Capital Reserve will reduce funds for other projects and we should not take funds out of the Capital Reserve without topping it up.

I agree with Deputy Dorey that if we change the principle of user pays for waste then we should change it for other services, such as electricity.

2255 As to the use of the Bond, this is not a sneaky attempt to use those funds. This Assembly has complained about lack of use of Bond funding, yet now some complain about using it for what it was intended for. I was persuaded to listen very hard to what Deputy de Sausmarez said but I still remain of that opinion.

2260 Having heard Deputy Green's view on Proposition 1B to pay for the infrastructure through 50% from Capital Reserve and 50% the Bond, again I still cannot feel I could accept that because I believe in the user pays principles and the other points raised. So I am going to vote for Proposition 1C and for the infrastructure to be paid by the user by way of a loan from the Bond.

So having decided on Proposition 1C, I now have to consider the second element, the balance between the WDA charge and the cost of the black bag or tag. Should there be no charge, 20% fixed, or 40% fixed.

2265 I was happy for STSB to set the starting point for the split and for that Committee to consult each year with the Committee for the Environment & Infrastructure and I do going forward. However, we have been asked to consider these for this year. Having considered the STSB's original suggestion of 40% and the arguments for polluter pays and because I am being asked for my view, I am of the opinion that there should be a shift away from the original conservative approach of STSB and 20% WDA charge should be used.

2270 There are risks in setting these charges and whilst I am all for taking risks I believe they need to be understood and properly managed. So as the basis for charging for fixed costs was difficult we need to have some fixed charge to cover the fixed cost element, especially post implementation, when it is unknown quite how people will dispose of their rubbish.

2275 Also quite sensibly, once it is decided that an amount should be charged, then that amount should be such that the cost of administering collection of the WDA charge is not disproportionate to the overall cost of the service. Whilst the WDA charging mechanism is to be implemented if it is 0% an insufficient balance is set out the increase the following year would need to cover three elements, loss of income for the first year, the following year's income together with an increase to cover the continuing reduction in income due to this lower set out rate. Therefore a contingency of 50p on the bag rate seems a sensible way of mitigating the risk of the lower income due to the lower set out rate. As with all new systems it needs to be kept under review.

2285 Then I come to the balance between the WDA charge and the cost of the bag or tag. Considering I believe that the WDA charge should be 20% I think the cost of the bag should help those who wish to recycle save money. So I feel the tag charge should be the lowest possible. So I intend to vote for 2b) whether or not 1C is successful.

2290 So I come to fly tipping. I know that not only will the vast majority of Guernsey people reduce, reuse and recycle wherever possible and those that do not will still put out their rubbish using the appropriate tag, and very few will fly tip. I agree with Deputies Hansmann Rouxel and de Sausmarez on all they said on this.

2295 I have to say that I am disappointed that some Assembly Members continue to spend so much time scaremongering. Lunch time was an example. The media picks up on this and their reports perpetuate this fear, which is not based on evidence. I believe we should instead be explaining how the waste charges work now, the proposals and how our waste will be disposed of. I have met many people who hear these comments and are fearful of the charges and the fly tipping, but more importantly do not actually appreciate what they can do to save by recycling. By doing so households can reduce the amount of money spent of the black tags, black bags and tags, and if we have a low WDA charge then more money can be saved than by having a higher standing charge and the lower cost of the tag.

2300

I refer Members to an email sent to us month ago today and I mention what he said. He told us that a fixed charge will hit those who use less black bags, it will hurt small householders and pensions who recycle.

2305 This leads me to joint billing. Although there could have been savings if this has been introduced it is important to recognise there has been joint working on this already, so I do hope that the Douzaine and the WDA will continue to work together to ensure that there is a seamless change to the new arrangements, including assisting with any fly tipping issues whether over two years or a longer period if necessary.

2310 Also just on a small point, I would like to understand section 11 of the policy letter which discusses the charging of lodging houses and businesses admitted to the scheme, because this does not appear to be reflected in Proposition 3.

Proposition 4 does not seem to be mentioned at all in the policy letter. I may be wrong and I would appreciate if the President of the STSB could assist in why this has been proposed.

2315 I am pleased to note in particular, going back to the importance of talking to people and making sure they understand their choices is the extensive communication programme, and in particular I hope it will include some suggestions how multi-occupancy buildings can be adapted or community spirit to help the need to split waste and so aid recycling – especially in St Peter Port where there is a lot of such buildings. Communication is so important to help Islanders reduce their bills, as well as assisting them with the thorny issue of finding space for storage.

2320 Whilst the delay in implementation is unfortunate, it does have the benefit of households getting used to the new arrangements. I for one am already assessing what it will cost me and how I am dealing with my cat litter and making that recyclable and how to reduce that cost but seeing how it would work in practice will now doubt be proof.

2325 My grandmother used to say to me make good and mend, this is still good advice. It saves money and makes me feel good. I want to be a good neighbour both in St Peter Port, Guernsey and the world. I believe that many will want to do the same and reduce, reuse and recycle knowing that they are making a contribution towards protecting our planet for the next generation.

So I am going to vote 1C and if possible 2b).

2330 Thank you, sir.

The Deputy Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

2335 Just a couple of points really.

The first one relates to something Deputy de Sausmarez says, she brought in the issue of parish waste collection charges. Well they are not part of any shock, we have been paying those for donkey's years. The initial shock those are part of the cost of waste removal it is not part of what we are discussing today and it certainly will not be part of any shock.

2340 The other issue is this, the ultimate objective is no black bag waste, I suspect, in a perfect nirvana which is great because then you will get no money from black bag waste, so who is going to pay for the recycling? So the point I am making is that whatever we agree today will be very temporary because if black bag waste falls in leaps and bounds, somehow or another we are going to have to fund recycling.

2345 I bring up one issue, which was brought up recently: that of Tetra Paks and some time ago it was £2,600 a tonne but we were informed more recently that it is down to £1,000 a tonne. Wow, what a bargain! There is an issue now that whatever we decide will be temporary. If you want to maintain revenue, it is better to have higher fixed charges in the short term, and that is the way I am going.

2350 Thank you, sir.

The Deputy Bailiff: I will turn to Deputy Brehaut as the President of the Committee *for* the Environment & Infrastructure to reply on the debate, before turning to Deputy Parkinson.

2355 **Deputy Brehaut:** Thank you very much, sir.

This debate has focused perhaps disproportionately but understandably on fly tipping. It is the point Deputy Rob Prow mentioned when he first spoke. I urge Members to keep some of the words ringing in their ears from Deputy de Sausmarez with regard to how people do behave with regard to waste. I do worry that as I said yesterday that talking up the management of fly tipping
2360 is the self-fulfilling prophecy that Deputy Jeremy Smithies referred to. We are sort of telling people where to put it and if it is there we are going to tell you how to get rid of it and people have even suggested how we could have charging mechanisms to do that.

What we have not spoken about, although the parish speak about, is whether parishes should or want to continue collecting waste. Is that how we define Douzaines in our parish, a little parish
2365 governance these days on Guernsey? Is the mechanism, your relationship with that body might be simply because they take your black bag whilst you are sleeping? Is that something that we want to look at again, is that relationship something we could re-examine? When we have met with the parishes, two parishes, one of the larger parishes and one of the smaller parishes, would rather not be collecting parish waste any longer. They would not be burdened with the collection of
2370 parish waste. So some people in this Assembly are arguing for ensure the parishes keep this, ensure the parishes have control, the parishes deal with the fallout. The parishes are telling us and hopefully at some stage will tell you because there is a third one looking at this prospect of potentially not collecting parish waste. It is something they would rather not do.

Just think what parishes could do if they were not collecting your waste, if they did not have
2375 that administrative burden what more creative things could they be doing if they were not doing things such as being tied up with the admin of refuse collection. So how many parishes in the future may just reflect or have done before today that is before they are perhaps tied in to this into opting out of waste collection.

St Peter Port Parish has a love-hate relationship with waste. It resents dealing with the waste
2380 but covets the collection of waste at the same time. If ever there was fly tipping by any scale or volume it is in the parish of St Peter Port, at the bottom of every flight of steps within St Peter Port, at the beginning of every street, road, people passing through anonymous black bags – they may as well add theirs while they are passing through. We should not pretend that fly tipping does not happen now, because it does.

Deputy Roffey was next to speak and he spoke about hefty charges or the hefty standing
2385 charge, sir. I will go back to that later but Deputy Ferbrache used the analogy of buying a pair of shoes. I buy a pair of shoes in the now, in the moment; I do not ask for terms, I do not ask to pay for my shoes over a 12-month period. There are ways in which people can choose to pay the standing charge, and they would not need to pay it all at once.

Deputy Le Clerc again referred to fly tipping referring to the parish meeting. I have to say and I
2390 am sure I will endear myself to the Constables of St Peter Port once again, parish meetings just may not be representative of the parish. I do not know how many people attend the reading of the Remede. A very small group of people do that. I do not mean them any ill will, I am just saying that if parishes are looking to reconnect with the community there may be other ways to do that,
2395 rather than fixing the level of waste charges at some point during the year.

The detail on the stickers has been touched on and I like the idea of not owning many of these stickers and having these stickers somewhere that you reach for, and when you reach for them
2400 you think yikes these stickers are £4.10, £3.80, £2.50 each, I am going to look after these. When you look at what we are trying to do with waste, bearing in mind 40% of the food waste is out, people are recycling, then people will get down, I think quicker than most people expect, will get down to half a bag. So if you take the 40% out very quickly when you are focusing the mind on what you are spending, then I think people really will do their level best. Because actually even at

the lower rates that we are charging for stickers if the proposals went through it would be quite some outlay to buy a book of some volume, so people would have their mind focused on that.

2405 Deputy Le Pelley touched on the role of the parishes. He is a very brave man indeed, I think, sir. I know that it is always alleged that E&I and other Committees want everything down the north, I think they are even opposed to housing down the north, or housing by volume. I would not like to be the person from the parish of St Sampson's supporting an incinerator at an open planning meeting personally. It is not something I would like to do. And incinerators do not come for
2410 nothing. An incinerator 10 years ago – I beg your pardon because Deputy Le Pelley referred to this in his speech – was £70 million. What would we pay for an incinerator now, and how would we pay for that incinerator? So this free money, it comes from somewhere. I have said this before, this sort of alchemy that takes place, there are days when we agonise over £10,000 because it is a huge sum of money, and other days when you can spend £32 million because people are tired of
2415 the arguments as expressed earlier today and we simply do not care.

Deputy Le Pelley also said something very specific about bins being picked up by the bin lorry. They are not, they are manually tipped in. There are no grabs on the carts, ash carts I used to call them, but there are no grabs that allow the bins to be tipped.

2420 **Deputy Leadbeater:** Point of correction, sir.

The Deputy Bailiff: Point of correction, Deputy Leadbeater.

Deputy Leadbeater: Wheelie bins and Eurobins are lifted up hydraulically and tipped currently
2425 into the back of lorries, I have witnessed it myself.
Thank you.

The Deputy Bailiff: Deputy Brehaut to continue.

2430 **Deputy Brehaut:** Thank you, sir.

I did ask this after the question, which is why with such authority I said there was no ... I think what he might find is that private contractors will have bins collecting commercial waste and they may decide to use that mechanism to collect commercial waste as opposed to domestic.

Deputy Dudley-Owen said, sir, that she hears a lot from E&I and it is a question of walk the walk. Just to assure Deputy Dudley-Owen we are focused on the use of single use plastics, we met
2435 an incredibly – I cannot give too much away because there is going to be a presentation on this, but we met with a very charming young woman, child, I have to say, passionately opposed to single use plastic who will be heading up the refill campaign, which is fantastic. We are also meeting hopefully early next week the Plastic Free Guernsey, which is a lovely group pushing for
2440 that very thing, plastic free Guernsey – ambitious, but we will see what we can do.

I am meeting with St Peter Port Douzaine to discuss more fountains around St Peter Port so people are not tempted to buy bottled water. Significantly the BIC Council is coming to Guernsey and on that agenda is the marine pollution. So I think we are doing our bit.

With regard to Guernsey's buying power I would like to think that Guernsey suppliers,
2445 wholesalers rather, retailers had more clout in what they buy and could dictate what they do not want, plastic that they do not want; what we get back from them is that simply they do not have that clout to dictate to suppliers and for the relative demand on Guernsey. Although I think all of these things ... Guernsey generally benefits from moves made in the UK and we benefit from legislation in the UK, as with emissions in cars for example, and Guernsey benefits from that but it
2450 has been led by much larger jurisdictions than us.

Deputy Fallaize spoke again of fly tipping. Just to remind him – because Deputy Smithies did read out what can happen with regard to fixed penalties – this is a civil offence and a fixed penalty can be imposed. States' Works now collect rubbish that has been fly tipped. They collect it and

they deal with it. If they collect any by volume they store it and try and trace it, and I have been informed there is some in storage now and they are still waiting to trace the owner of that.

Deputy Leadbeater said that people should not be told how to live, but the message we were giving out before today is, 'Live as you like and we will pick up the tab. You consume as much as you like, you throw away as much as you like, whatever volume you like, almost regardless of cost; we will deal with that.' That message has to change, and it has to change from today, that people need to be responsible, because as I said yesterday, people do not even see waste collection as a service for them because it is an incidental part of daily living. You fill a bag, you put it out, it disappears.

Deputy Leadbeater ridiculed me, I am bonkers for suggesting the idea of a one tonne bag. Well, I am looking for solutions and that seems to be frowned upon in this Assembly these days. If you are looking for a solution, it has to be bonkers.

But to get back to what has been evident through this debate, you will notice that in this report there are no recommendations. Every signature at the bottom of this policy letter, there are no recommendations, but the order and the structure of the Propositions have been agreed by all parties. I will be voting the same way Deputy Dorey will and the same way Deputy Shane Langlois is how I intend to vote. I do not see necessarily, and bearing in mind the speech made by Deputy Richard Graham earlier, this idea that there is a sum of money burning a hole in our collective pockets, with having a disregard to what just might be coming around the corner.

The £85 or a level that was described as hefty earlier is – sorry, Deputy Roffey just corrected me sir, he said he may not have said £85 – I am using the figure of £85, that is £1.63 a week. I know that is not over a year. There are options on how people could pay that, and I think we should have the charges in some context because, yes, like TRP, we are starting from such a low base that any increase seems outrageously disproportionate, but all of our chickens I am afraid have come home to roost. We have done the cheap, dirty thing for too long and we have to begin now to deal with it.

Thank you, sir.

The Deputy Bailiff: Deputy Parkinson as the President of the States' Trading Supervisory Board to conclude on this debate.

Deputy Parkinson: Thank you, sir.

Well, it has been a long and interesting debate and a number of points and questions have been raised, and I will try and go through them and apologise in advance if I miss out anybody's question. No doubt they will let me know at the end.

Deputy Le Clerc asked about how will enforcement of anti-fly tipping measures be dealt with, and this was a theme that has run through the debate. Fly tipping has been a major concern of many Members. I echo the comments of those who say we should not really talk this up too much because actually although there is fly tipping right now, most citizens are law abiding and try and do the right thing, and actually hopefully and if the evidence cited by Deputy de Sausmarez proves to apply to Guernsey as well, hopefully we will not see a massive increase in the problem. I think Guernsey generally is a law abiding community. Where fly tipping is discovered it is an offence. It is a civil offence, not a criminal offence, but it will be pursued and punished, and actually going through the waste bags and finding evidence of where the waste came from has resulted – as has already been explained by other speakers – in successfully billing the miscreants.

She asked how would stickers be purchased for the bags, how will the tags be purchased. Customers will be able to buy them in single units or in packs of four and they will be able to buy them from any supermarket. So I think they will be pretty easy to get hold of and whether people want to stock up and buy a number of them to apply and last them for the month or whether they want to buy them one at a time is entirely up to the customers.

2505 Deputy Ferbrache was one of many speakers who wanted to re-debate the whole Waste Strategy. No, we are not here to decide whether we have an incinerator or not; we are here to decide how we charge for the strategy that the States has agreed.

2510 Deputy Le Pelley also thought there would be lots of fly tipping, he said he is not happy with the proposals, basically again wants to re-debate the strategy and asked if waste contractors would go through Eurobins to check that all the bags had stickers. Well, our observation on that is that waste contractors actually have been pretty good at detecting bags that have got mixed waste in them and under the current system will leave on the pavement bags that are contaminated with mixed waste. That involves them looking through the surface of the bag to see what is in it. The stickers on the new black bags will be highly visible and this question which was raised also I think by Deputy Leadbeater in an intervention later on about whether the Eurobins are mechanically loaded into the waste contractors' lorries, the advice we received from staff is that they are not, that at present the staff go through the Eurobin and lift out every single bag.

Deputy Leadbeater: Point of correction, sir.

2520 **The Deputy Bailiff:** Point of correction Deputy Leadbeater.

Deputy Leadbeater: Where I live at Mon Plaisir, I am sure Deputy Queripel will agree with me, as he used to live there too, they hook up the Eurobins to the back of the lorry and that is what wakes me up when it crashes into the lorry at three o'clock in the morning. So in some places it certainly does happen.

The Deputy Bailiff: Deputy Parkinson to continue please.

Deputy Parkinson: Thank you.

2530 Deputy Dudley-Owen asked what can we do about packaging and I think she gave the answer to her own question really which is that essentially we have very little influence with multiple retailers and yes, I am delighted to hear that the UK is putting pressure on retailers to use more recyclables in the packaging, and no doubt that trend will continue and result in reductions of single use plastics which is something I am sure we would all want to see.

2535 Deputy Merrett asked a couple of questions when will the charges be reassessed and by whom. Well, they will be reassessed periodically in the light of experience by the Waste Disposal Authority. She asked what will happen to the risk contingency in the contract if it is unused. The charges for the Waste Strategy can only be used for the Waste Strategy so if we end up with a surplus then that will be used either to provide other waste services or to reduce future charges.

2540 Deputy Fallaize made an excellent speech pointing out that the funding of the waste infrastructure by a loan was agreed more than 20 years ago and supported at the time by Deputy Roffey, and made many sensible comments on the use of the Capital Reserve. He asked I think it was a question about what STSB do in terms of fly tipped waste. Well, at the moment STSB basically supports the parishes. Where fly tipping occurs it is the legal responsibility of the land owner where the rubbish is tipped to dispose of it, but the parishes clearly look after large parts of the public domain where fly tipping does regrettably occasionally occur and STSB has offered parishes their support and will continue to offer the parishes its support in collecting stuff that has been fly tipped.

2550 Deputy Lester Queripel said he was confused about whether to go for the lowest bag charge or the lowest fix charge, I think, and I do not think I can really help him with that, that is a policy decision which we are being asked to make.

2555 Deputy de Lisle said please have half a bag charge: yes, there will be a small bag tag, and he wanted bags instead of stickers. Well, yes, actually so would I prefer to have bags instead of stickers but the policy in this area was developed after consultation with the retailers who will have to supply bags or stickers and they said they would prefer to supply stickers.

Now, Deputy Soulsby and later Deputy de Sausmarez talked about the contingency in the costings, and I think Deputy Soulsby referred to a 25% contingency, I do not know where she got that from. She suggested that we were unclear about the costs and said which have risen every time we have been to the States. That is not true –

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Deputy Soulsby: I thank Deputy Parkinson for giving way.

It was quoted within the policy letter about a £2 charge and you were going to put 50p on top of that. That is 25%.

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Deputy Parkinson: Well, the average cost per household in the policy is £7 per week and 50p of that is contingency.

Deputy Soulsby: But it is against the bag charge and the contingency is referenced in relation to the bag charge –

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The Deputy Bailiff: Just a minute, Deputy Soulsby, I did not hear Deputy Parkinson indicate that he was giving way.

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Deputy Parkinson: I think to be honest we can spend all afternoon discussing this and the situation is clear enough. The 50p is part of the £7 cost, it may happen to be applied to the bag charge, that does not mean that is 25% of the total charge.

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So she said costs have risen every time we have been to the States. No, they have not. The estimated average cost of £7 per household per week has not changed since the start of this Assembly. It has been consistent in every policy letter we have brought to the States the first being in February 2017 and it was the figure given to Deputies in the briefings shortly after the last election in July 2016.

Deputy Soulsby: Point of correction, sir.

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The Deputy Bailiff: Point of correction, Deputy Soulsby.

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Deputy Soulsby: It is easy to talk about, 'Oh, it has always been a £7 household charge' but that is an estimate of an average that a family or an occupier will have to pay, but in reality that changes, as does the contingency. The fact that it might 50p against an average charge of £7 is wrong. The specific bag charge would be £2 up to something else, depending on whether we go for capital or a mix or completely through the Bond. So you cannot just say one against the other and that also goes to why the charges have changed, because until now we were told that there was not going to be a WDA charge, which is a fixed charge.

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So to various people, the charges will be higher or lower depending on how much rubbish that they have.

The Deputy Bailiff: What was Deputy Parkinson saying that was inaccurate or misleading?

2600

Deputy Soulsby: Because he is using an average, rather than what the actuals could be for different families. You cannot say everybody will have the same charge, that it will affect them equally. –

The Deputy Bailiff: Deputy Parkinson to continue.

2605

Deputy Parkinson: Sir, I maintain that it is totally misleading to say that there is a contingency in the pricing of 25% – 25% of the full costs of this strategy are not contingency.

There has also been a huge misunderstanding about what the proposed contingency is, because Deputy Soulsby implied that this had arisen because we were uncertain about the costs. That is not true. The proposed contingency is there because we are uncertain about the revenue. We do not know how many bags will be put out for collection. The costs are actually pretty certain, nearly all of them have been tendered and are not likely to change very much from here on.

Deputy Gollop spoke of the conflicts he was feeling between the aims of the Green Party, of which I think he is a member, *(Interjection and laughter)* and the aims of perhaps other more populist groups with which he may be associated. *(Laughter)* I am afraid I cannot assist him with that dilemma. *(Laughter)*

Deputy de Sausmarez and Deputy Langlois made good speeches, I thank them both for that. Thanks also to Deputy Tindall for her comments on the policy letter. She asked a couple of questions. One was how would the bag system – well, the waste charging system – apply to multi-occupancy houses. I think that in a nutshell is what she was asking.

I give way.

Deputy Tindall: Thank you.

In Proposition 3 it says:

To approve that in relation to Waste Disposal Authority charges for households;

Yet in the policy letter it says for households, lodging houses and businesses, which have opted into the scheme. I just wanted to make sure what that meant.

Deputy Parkinson: Well, the scheme generally will apply to all households in a similar way, in that in a multi-occupancy house every bag that gets put out for collection will have to have a sticker on it and presumably the stickers will be bought by the various occupants. The one difference I suppose is in relation to lodging houses where there will only be one fixed charge for the house and that is just a logical consequence.

She also wondered where Proposition 4 comes from in terms of the policy letter and that is the Proposition:

To direct the Policy & Resources Committee to make available ... an overdraft facility ...

That is there to provide flexibility because income streams may not be entirely consistent over the years and obviously costs will come in at various times as well. So the solid waste trading account may from time to time be in surplus and may at other times be in deficit and the request therefore of overdraft facility from P&R is simply to smooth over any shortfalls that may temporarily occur.

I do not think anybody else asked me any other questions. For the sake of good order, I will mention that I too, like Deputy Brehaut, will be voting in a similar manner to Deputies Dorey and Langlois, and all I ask is that the Members reach a decision, give STSB a clear policy to go on with, and I look forward to hearing what that will be.

A Member: Hear, hear.

The Deputy Bailiff: Well, Members of the States, the first Proposition I will put to you is Proposition 1A. There is a request for a recorded vote.

Just to clarify, in case any clarity is needed, this is effectively approving the capital vote of up to a maximum of £32 million to be charged on the Capital Reserve. So if you support that it is *Pour*; if you do not it is *Contre*. If that Proposition is carried we will move to Proposition 2a). If that Proposition is not carried then we go to Proposition 1B.

Deputy Greffier.

There was a recorded vote.

Carried – Pour 22, Contre 15, Ne vote pas 0, Absent 3

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

2655 **The Deputy Bailiff:** Members of the States, the voting on Proposition 1A was *Pour 22, Contre 15*, three absences, therefore I declare Proposition 1A carried. Which means that there will be no vote on Proposition 1B or Proposition 1C.

But the scheme of Proposition 2 is that we will now take a vote on Proposition 2a) first. Those in favour; those against.

Members voted Contre.

2660 **The Deputy Bailiff:** I am going to declare Proposition 2a) lost. Proposition 2b): those in favour; those against.

Some Members voted Pour, others voted Contre.

The Deputy Bailiff: We will go to a recorded vote on Proposition 2b)

There was a recorded vote.

Not carried – Pour 14, Contre 23, Ne vote pas 0, Absent 3

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Tindall	Deputy Ferbrache	None	Deputy Tooley
Deputy Parkinson	Deputy Kuttelwascher		Deputy Stephens
Deputy Lester Queripel	Deputy Brehaut		Deputy Le Tocq
Deputy Le Clerc	Deputy Gollop		
Deputy Fallaize	Deputy Leadbeater		
Deputy Laurie Queripel	Deputy Mooney		
Deputy Hansmann Rouxel	Deputy Trott		
Deputy Green	Deputy Le Pelley		
Deputy Brouard	Deputy Merrett		
Deputy Yerby	Deputy St Pier		
Deputy Soulsby	Deputy Meerveld		
Deputy de Sausmarez	Deputy Inder		
Deputy Roffey	Deputy Lowe		
Deputy Oliver	Deputy Smithies		
	Deputy Graham		
	Deputy Paint		
	Deputy Dorey		

Deputy Dudley-Owen
Deputy de Lisle
Deputy Langlois
Deputy Prow
Alderney Rep. Jean
Alderney Rep. McKinley

The Deputy Bailiff: Members of the States, the vote on Proposition 2b) was as follows:
Pour 14, *Contre* 23, same three absences and therefore I declare Proposition 2b) lost.

2665 We now move to the vote on Proposition 2c).

Deputy Fallaize: Can we have a recorded vote please, sir?

2670 **The Deputy Bailiff:** There is a request for a recorded vote, so we will move to a recorded vote on 2c) please.

There was a recorded vote.

Carried – Pour 30, Contre 7, Ne vote pas 0, Absent 3

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

The Deputy Bailiff: Members of the States, in respect of Proposition 2c) their voted *Pour* 30, *Contre* 7, 3 absences, and therefore Proposition 2c) is carried.

2675 Can I take Propositions, 3, 4 and 5 together? All those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare Propositions 3, 4 and 5 carried.
I have just given permission to Deputy Brehaut to make a statement. Deputy Brehaut.

2680 **Deputy Brehaut:** It is a brief one. I just checked with staff, sir, who advised me that actually the bins from the development where Deputy Leadbeater lives are actually collected by Eurobin lorries. So I will apologise. We were misinformed and I do not want to mislead anyone.
Thank you.

The Deputy Bailiff: Thank you very much, Deputy Brehaut.

POLICY & RESOURCES COMMITTEE

VI. Schedule for future States' Business – Proposition carried

The States are asked to decide:

Whether, after consideration of the attached Schedule for future States' business, which sets out items for consideration at the Meeting of the 16th May 2018 and subsequent States' Meetings, they are of opinion to approve the Schedule.

2685 **The Senior Deputy Greffier:** Article VI – Schedule for future States' Business.

The Deputy Bailiff: Deputy St Pier as the President of the Policy & Resources Committee.

2690 **Deputy St Pier:** Sir, I lay the Schedule with the possible exception of The Post Office (Bailiwick of Guernsey) Law, 2001 (Amendment) Ordinance. There is nothing remotely controversial for the next meeting of the Assembly and I am sure it will be a brief meeting, sir.

The Deputy Bailiff: Is there any debate on this?
We go straight to the vote then. Those in favour; those against.

Members voted Pour.

2695 **The Deputy Bailiff:** I declare the Schedule of future States' Business duly approved.
Thank you all very much, Members of the States. We will now close this meeting please, Deputy Greffier.

The Assembly adjourned at 4.03 p.m.