



**OFFICIAL REPORT**

**OF THE**

**STATES OF GUERNSEY**

**SCRUTINY MANAGEMENT**

**COMMITTEE**

Government Work Plan –  
The Committee *for the*  
Environment & Infrastructure  
Public Hearing

**HANSARD**

**Castel Douzaine Room, Guernsey,  
Friday, 8th April 2022**

**No. 4/2022**

*Further information relating to the Scrutiny Management Committee  
can be found on the official States of Guernsey website at [www.gov.gg/scrutiny](http://www.gov.gg/scrutiny)*

**Members Present:**

*Panel Chair:* Deputy Yvonne Burford – President

Deputy Aidan Matthews – States’ Member

Mr Paul Luxon – Non-States’ member

Mr Mark Huntington – Principal Scrutiny Officer

**Business transacted**

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# Scrutiny Management Committee

## Government Work Plan – Committee *for the* Environment & Infrastructure Public Hearing

*The Committee met at 10 a.m.  
in Castel Douzaine Room*

[DEPUTY BURFORD *in the Chair*]

### **Procedural – Remit of the Committee**

**The Chair (Deputy Burford):** Welcome to this Scrutiny Management Committee public hearing session with the Committee *for the* Environment & Infrastructure – that is welcome to those present and those watching on the livestream.

5 Today we will be focusing on the workstreams in the Committee's mandate within the Government Work Plan. I am Deputy Yvonne Burford and with me on the Panel today are Mr Paul Luxon, as well as the Scrutiny Principal Officer Mr Mark Huntington. We were also expecting Deputy Aidan Matthews, who may well turn up during the Meeting.

10 It will not be possible to cover everything today in the short time that we have available, but in preparing questions we have endeavoured to be as wide-ranging as possible, whilst at the same time not losing focus on those issues of significant public interest. In addition to the livestream, a *Hansard* transcript of the hearing will be published in due course on the Scrutiny website.

### **EVIDENCE OF Deputy Lindsay de Sausmarez, President; Deputy Sam Haskins, Vice-President; Mr Damon Hackley, Director of Operations; and Ms Claire Barrett, Director of Environment & Infrastructure**

15 **The Chair:** So if everyone would kindly ensure that mobile phones are switched to silent, I will now turn to our witnesses today. If you could introduce yourself, please; and to start with, Mr Hackley.

**Mr Hackley:** Thank you, yes. Damon Hackley, Director of Operations, covering a number of areas, including E&I, Economic Development, Sport & Culture and Planning.

20 **Deputy Haskins:** Sam Haskins and I am the Vice-President.

**Deputy De Sausmarez:** Lindsay de Sausmarez and I am the President.

**Ms Barrett:** Claire Barrett. I am the Director of Environment & Infrastructure.

**The Chair:** Thank you.

25 So, we will start off with the topic of housing, which is obviously of great interest at the moment. Deputy de Sausmarez, a recurrent feature in the rejection of housing developments has been the likely traffic impact. As your Committee is responsible for both housing policy and traffic policy, and as it would appear there is too little housing and too much traffic, how do you propose to resolve this conundrum?

30 **Deputy De Sausmarez:** Well, I think, first of all, you put your finger on the conundrum very accurately. I have been on the record for quite a long time in saying that I think there is a gap in our current States' processes in terms of planning. Planning Law can only put so much on the developer and I think that is quite right. It is not fair to put the whole burden on any one developer  
35 for sorting out the transport infrastructure in an entire area. But when we look at it from a site-by-site development perspective, what we do not get is cumulative impacts and so, for me, that is something I have mentioned many times before because I think that is where the States and specifically where this Committee needs to step in.

40 So one of the recent housing planning application rejections did act as a catalyst for change in this respect. So we have agreed a different approach and we are looking at it in terms of not just specific interventions that might improve the situation in the near vicinity of the development, but actually taking a more area-wide approach.

45 We have been quite proactive in terms of talking with the DPA but, most importantly, I think, talking with developers. We want to look at it from the basis, not of just ... I think one of the problems is that when you start with the traffic impact assessments, which the planning process does, it takes as a sort of baseline assumption that what you have got before the development is fine and it is acceptable, and often the case is that it is not. The Guernsey situation has evolved in that things just developed without much plan or design and, actually, the current residents are not that happy.

50 So I do not think it is okay to take a traffic impact assessment where the baseline assumption of it is that what is currently there is fine and we just need to not make things that much worse. We want to take a different perspective, where we want to look at how we can improve things for the current residents as well as any future residents and make the whole transport network more effective. So we are looking at things like network planning and mobility planning specifically. You  
55 will be hearing more about that shortly.

**The Chair:** Thank you.

That is obviously going to require additional investment.

60 **Deputy De Sausmarez:** Yes. Basically we have got the budget to do the additional work we want to do. Obviously, what comes out of that in terms of recommendations will, in all likelihood, require some budget. But I see this as part and parcel of delivering on housing, on meeting the housing needs. I think it is really important and it is also an opportunity to not just limit damage, make things less bad, but actually enhance an area and make things work much more effectively than they have  
65 done in the past.

**The Chair:** But clearly that could require a significant budget, so is that something you envisage coming forward in a future iteration of the Government Work Plan?

70 **Deputy De Sausmarez:** Yes. As I said, I think it is part and parcel of meeting housing requirements and, actually, when you compare it to some of the other costs associated with housing, it might not be quite as eye-watering. I am hoping – we do not know – some quite effective things can be brought about through relatively inexpensive interventions. So we will see.

**The Chair:** We have just had the planning application for Leale's Yard put in. That is obviously, even listening to the sort of vox pops done by the media, one of the things that came to the fore then was traffic on the Bridge, which can be a difficult area to move presently, which underlines I suppose the point that you were making in your first answer.

Clearly some of it will be transferred if the Co-op store moves from one end of the Bridge to the other, but what do you think the States should be doing where traffic is concerned, in relation to this development?

**Deputy De Sausmarez:** Well, I think the first thing I will say about the development ... I would caveat this with the fact that I have not had a chance to look at the detailed plans – I am not sure anyone has, but I certainly have not – but from what I know of it at the moment, I am fairly encouraged by the amount of thought that has gone into transport connectivity. And I think some of the basic principles that they have embedded in those plans are sound and helpful and give us a good platform from which to build.

I also think Leale's Yard is an absolute cornerstone development in terms of that whole area and it will enable us. So some of the things they have been – sorry, I should quickly do a little detour – that they are looking to include is better, and by better I mean safer and more attractive and more convenient, access for alternative forms of transport. That is particularly active travel, so it is a permeable site from multiple directions. It discourages rat-running for motor vehicles, which I think is essential.

It does stick to fairly good principles in terms of where to keep your vehicle movements, i.e. more on the periphery and open up that middle space to be much more people-centric. Also, it includes an element of shared mobility, which is something I feel is going to be a really important aspect for Guernsey going forward because it enables people to get about by car, which is a mode they are very comfortable and familiar with and which much of the Island is designed around – car access. But it is a much more space efficient way of using cars because it is not just one vehicle per person. There was a study in the UK a few months ago, which showed that every shared car negated the need for 18 and a half privately owned vehicles, which is quite an impressive saving when you think about how that translates into space.

But to answer your question more directly, one of the things that will come to E&I to help shape is the Bridge strategy – and I do not know if Claire wants to talk a little bit more about that, I am happy to as well. But I think that is the opportunity where we have yet to consider those broader considerations in terms of how we make sure that there is excellent connectivity through the whole area and not just within the development and within the parameters that the Planning Law permits under development.

**The Chair:** And what is the timescale on that?

**Ms Barrett:** The Bridge strategy, which is also a Government Work Plan workstream, has been developed and it also crosses over into the flood defence, which is a requirement of Leale's Yard, going forward. So that is being addressed. At the moment, we are progressing the flood defence part of it because we do not want to be holding up Leale's Yard, but there is a crossover with the wider local planning brief for St Sampson's now, which, because of the debate last week, actually requires the local planning brief to come forward for that.

What we might find is that other than the flood defence, the wider Bridge strategy gets wrapped into the harbour action area local planning brief, so that we can look at all the advantages of that.

**The Chair:** Right, and so the timescale of that is in terms of years, in that case?

**Ms Barrett:** It is, potentially, yes. The local planning brief we want to progress as quickly as possible so that those steps are in place. I think what we do not want to do is develop the Bridge frontage in isolation from all the other possibilities. I think the point is the Bridge strategy was

highlighted in the Government Work Plan last year, there was not on the table the potential for St Sampson's harbour action area to come through. It was St Peter Port first and then St Sampson's. So it was a way of bringing in some of it; it is almost like a phased approach. But I think now that we know the wider St Sampson's harbour action area is coming forward, it makes sense to look at it comprehensively.

**Deputy De Sausmarez:** And, sorry, if I could just add one thing to that, is that if the States is able to give some clearer strategic direction about commercial shipping and the use of St Sampson's Harbour as well, that will enable us to move on that bit of work with a lot more clarity as well, because obviously it makes a big difference.

**The Chair:** Yes, and I appreciate that part of it is not in your mandate, as such. That was going to be my next supplementary question: does the decision not have to be made on commercial harbours first?

**Deputy De Sausmarez:** I will let Claire give the Planning view, but my view and my understanding is that that is one of the most fundamental things that we need to know. Because whether commercial shipping comes into the harbour in the future, or whether we are trying to keep commercial shipping, or whether we are planning to change it into leisure only, is going to shape how that area is designed and used.

**The Chair:** Do you have anything you wish to add, Ms Barrett?

**Ms Barrett:** Not unless you have got any specific questions.

**The Chair:** No, that is fine. I was just reading from Deputy de Sausmarez that you might have a slightly different viewpoint! *(Laughter)*

So moving on from that aspect, given your Committee is mandated to advise the States on general housing policy in relation to land use, spatial planning and infrastructure, how do you believe the States should be looking to solve the current housing crisis?

**Deputy De Sausmarez:** Well, I hate to be a broken record, but I do think transport is absolutely key because one of the big blockers of delivering housing at the moment, the reason that planning applications attract quite so much opposition in some cases, is because we have a very space inefficient transport system. Basically, we need to decouple housing density from vehicle density. It is vehicle density that creates the pressure on the infrastructure that takes up a lot of space that could be used for other purposes.

So I really do think that accelerating that transport transition is going to be one of the most important factors in terms of meeting our housing requirements generally. I am not sure if it was your question but obviously, we have managed to get the General Housing enabling Law in place now, so there will be Ordinances being brought forward to meet those particular requirements.

I am really sorry, I have lost track of what your original question was driving at!

**The Chair:** Right. It was just really how you thought that Guernsey can solve its current housing crisis.

**Deputy de Sausmarez:** Yes. I think what is encouraging is obviously we have been working through the Housing Action Group, known as HAG, up until this point and we have got to make a decision about what replaces that, if anything. So the focus of that was really about can we progress quickly. Now we have been through that process, it has delivered some things, it has allowed us to scope others. The work that is going to come back to this Committee is market interventions, for

example, so that is one of the things that will come back to E&I from the HAG process because that sits clearly in our mandate.

180       **The Chair:** So, market interventions, could you just, for those listening, give some idea of what some of the things those could be?

185       **Deputy De Sausmarez:** Yes. So policy interventions. Basically, where, how or if the Government should step in in terms of, for example, supporting first-time buyers, providing plots for people to develop, that kind of thing; making finance more available to a broader range of people. So it is policy interventions that enable more housing needs to be met.

190       **The Chair:** But when it comes down to it, it is essentially money provided by the Government to ...?

190       **Deputy De Sausmarez:** It does not necessarily need to be money, but I think that is often the main focus. But it could include things like land.

195       **The Chair:** Okay, which again is an asset? Yes.  
Just moving to one side of that slightly, but still with the housing crisis. With pressure in some quarters to increase the population, particularly in the light of demographic challenges, do you think that if that does happen that actually we will never get to the end of the housing crisis because the demand will always outstrip the supply?

200       **Deputy De Sausmarez:** Well, I think we need to recognise that there is a mismatch between supply and demand at the moment. So irrespective of any future projections on population, we are currently at a point where we do not, our existing housing stock is not able, to meet the needs of the people that are looking for homes. I mean not just in terms of numbers, but probably more specifically in terms of type. And actually, we have been in the process of developing a tool that should really help this, which is called the States Strategic Housing Indicator. It is a bit of a mouthful, but basically, it is a tool that will give us a more granular, a more practically useful insight into housing need at a more specific level, in terms of matching housing type as well just overall number.

205       Obviously we can set ... We call it an indicator, it used to be called a target and that was problematic because for the most part, leaving aside the social housing, or the housing brought forward by the GHA, what housing permissions are applied for and, most importantly, are then developed, is not in the direct control of the States. So we can influence the types of housing that people are planning to build and that is pretty much as far as we can go in that respect.

210       **The Chair:** Okay.

215       **Mr Luxon:** Could I just ...? (**The Chair:** Yes, please.) Good morning.

Not wanting to throw a spanner in the works. I think your point around there is already a deficit of housing stock and these things can happen, and bearing in mind Guernsey's pretty much antipathy towards any kind of vertical developments in our Island, and with the likelihood of some population growth being essential because of the ageing demographic, does the Committee have a view yet about whether we should be prepared for some tasteful, higher vertical housing development, on the basis we have got a 26-mile, finite land mass?

220       I do not want to get into land reclamation of any bays around the Island, but do you think it is time that we have to just – as a community, as well as a Government – reconsider this resistance to some sort of tasteful, vertical residential development?

225       **Deputy De Sausmarez:** What I would say is you are quite right, and I think I can go as far as speaking on behalf of the Committee in saying that we definitely recognise that the availability of

land is an issue and how we use it is super-important. I am always very keen to look at spatial efficiency. It is why I think transport is such a key part of that because if you do your transport system well, you use space in a much more efficient manner.

So I think I can safely speak on behalf of the whole Committee that everyone is very aware of the spatial land use requirements. I also would say that, actually, both with the Strategic Land Use Plan (SLUP) and the IDP, that is already recognised and encouraged. I think where it does not necessarily translate into physical reality is in the cultural resistance to that.

But you did remind me that I did not really answer Deputy Burford's second part of the question at all. I think we need to recognise that we are in a place where, before we can even get to the starting line on population management, there is a deficit that we need to address. And there is a separate piece of work – and I am grateful that I have been involved in some of those discussions as well – in terms of the population review, and we are very keen that the population review is considered as simultaneously as possible with housing; the Strategic Housing Indicator side of things. Because I think an understanding of what the land use requirements might be – the housing requirements might be – is going to be a really important factor in the conversation around population.

**The Chair:** So that is being considered holistically?

**Deputy De Sausmarez:** It is, yes.

**The Chair:** Right, okay. thank you.

Following on from Mr Luxon's question, do you think the Island can meet its housing needs without building on green fields, other than those in centres and central outer areas, which are already designated for such under the IDP?

**Deputy De Sausmarez:** Well, I think we need to have the debate on the next lot of the States Strategic Housing Indicator. We need to understand what the population policy is going to be to really answer that question. But I would say that the planning policy at the moment is to concentrate development in both local and main centres and I think that is really important.

You are quite right to point out that there are some greenfield sites. I would like to say that nobody likes the idea of building on greenfield sites – except perhaps the accountants of developers, because I think it is probably a lot cheaper than building on brownfield – but that one of the problems is that, again, these sites are not, on the whole, owned by the States. These are owned by private individuals, and we have got no control over what is brought forward.

But I do believe that the DPA are saying there is a five-year review, I do not know if it is still five years of the IDP, and I think this is an issue about whether we distinguish, really, between brownfield and greenfield within the permissible developable areas. I think that is a conversation that we need to have. That is my personal opinion, I would say, that is not necessarily something that we have discussed as a Committee.

**The Chair:** Okay.

Deputy Haskins, were you looking to add something there?

**Deputy Haskins:** No, but I think Lindsay is right. I think, Paul, and you make a very valid point. Speaking personally, we build up, not out, because if you have a finite amount of space, how can you extrapolate it out? It does not work – or we use up all of our greenfield sites. So I think the question is, if we do that, how do we then sort out or alleviate the transport issues with a much more centralised, localised amount of population in that area. So whether that is incentives ... That is all I could add.

**The Chair:** Okay, thank you.



**Deputy De Sausmarez:** I am just going to build on what Deputy Haskins said, actually, and say that the opposite of building within a focused area is sprawl. And I know it feels at one level like it makes transport a bit easier, but it does not. It actually makes things like public transport, routing and things an awful lot more difficult. It spreads things out and it actually exacerbates transport problems and the same goes for beyond transport as well.

In terms of the infrastructure that you need to supply those homes, it is more expensive – small is expensive. So I think, actually, just from a general overview, common-sense perspective, we need to be able to focus the development of homes in the right areas and for the cost efficiency of all involved and ultimately, at the end of the day, affordability for the people that need to live there.

**The Chair:** Okay.

Moving on slightly from that subject, but just a general question, given the breadth of your mandate and your key responsibilities in terms of many business-as-usual activities, is your Committee adequately resourced, both in terms of human and financial resources?

**Deputy De Sausmarez:** I feel this is a leading question! *(Laughter)* People in the room might have heard me mention this once or twice before, but my personal view, and I have never really been very shy about coming forward with it, is that we are very thinly stretched, and I have serious concerns. And actually, the meeting that I was in just before this, I put those concerns on record again.

We have got an incredibly broad mandate, as you rightly say, and I am concerned about key-person dependency problems. I am concerned about the fact that we put an awful lot of work, and important work, on very few shoulders. I am concerned about the fact that exacerbating factors include the fact we are going through this OTOM and PTOM process – property rationalisation, moving of staff. There is a lot of uncertainty, and we are moving from one system to another system. There is still a lot of uncertainty. There has been a lot of uncertainty. That is not helping.

We have had, in terms of resources ... I think first of all we have lost of expertise over maybe the last 10 years in our area, especially quite specific expertise. I am thinking especially in the environmental or ecological area. We have lost a lot of expertise and experience and that has not necessarily been replaced – certainly not like for like. So often there will be a similar head count, but it is people being brought in at a lower level with not that same depth of expertise and experience. So this is my personal concern, but I know, certainly, the Committee do share them.

I think we have also had vacancies on our books for what strikes me as an extraordinary amount of time. We are talking years sometimes. I just think something is not working, possibly quite a few things are not working. I cannot really go into specifics – I am not going to sit here and name names, about who has gone where or anything – but I would say I have long had a concern about the thinness and the degree to which our human resource is stretched, and I worry about the impact that has. I think as an employer I would personally like to see us step up a bit.

**The Chair:** But of course that has financial implications, but if you say you have unfilled vacancies over a period of time, presumably, if they are a vacancy, the resource is actually there for those?

**Deputy De Sausmarez:** Yes. I think that is not new, that problem, but certainly there have been positions that have been vacant for what strike me as a surprising amount of time.

**The Chair:** And what is the barrier to filling those positions?

**Deputy De Sausmarez:** Well, I have asked questions about it, but this is where it really goes into the operational side of things. I know that with some of them, certainly we have asked HR to see if they can increase remuneration, but I do not know. I think at the moment, we have to look at it in the context of the labour pool in the whole Island and I do not think we are actually that competitive with the private sector. Damon might be a better person, as Director of Operations, to comment.

I have really been treading all over his turf and I will say that those are very much my views and Damon might have a different perspective.

**Mr Hackley:** I can add to that. I think that I totally agree with what Deputy de Sausmarez has said. I think really, as Deputy Ferbrache pointed out earlier this week, Government is expected to do a lot with little. That is a problem, I think, across all Committees and I know that is something that will be looked at as part of the review of the Government Work Plan, to see how we can maybe do slightly less and concentrate on those matters that really have an impact, which is obviously going to be very challenging.

From the Committee *for the* E&I's perspective we have been through a process of trying to prioritise the work, based on the resources that we have available, but as Deputy de Sausmarez said, it is not necessarily an inability to afford the resources, it is the availability that is the struggle at the moment.

**The Chair:** I think, perhaps, I should, to be fair, direct this next supplementary to Deputy de Sausmarez, in terms of ... Well, you will see when I ask. How do you square what you have just said, and what Mr Hackley has explained, with perhaps the public view that the States is just overstaffed with civil servants?

**Deputy De Sausmarez:** If the States is overstaffed with civil servants, it is certainly not under E&I's mandate. I know that ... I do not know if I am allowed to use his name, but I cannot really think of his title, but the civil servant who is ultimately responsible for all operations – *(Interjection)* Chief Operations Officer, thank you – has said that when they did an informal audit of the resource, he agreed that we were particularly stretched –

**The Chair:** In your Committee?

**Deputy De Sausmarez:** Yes; in the areas under our mandate. And I would just add to Damon's comment that, I appreciate that the next iteration of the Government Work Plan is going to see where work could reasonably be streamlined, but I think this problem stretches not just across policy work but also across business-as-usual operations. These are the kinds of things that we cannot afford to cut back on unless we are prepared to suffer the consequences of that. And we know that in many of the nuts-and-bolts aspects, for example, road maintenance and coastal defences, that a stitch in time saves nine and we know that it is much more cost-effective to get that work done in a preventative manner and in a timely manner than wait for things to go horribly wrong.

So I really do worry about cutting back on any of that kind of work because I think that would be much more costly for us in the longer term.

**The Chair:** I think that is why my question focused on the business-as-usual aspect and it is probably worth saying for people listening that there is the business as usual, which is self-explanatory, of each Committee, but the GWP that we are particularly talking about today focuses on additional and new work, that may not be any less crucial, but that is not in the normal day-to-day running of the Committee. But what you are saying is that there is an issue with the resourcing even at business-as-usual level?

**Deputy De Sausmarez:** From my perspective, yes.

**The Chair:** Okay, thank you.

**Mr Luxon:** May I ask a brief extension of that, because I think in the recent States' debate, last week or whatever, it seemed as though the Assembly uniformly agreed that the Government Work Plan priorities – is it 94, 100, whatever it is – is simply too much for this term at least and would

385 need to be reassessed, reprioritised. I was just wondering, bearing in mind your comments, which I actually understand, in the Committee, are you having some sleepless nights about what the implications of reassessing the priorities and, therefore, I guess some of those priorities disappearing, in terms of the impact it could have on what the Committee is trying to achieve over this political term?

390 **Deputy De Sausmarez:** Yes – well, yes and no. I think there are two ways you can look at this. I am concerned from an Island perspective and the perspective of what we know we need to do for the Island's overall wellbeing, of the future generations. I am not suggesting we are, but purely hypothetically, and I really hope it does not come to this, if we are asked to choose between  
395 prioritising the energy transition or housing or climate change, what do we deprioritise from those? They are very symbiotic as well, aren't they?

So I would be concerned, and I am hoping that we are not being asked to make those kinds of choices and I am actually quite reassured by the early indications of how work might be reprioritised. It is my completely personal view, not a Committee view, because we have not had a chance to  
400 discuss it, but I suppose there is the flipside of that coin, which is if a number of things are bumped up the priorities or kept in the priorities list, are we able to resource that work in a timely manner?

So yes, I do not want to make it sound like I am concerned about the GWP process, I just think we need to be very mindful about what that might involve.

405 **The Chair:** I will hand over to Mr Luxon who has questions on the Energy Policy.

**Mr Luxon:** Thanks.

So obviously the Energy Policy, with the objective of 2020-2050, is important for all of the Island, of course. The States agreed the following overall objectives of the Energy Policy as being  
410 decarbonisation, security and resilience of supply, customer value and choice equity and fairness, being supportive of a vibrant economy and, of course, greater energy independence more generally. Does the Committee believe that these areas remain the key objectives, in the context of the previous question and comments you have just made? I suppose the answer is, yes?

415 **Deputy De Sausmarez:** Yes, the answer is yes, and I will take the opportunity to highlight the interrelatedness.

We are currently working on the electricity strategy, which draws together a lot of those strands and is going to be a vehicle through which the States is going to be able to make some pretty important decisions relating to those broad themes. But I think the broader context of what we are  
420 seeing across the continent and what we heard in the IPCC report a couple of weeks ago, really underscores the importance of those workstreams and that we have no time to lose.

**Mr Luxon:** And I guess, building on that, how, specifically, achievable are the specific objectives of decarbonisation and security and resilience of supply, and in what timeframe do you think could  
425 meaningful progress be achieved?

**Deputy De Sausmarez:** Well, I will give you the political timeframe, which is we are bringing back the electricity strategy for debate in the States this year. It is a major piece of work. It is a piece of work that involves talking with or consulting with and working with local energy industry  
430 stakeholders, and expertise at another level as well that we commission. It is a really important thing. It looks at a number of different areas and it basically will be a debate through which we can establish how we prioritise, because there are tensions between those things.

So if you take the classic energy trilemma, you have got affordability, very important; you have got security of supply, very important; and you have got environmental impact, also important. And  
435 some of those are not mutually ... There is going to have to be a little bit of a trade-off. So we could, for example, say, 'Right we want to make sure security of supply is the most important thing. We

want to make sure that we have got this huge resilience in the system. That is the number one priority.' This is hypothetical, though, I am not saying it is. But if we were to say that then that would have a significant impact on affordability. Do you see what I mean?

440 We have to find the appropriate balance. We have to be able to establish the parameters within which to work.

**Mr Luxon:** And that is really clear, timelines and milestones, on the political process. Beyond that, assuming that that works really well, how comfortable are you to anticipate the speed with which then progress can be made beyond that in practical progress?

**Deputy De Sausmarez:** I do not know because some of them will depend on the work that we are doing in the electricity strategy, but I am hopeful that we can give this the priority it deserves.

450 It might be useful, also ... It is not just one piece of work. So the electricity strategy is split into three sub-strategies, I suppose, which is a market strategy, a supply strategy and a demand strategy. Some of those things can be progressed much quicker than others.

So if we are talking about, at the end of the day, all things considered, an optional wind farm or something, then that is going to have a particular lead-in time. I would have thought that would be possibly in the region of eight years or something like ... from go to ready to go, but there are other things, especially in the demand side, which I get particularly excited about because I think that is where you get almost your best bang for your buck, that could be potentially implemented much more quickly.

455 So I do not think it is one single bit of work. I am confident that the timeline that we are obligated to, that we are signed up to in terms of our international agreements, is eminently achievable, but I think the quicker we can manage that transition in a well-managed way, the better the outcome is going to be. I would not like to rush things and create problems with local energy markets or anything like that.

460 It does need to be a really well-managed transition. But I am confident, actually, given especially the co-operation of some of the – all, really – energy providers in the Island. They have all demonstrated a brilliant attitude towards working with us, that everyone is keen to crack on and achieve those aims as quickly as possible.

**Mr Luxon:** It is a significant, both policy, but also operational requirement, for the Island, isn't it? It is not something that we can ignore. And it is complex.

470 **Deputy De Sausmarez:** Yes, definitely.

**The Chair:** Can I just pop in with a supplementary question on that, actually, coming from something you have just said? You are probably aware that the UK published its energy strategy yesterday and some of the criticism that I have read about that points to the lack of emphasis on demand-side management. So that is something that, if that is a mistake on their part, that is a mistake Guernsey does not want to make?

480 **Deputy De Sausmarez:** Definitely not. We were very conscious about how we structured our electricity strategy into those three sections that I described – so market, supply and demand – and, as I said, I think demand, we always have, in anything environmental policy related, a hierarchy, don't we? The top tranche of the hierarchy with energy and emissions is avoid. So if you can avoid creating those emissions, which in energy terms means if you can avoid the need for that energy in the first place, you are going to get the best possible returns.

485 So that is why you tend to get more bang for your buck the higher up that hierarchy you focus. That is why I personally get very excited about the demand-side options and why I am particularly pleased that we have structured our electricity strategy in such a way to specifically address that aspect.

**Mr Luxon:** Thanks.

Just moving on a little bit; I think many Islanders would be interested in these two areas that I want to ask you questions about. Possibly 20 years ago, pre-millennium, Guernsey could operate below the radar screen as an independent state. Now we have to play on the global stage. So macroeconomics, global affairs, sweep across us all the time and particularly that is applicable to this area of energy.

So following the recent events in Eastern Europe, that has highlighted the fragility of supply and the real risk. Does plugging into the European grid now, as a core, fundamental part of that electricity work that you are talking about, raise additional security issues for the Island, with the immediacy of what we have just seen happening elsewhere?

**Deputy De Sausmarez:** I would say, as a first off, we were obviously straight on to the issue of when the situation started to unfold, or before, when it looked likely that it was going to unfold, the war in Ukraine, the invasion of Ukraine, in the way that it has. We were straight on to our security of supply analysis, and I do need to give a reassurance that there is no risk to security of supply. We are not going to escape the economic impact, but I have no concerns about the short-term security of supply.

I would say that the kinds of things that you are alluding to are exactly the kinds of considerations, geopolitical risks, that will be factored into the electricity strategy. But I would say that there is no option where we are entirely free of any geopolitical risk. No matter what variation we put on that, irrespective of any impacts, you can say, 'Right, well we are going to completely surround ourselves with all this sort of locally generated renewable.' Irrespective of any sort of cost implications of that and whether it meets our affordability aspirations, we are never going to be entirely energy independent in the way that I think some people think we might.

Yes, the geopolitical risk is always going to be there to some extent, in some guise or other, and it is a case of making sure that we are resilient, and we have got the ability to reduce that risk as far as possible. But yes, I have got, certainly, no concerns over the short- to medium-term security of supply and, actually, I think certainly a lot of the conversations around the British-Irish Council energy forum are about how you can use interconnection to reduce the risk further. I am not saying that is the position that we will end up with but I think on the international stage there is a recognition of geopolitical risk. But I think really it underscores the need to decarbonise as quickly as possible. That is the single biggest aspect in my mind.

**Mr Luxon:** And I am conscious, as we are sat here in this very comfortable Castel Douzaine Room, that it could seem quite callous that we are talking about the implications of what is a travesty and a crisis for the people of Ukraine and for the nation. We are talking about the impact on our potential supply of energy. So I guess I should just reflect on that.

But I suppose, building on this, the second example is we have seen now over the last 24 months, certainly in the last year, with the French dispute over a non-related fishing argument, it does not matter about the rights and wrongs, but again the balance between the choice of wanting to pursue the right sources of sustainable, renewable electricity supply, with then the risk of security when a major, leading world power government, France, could actually play tactics with supply to the Islands because of the cable link.

Again, I do not know if Deputy Haskins wants to build on some of the comments that you have given, but this must be a very testing balance about how to weigh up these factors, with these external factors now influencing your choice and decisions as well.

**Deputy De Sausmarez:** I will just start before handing over, if Deputy Haskins would like to add anything, by saying again I know there was a lot of focus in the media but that was part of our risk analysis and again I would reiterate that we have got no concerns over the short-term security in that respect.

There is geopolitical risk in all sorts. If we are generating on Island, which is the only other macro-option at the moment that would help us fulfil ... First of all, security: when you are looking at security of supply, you look at what happens when one of your sources is not available, and potentially two of your sources are not available. So that is all part of that set of considerations.

But secondly, we are not necessarily immune from geopolitical risk running our generators on Island, because that fuel has to come from somewhere. That relies on supply chains, which have got their vulnerabilities in their own right. There is never an option which is entirely free of those external factors. So in saying it is a question of making sure that we can go through that process, establish what our threshold is for security, how we would like to deal with that risk and, ultimately, making ourselves as resilient as possible.

**Deputy Haskins:** In essence, I think what you are asking is definitely, politically, is there a focus now on energy independence, because of everything that is going on? I would say, for me personally, yes, absolutely. But as Deputy de Sausmarez says, there are supply chain issues, which are geopolitical, too. So there is that balance, but I think you will find in the States, in the Assembly, there that the priority of energy independence is shifting up.

**Mr Luxon:** So a focus on, I guess, on risk assessment contingency planning, but then perhaps accepting the reality of sometimes we have to find the least-worst compromises, proportional to our size and location?

**Deputy De Sausmarez:** I completely agree with Deputy Haskins that actually, even since the Energy Policy was debated back in 2020, the aspect of independence has become more of a factor. I think that is well recognised – it is certainly well recognised within our Committee. So it has to be given due consideration and weight in those considerations.

But I would also point out that our previous – is it extant? I am not quite sure whether it is extant – security of supply formula was really quite high. There is a very high threshold for security here. It is a formula that is called ‘N-2’, which I know you will be familiar with, and it is basically saying when you take out your two major sources of generation, can you still meet peak demand at all times? It is a very high threshold and that comes at a cost.

So this is what I was talking about earlier, the tension between security and affordability. Also there are tensions between those aspects and environmental impacts as well. So I would say that I completely agree we do need to look at this, these considerations, but we do need to recognise that if we are going to increase prominence of and priority of independence, that may well have a knock-on effect on affordability. So we are going to have to find where that balance lies, where our tolerances are.

**Mr Luxon:** Good luck finding those compromises!  
Thank you, Chair.

**The Chair:** Okay.

Do you agree with the Chamber of Commerce’s recent conclusions that the right decisions would be to firstly enter a long-term commercial supply contract with France and, secondly, to build the direct 100-megawatt cable to France as soon as practically possible?

**Deputy De Sausmarez:** The electricity strategy is the vehicle through which those considerations will be weighed up in order to inform those decisions. So it is really important that we do things in the right order, we do not jump to conclusions.

One aspect that is really important in that electricity strategy is scenario testing. So we are not actually testing, we are not just assuming that interconnection is the right answer. We have been very proactive in seeking the views of our political colleagues, for example. We have brought other Committee Members into a sort of steering group, I suppose, to make sure that other considerations

are taken into account. But we are going to be testing credible scenarios so that we can explore a viable range of options in order to make, hopefully, a well-informed decision at the end of that.

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**The Chair:** Okay. So any potential progress on macro-renewables, locally, will also be incorporated in that policy letter?

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**Deputy De Sausmarez:** Yes, definitely. So one of the first things ... well, actually, one of the key requirements – I know this sounds a bit odd – is to clearly define what we mean by low-carbon and low-emissions energy within the electricity strategy. But then it will be about establishing what mixes, what targets might be the most fortuitous for us, most beneficial for us as an Island.

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So it is that electricity strategy, which is this really key bit of work, that will inform how we take it forward, and that is why we are very keen that that bit of work happens this political year because we are all keen to crack on. We cannot really, no one can ... It is very difficult to make investment decisions if you are in the energy industry or an investor, you cannot make those investment decisions until you have got that platform.

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**The Chair:** Given the obvious crucial importance of this policy letter, can you narrow down slightly when it is going to come in. I know you have said this year, but ...?

**Deputy De Sausmarez:** We want it debated this year. So I am sure –

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**Deputy Haskins:** It is due for the end of the year. I think there is a possibility that it is on the, I believe, 23rd January.

**The Chair:** Right, so published by the end of the year, debated at the beginning of next year?

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**Deputy De Sausmarez:** Definitely published by the end of the year.

**The Chair:** Okay, thank you.

Moving on now to, more, sustainability issues, environmental groups have been calling for robust legislation to protect wildlife for many years. Has any progress been made on this?

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**Deputy De Sausmarez:** Yes. That is part of our Government Work Plan workstream. So we are doing some work at the moment on reviewing what legislation is ... first of all, I would say they are right, I think we do not have a wildlife law in the same way that other jurisdictions do. So there is a piece of work going on at the moment which is looking at what legislation we do have in place already and what we do not – more importantly, probably – and then recommendations will come forward as a result of that.

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**The Chair:** And the GWP states that by the end of this year Guernsey will have achieved updated legislation regarding environmental pollution and animal welfare. So will the deadline of December 2022, this year, be met in both cases?

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**Deputy De Sausmarez:** I do not know, because it will depend on operational resource constraints. We will certainly endeavour to meet those, but I will keep you and the rest of the Assembly updated through a general statement, if it looks like those cannot be met. But certainly that is the aim, yes. I am hopeful they can be.

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**The Chair:** Some people might say – I am sure it has been said in the past – that the environment has historically been the poor relation of States' policymaking and resources, often because there was always deemed to be more important things, namely social policy and fiscal policy. Do you agree with that claim?

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**Deputy De Sausmarez:** I think historically, yes, but the scales have tipped significantly in recent times. I think people have more of an understanding, first of all, about the very significant impacts of a changing climate. Obviously, awareness is the greatest it has ever been about the energy transition, for very sad reasons, as Mr Luxon said. And I think people are also more aware of the interrelationships between – I do not know if that is a word – the links between the environment and the economy. So I think, for example, the Dasgupta report was quite seminal in drawing ... Actually I think it started with Prof. Stern, didn't it? He was the one that first put that into mainstream consciousness that big report talking about how the environment impacts the economy and awareness has grown from there.

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I think Guernsey has maybe not been ahead of the curve in that respect but certainly now there is a much stronger recognition of the fundamental importance that the environment plays in the economy and in our wellbeing as a society and, ultimately, it is what supports us, our lives and our wellbeing.

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**The Chair:** And that awareness, clearly, makes it easier to make progress?

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**Deputy De Sausmarez:** Yes, absolutely, and also, I think because of the economic impacts in particular. Money has always talked loudest, hasn't it, in policymaking terms? I think because the economic impact is so increasingly obvious when it comes to things like the energy transition, that is why it is getting a lot more attention, that it has been missing. But yes, I think we are making up for lost time now in that respect.

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**The Chair:** Thank you.

I think that is actually a convenient point at which to take a break. Sorry?

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**Mr Luxon:** I just want to come in with another question? It was really about resources. I think this applies to, really, most Committees, that there always seems to be a real constraint on resources and policy resources in particular. Do you feel that E&I has got sufficient policy resources to be able to generate the policy letters and create the policies that you want to?

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**Deputy De Sausmarez:** No. I did cover this in an earlier answer, so I will not repeat what I said, but I will say my short answer is no. I think you are right to put your finger on it and it is probably something that other Committees do experience, but we experience it perhaps more acutely than others.

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I think another issue is because we have got so few people, particularly in policy terms in relation to the amount and significance, the importance of that policy work, another of the issues is that, as Damon explained earlier, we took an approach from the start of this term, to make sure that everything we were doing on the ground, had a direct link to policy directions. We were not wasting any resources doing things that were not a priority.

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So we have been through a really helpful process and I understand that that process has now been rolled out to other Committees. We ended up with work plans for each team and I think one of the aspects that does concern me slightly is that we can look at that and it will make sense in its own right, but the thing is you get the next work plan and it has got many of the same people and then you get the next one. We have got people who are so thinly stretched across these big, very important areas, and they are not areas that I think we want to drop or do inadequately. So I am concerned on the resourcing front, yes.

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**Mr Luxon:** Thank you.

Just reflecting on the comments that you were sharing with Deputy Burford, around that tension between the environment and infrastructure parts of your mandate, it could be said that it is almost an impossible marriage, in a way, but it made me reflect. Back in 2014 I think it was, the previous

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Public Services Department developed a green paper, which it took to the States – the Island Infrastructure Plan (IIP), by memory – and plucking a number from my head, I think it had about £1.46 billion of legacy deficit, catch-up essential infrastructure spend, across the whole Island in the Government mandate.

Obviously, we are quite a few years on from then, eight years on, I am not sure how much of that will have been invested. And that was just the essentials. That was to keep the Island's roads, ports and harbours. There was then a list of 'and would be needed to be done' at some point and then there was 'nice to be done'. So a massive amount back then; just with inflation that £1.46 billion would be more. Again, I just wondered from your Committee point of view, how do you tussle with that? I realise P&R are responsible for managing the overall financial piece but does it again give you sleepless nights trying to get you to balance up these mandate requirements and demands that you had to make real progress?

**Deputy De Sausmarez:** Do you know what, and I am aware I am in the company of a former Minister of the Environment and former Minister of PSD, so they were the days when it was not a marriage, there were two separate Committee mandates, I know this is something that people point to a lot, but I am always a lot more optimistic. I would rather those considerations were looked at holistically and in tandem because I think actually there is quite a lot of mutual inclusivity.

There are quite a lot of infrastructure requirements that you can meet, whilst also meeting environmental objectives. I think it is exactly the right way to approach these big infrastructure issues, is one and the same, who are taking into account all those considerations on that other part of the mandate. So that is the first thing I would say.

I think you are absolutely right but one of the problems we had and we all know: that we have not invested as much as targeted for infrastructure. At the moment these are considerations. We could break it out into what we are spending on various different bits of infrastructure.

The one that springs to mind immediately, especially given what we have been talking about in terms of the Energy Policy and we know the energy transition is happening – we are in it now, it is happening – and I know it is really tempting to get ... all the attention usually goes on, 'Oh, are we going to have a windfarm?' or, 'When's tidal power going to be ready?' But actually the infrastructure to facilitate that on Island, in terms of our grid, has to be one of the most important factors. I do not know if Damon wants to say anything about the sort of infrastructure investment more generally, but my final parting comment is that if we get our own infrastructure right it is also going to be more cost-efficient in the longer term.

Again going back to what I was saying about sprawl being expensive, I think if we get our infrastructure right, then we are going to solve more problems than we create in the future.

**Mr Hackley:** I think infrastructure is obviously incredibly important. But you do not develop infrastructure for infrastructure's sake, you do it to enable other things to happen.

Deputy de Sausmarez has already mentioned the importance of getting your transport network correct and your infrastructure working so that enables other development to happen. But also there is an option, as well, to commission, to work in partnership with the private sector. Potentially something like the States' decision to come back with proposals for a pool marina is a good example perhaps of where you could look to see where there is a commercial viability, that could then be used to offset the regular costs of the existing infrastructure that you have.

So I think it is just a requirement to think a bit differently about how Government works, working in partnership with private sector.

**The Chair:** Okay, thank you.

I think this is a good point to take a break for about seven or eight minutes and we will commence part two shortly.

*The Committee adjourned at 11 a.m.  
and resumed at 11.08 a.m.*

**The Chair:** Okay, welcome to the second half.

I just introduce Deputy Aidan Matthews, who has joined us for the second half and will be kicking off with the next set of questions.

**Deputy Matthews:** Thank you, Chair.

I wanted to start off by talking about the blue and green economy. The blue and green economies might appear a little incomprehensible to some members of the public. Does more need to be done to explain the concept of what these are, in general, to the public?

**Deputy De Sausmarez:** Yes, definitely. I think it actually builds on what we were talking about just before the break, actually: the interrelationship between the environment and the economy and about that symbiosis. So the fact that you can do things that are mutually beneficial, so things that have got environmental benefits but also economic benefits. Really, at the highest level, that is what the green and blue economy is about. It is about things that are mutually beneficial for both the environment and the economy.

But yes, if you would like me to use the opportunity perhaps to explain a bit more about what it is about, I can give it a whirl.

**Deputy Matthews:** Well, if you could very briefly, that might be quite helpful for people.

**Deputy De Sausmarez:** Yes, absolutely. So I think we are all quite familiar with how things ... I will start with the blue economy, because actually we have got a more developed approach to how we use the land. When it comes to our marine environment, however, (a) we do not know as much about it, that is a fundamental thing; and (b) we do not have nearly as clearly defined an idea about how we might best use that.

So there are various potential uses within the marine environment. Just to name a very few, you have got tourism and leisure-based activities, you have got fishing, you have got renewable energy, marine renewable energy, for example, you have got all sorts of different ... You have got also the environmental aspects of your marine ecology. So it is really about, first of all, understanding what we have and then about finding the best way to maximise the environmental and economic benefits associated with that.

So we are quite used, particularly with things like the IDP, about the idea of zoning, for example, in terms of our terrestrial environment. So we know that there are some areas that it is beneficial to focus housing and retail in some areas, where obviously we want to prioritise agriculture and we are quite used to that approach on land. But we do not have anything similar for our marine environment.

So really it is about understanding what we have got and making some decisions about what might best go where. For example, if there is an area that is really important in terms of fish or other marine life breeding grounds, that could be protected. If there is an area which is going to be much more beneficial than others for renewable energy because of its resource and relating to the depth of the water and the fact that it is not impacting on seagrass beds or whatever, then great.

If it is carbon sequestration, this is a really big thing in the blue economy. Carbon sequestration opportunities are often much more valuable than their terrestrial equivalents and that is a potentially tradeable commodity, really, at the end of the day. It is really important we know what we have got and what we want to do with that in the future and that is really what we are looking in terms of the blue economy.

Obviously the green economy, it is a similar approach. One of the problems that we had, we are quite good at zoning things and the rest of it, but I think where we have fallen short is that the

795 environmental benefits and associated economic benefits of those environmental benefits never really make it on to any balance sheets.

For example, planning applications come forward, there is a lot of noise, objection to people building on green spaces. If you look at the classic accountants' sheet, that as a green field has got a nominal value, which is the cost of buying the land, but we do not take into account its  
800 environmental value. So we do not take into account whether it is a wetland, or whether it has got mature woodland on it or anything like that. And we also do not take into account the ecosystem services that it is providing. For example, water filtration, air filtration, soil stability – really important.

These are all layers of what we call natural capital; as well as, obviously, the leisure, recreational, mental health, wellbeing opportunities of physical activity. These are all really important aspects  
805 that need to be taken into account when you are trying to understand how to value an area. It is not just about monetary value.

So the green economy side of things is really about developing what we call our natural capital accounts, which is all those layers of information which can better inform decisions and better inform our planning policies.

810 **The Chair:** Does that equate to putting a price on nature?

**Deputy De Sausmarez:** Well, it is not putting a necessarily monetary price on nature, but at the moment the value of nature on the balance sheets is zero. So although it does not necessarily  
815 equate to how much it would cost to buy a certain area, it does help inform decisions about what you are really potentially using if you are using an area of land or what you are potentially gaining if we protect it. So it does help inform financial decisions because it shines a spotlight on the real value, not just the superficial economic value.

820 **The Chair:** I think there has been some criticism of that approach in terms of the putting a price on nature aspects, wherein a developer can simply pay that price and then degrade that land. That is not a route we are going down?

**Deputy De Sausmarez:** No, absolutely not, and it does not work like that.

825 What it does, and this is true both of the blue and the green economy, and this is actually why developers often welcome this approach as well, because it de-risks that process, it provides greater clarity, greater certainty. And it means that if you have got two areas, let's say two 'green areas', in inverted commas, or potentially, ideally an area that is not green, that is a brownfield site. You would be able to say, 'Actually, I know it might superficially seem as though the greenfield site is a more  
830 attractive option because it might cost you less to develop, but we understand that that has got a higher value in its totality, when you take into account the non-monetary aspects.' Therefore you could put in place policies to make sure that those aspects are protected and so it is not about just saying we pay a higher price.

But I would also say that irrespective of any of those criticisms, I have to reiterate the point that,  
835 at the moment, the economic value of nature is zero on all balance sheets. That is the most fundamental thing that we need to change. We need to get across that, even though it is not necessarily in monetary terms, there is a greater value, a greater qualitative value associated with the natural environment that does need to inform policy, planning policy for example, and it does need to inform investment decisions.

840 We do need to take it into account in how we are planning the future of the Island going forward. This is a very valuable asset, or set of assets. We are a very small Island. We do not have a lot of land. We need to make sure that we are protecting the bits that most need protection, enhancing or restoring the bits that could benefit most from being restored, and this is the tool that will help us to do that.

845 So it is not about saying, 'Oh, you can carry on as usual if you pay a bit more money.' It is about shaping that range of options in the first place.

**Mr Luxon:** May I ask a supplementary question on that, Chair, please? I think it is interesting, throughout those comments, when we are talking about the blue and green economy, you sound as though, pragmatically, you would be making sure that there is no bad trade-off between the nature part of things and the environmental part of things. But you also mentioned tourism and you also mentioned social. You also mentioned economic. I think, of course, that is the right way to look at it.

There was talk, some short while ago, about could Guernsey aspire to perhaps developing something like a Guernsey Eden Blue Project and of course that would be a commercial development. But of course, it would coexist nicely with all of those different aspects of the policy area mandate that we are talking about, I think is fair to say.

**Deputy De Sausmarez:** Totally, and actually Deputy Haskins and I, and Deputy Gabriel as well, were in a briefing yesterday which was really fascinating, about green jobs. I think that is another one of the things that seemed to come through, is one of the potential biggest opportunities for Guernsey is ecotourism. If we start talking about green jobs, we will be here for a good hour on that topic alone, I think. But it certainly is a drum that I have banged for a while. I think we can make more of our natural environment. We are quite good at featuring our natural environment in posters when it comes to our tourist and marketing material, but I do not think we are as good at all the stuff underneath that level.

It is certainly something I have been interested in and talking with various Committees for Economic Development over the years, and I do think that it is something that they are starting to consider much more seriously now.

**Deputy Matthews:** Yes. Just coming in because we are talking about the green economy there. Guernsey has set itself up, or would like to set itself up, as a centre for green finance, to finance investment, green finance investment, internationally. Does Guernsey need to walk the walk as well as talk the talk? Do we need to be seen to have strong environmental policies here? And if we do not, does that hinder elsewhere the green finance industry, or could it interfere with the green finance industry?

**Deputy De Sausmarez:** Yes, Deputy Matthews has just pretty much put it in a nutshell, what my answer would be. I was having a conversation earlier this week in fact, with someone who is responsible for green finance. Deputy Matthews is quite right. We position ourselves on the international stage as a green and sustainable finance centre and we are a member of quite an elite body called the UN FC4S, for 'Financial Centres for Sustainability'. We are, I think, the only Crown Dependency to be a member of that body.

So we are a mover and shaker. We are quite innovative, actually, in terms of green finance. We have got a couple of world firsts under our belt. So it is a strategic position. It is not just a product, it is not just about the fact that you can get green products. The whole point about being a green and sustainable finance centre is that it is an ecosystem, if you will pardon the pun. It is a one-stop shop and it is a systemic approach.

So it is not just about the availability of green products. It is about that whole package. It is where the future of finance is headed. The ESG considerations and carbon impact considerations are an increasingly important part of the finance industry.

To answer your question, first of all I would say, I think Guernsey often does a really good job of talking ourselves down rather than up. Let's not forget that we do have some really good examples of what we do well and our Waste Strategy is one of those. So you are absolutely right, it is very important that, because we are positioned strategically, it is an economic policy decision to position ourselves as a green and sustainable finance centre.

It is really important that we do not run the risk of accusations of greenwash. That is the single biggest risk and that is what I get from people who are on the frontline of green finance all the

time: that we need to be able to demonstrate that we as a jurisdiction are walking the walk.  
 900 Absolutely, I have had it for years, that is always the number one bit of feedback that we get.

But we can point to some successes, the Waste Strategy being one of them. We are held up as an example of best practice in waste circles internationally. So when we first introduced our new Waste Strategy, and the people on the Panel were quite instrumental in that, we went in the first full year of implementation, not only did we exceed our 2030 recycling rate in one fell swoop, we  
 905 hit 73%. I think it was in that first year of implementation and the target was 70%.

But more importantly, and the bit that does not get as many of the headlines, is that we managed to reduce our overall waste by 11%. So the waste hierarchy prioritises, again, the avoidance and prevention of waste, the minimisation of waste. So I think, actually, an 11% reduction overall, of all of the waste streams, is a really significant achievement and certainly that is something that we can  
 910 legitimately point to. We are well known for it.

I am going to just give a smaller, slightly different level, but actually our approach to invasive and non-native species is another example of where we are recognised well beyond our borders as having a really good approach and people look to us as an example of best practice and they learn from us. I am really happy to share that with them.

915 So we do have things we can point to but we also have areas where we definitely need to improve. As I said, I was in a meeting just earlier this week with green finance industry leaders telling me exactly that.

**Deputy Matthews:** Do you think that connection is well understood? It might be that people  
 920 think that Guernsey is such a small location, it is a small population and land area, that our environmental policy might not make a big difference globally. Do you think that connection is understood?

**Deputy De Sausmarez:** Not as much as it should be, I agree. I think we need to do a much  
 925 better job. But actually the conversation I was having this week was all about how we get that message through to the wider population, also to the political body as well, because I do not think that is necessarily recognised to the degree that it ought to be.

**Deputy Matthews:** I will get back on track. On to the blue economy. The Government Work  
 930 Plan mentions a blue economy supporting plan, which is necessary to develop the blue economy effectively in the Island. Is that a workstream that has started? Is it in progress? How far along with it ...?

**Deputy De Sausmarez:** Yes, it is in its early stages, but there has been a lot of preparatory work  
 935 and I do not really know where the preparatory work ends and the actual workstreams begin. I think it is all part and parcel of the same thing. Work is definitely under way.

I have mentioned before, as has Damon, about the Work Plan process, so we do actually have quite a granular timeline on various aspects of that work that will feed into the blue economy support plan.

940 **Deputy Matthew:** And then are those plans going to be subject to a comprehensive consultation and awareness raising with stakeholders and the public?

**Deputy De Sausmarez:** Yes. I think the thing to understand about this area of our work is that  
 945 we have got very close connections with the environmental community, if I can put it that way, anyway. So one of the things that we have is a Biodiversity Partnership Group, which is an umbrella organisation which brings together third sector stakeholders, and those groups typically include experts in their own fields. So although we do not have lots of different areas of expertise in-house, we do have really good access to local experts and absolutely we will bring in expertise from beyond  
 950 our shores if required. So yes.

**Deputy Matthews:** So there are some terms that are mentioned as part of a blue economy supporting plan. Could we talk to a natural capital pilot and if that has started?

**Deputy De Sausmarez:** Yes. So there are two aspects to that, the natural capital pilot. There is a blue bit and a green bit. Actually it is interesting you pick on this element, because originally the plan was to do the blue aspect first, but we have got a new Director of Natural Environment in position now and one of his first roles – he has only been in the role for a couple of months – one of his first tasks was to review our priorities and our workstreams.

I believe that there may be some suggestions forthcoming about how we can progress that workstream a little bit more efficiently by capitalising on the expertise required for both of them, if you see what I mean. So, yes. Do you have anything to add, Claire?

**Ms Barrett:** No. I think just to add that that will come from the Government Work Plan process. So as part of the refresh of the Government Work Plan, we are just looking to see whether or not there are elements for the green economy support plan that actually can be brought forward and delivered at the same time, as for the similar piece in the blue economy support plan, so that there are efficiencies in delivering the two together. There is a piece of work very much ongoing at the moment, as part of the Government Work Plan process, to see whether the phasing can be shifted slightly to have both benefits.

**Deputy Matthews:** That is great, thank you.

The last one, with the blue and green economy plans and the Strategy for Nature and the Nature Commission, how will they dovetail with a requirement for development infrastructure and especially for additional housing on the Island?

**Deputy De Sausmarez:** Well, there is an aspect which is biodiversity net gain, which is a more specific planning-related framework, I suppose, and this has been adopted in the UK as well as other places. That is one of the things that we are looking to pilot. In fact, we are informally, voluntarily piloting it. Some developers are already beginning to do this.

The interesting thing about it is the fundamental premise of this concept is that there is inevitably a bit of a trade-off, isn't there? If you are going to develop an area that was previously undeveloped or underdeveloped, not as developed, you are going to have a negative impact on the environment, you are going to be taking things away.

So the idea of biodiversity net gain is not simply that that is compensated for in other ways, or in other areas, but that actually, over time, there is a net gain, in that you end up with more value and it comes back to what I was talking about earlier in terms of being able to assess the overall value of a piece of land. So it is not just about square footage or *vergées*, or whatever. It is not just saying there is a *vergée* of green land here. It is about saying, 'Well, actually, what habitats does this provide? What ecology does it support? What are all the other things?'

So you cannot just do it in terms of land area, you have to look at the value as well and potentially added value. So even though there is an argument to say, 'Well, look, if we need to keep building houses, we are going to be using more and more land', yes, but actually two of the biggest problems that we have in terms of our biodiversity value is under-management and over-management of land that we have. So if we manage land better we can get far greater environmental value out of it.

So the concept of biodiversity and net gain, you might think, would put developers off, but actually one of the things that I was surprised to learn through this process is that developers really welcome it because it de-risks the process. We will know what it is like in terms of a planning application. People, developers, will bring forward a planning application and then sometimes all hell will break loose because of some green land being developed or whatever. That is all really understandable, but from a developer's point of view, it is a risk. And there is cost associated with

that risk because it might mean that that influences the planning decision and they get rejected, they put a lot of money into that and they might have to appeal and it spreads out in terms of time.

1005 The interesting thing is developers actually really seem to welcome biodiversity net gain because it provides a lot more clarity, a lot more certainty, they know what they are dealing with up front, because you have got that baseline information which can inform what is going to be there. So they already know if there is an area that is more valuable in ecological terms, for example, than another. They know to scope that out, they know not to go near that. It also gives them an opportunity to be able to say, 'Well, yes, we appreciate there is some environmental negative impact, but this is  
1010 what we are doing to overcompensate for that loss on the other side.'

So it is actually a really helpful framework and, at the end of the day, it helps reduce risk, it helps reduce time, it helps reduce cost and ultimately you get better environmental benefits out of it as well. Because instead of just at the end of an appeal, the planning decision, going, 'Oh, fine, you can develop there', it means that there are development and planning criteria, planning conditions,  
1015 that say, 'Well you can, but only if you do it in this way that is most sensitive to the environment and you have got this compensation aspect to it as well.'

**The Chair:** Mr Luxon.

1020 **Mr Luxon:** I think you are absolutely right that you have pointed at green topography that is not the absolute scorecard of biodiversity success by any means. And I think the point you touch on from a business point of view, what businesses want when they are making investment decisions or development decisions, is an element of certainty around the process.

But of course they also have significant responsibilities now, fortunately, that have been mostly  
1025 imposed on them for CSR. But more importantly now, which is more for ESG, it means that they actually have an imperative as corporates to actually be able to support the result of improved biodiversity rather than just a measurement of the green topography land.

So I think businesses are now coming much more towards Government, to want to work in a meaningful way with momentum. I think if that can be harnessed and developed, corporates now  
1030 are set up to actually engage in a meaningful way.

**Deputy De Sausmarez:** I could not agree more, and I think, also, another thing that it does is that it helps the relationship, I suppose, with the community. So it is not just about between corporates and Government, it is very much about giving the community a voice and the assurance  
1035 that their concerns are recognised and responded to. So I think it is win, win, win.

**Deputy Matthews:** I am not entirely sure what the biodiversity net gain criteria are and what the factors are, because one of the things I have always felt may be a little overlooked is how visible some of our green spaces are to people. I know we have talked before about there is a specific  
1040 example near to a school, we both know, our primary school –

**Deputy De Sausmarez:** We often bump into each in that particular school run, yes!

**Deputy Matthews:** Yes. That is an area that might not be highly rated in a planning process but  
1045 one which might be quite visible to the public. Is that something that is a ...?

**Deputy De Sausmarez:** Yes, I think what you touch on is a really important point in that it goes back to what I was saying earlier about natural capital accounting. It is about a number of different layers, quite a number of different layers, and so there is ecological/biodiversity value, the sort of  
1050 habitat value; there is all that side of things.

But you are quite right to point to the fact that there are social values as well. Obviously, aesthetic value is one of them, but I think there are studies that show, just in terms of the sort of mental health and wellbeing aspects of being near a green space, even if it is not necessarily a green space

you can go and run around in or take a walk through. I would say that this was recognised in the original IDP process, and it was possible through that process to protect more areas of open land, which are the kinds of things ... and they can just be protected for their own right.

I think one of the things I am hoping the IDP review process may allow is I do not think there is as much awareness as there is now in retrospect of that potential function of the IDP and that is actually a provision within planning Law that should be given greater credence, awareness. I think we need to bolster that in a way, because that is more important than was perhaps initially recognised by those taking part in the consultation, the very thorough consultation process, which shaped the IDP in the first place.

But I think, actually, what you are talking about is the importance of protecting areas of open land for their own sake, really, or protecting green spaces, not necessarily just for their biodiversity value but actually, for providing a bit of space in an otherwise built-up area, it has got a value in its own right. That is exactly the kind of thing that can be captured in natural capital accounting and perhaps in the review of the IDP.

**The Chair:** Thank you.

I would like to move on now to just a couple of questions on the Development Agency, to the extent that it is attached to your mandate. Do you believe the role of your Committee might be affected by the establishment of a Development Agency and its potential future plans for the eastern seaboard; and if so, how?

**Deputy De Sausmarez:** Well, we have got infrastructure and environment in our mandate, so it cannot not affect us.

When it comes to that macro-planning, absolutely. I am very pleased that the first priority of the Development Agency will be that strategic direction. That is going to have a fundamental impact on our mandate, I think, in terms of that bigger picture and what we can bring forward.

I think one of the problems that has existed in recent history is that it has been difficult to progress, and I am not talking about any specific problems that we as a Committee have really encountered. In fact, there is one project that has got up and running, from the Vallette, the Vive La Vallette development, in spite of this. But I think one of the issues has been that until you have got that strategic direction, it is very difficult to bring forward, certainly anything macro, because you cannot compromise future possible options.

So I think, however we get there, decisions on that strategic direction are going to be really helpful, with particular relation to our macro-infrastructure mandate. I do not know; Damon might have something more to add on that?

**Mr Hackley:** I agree with that, but just to say that really the Development Agency is a delivery mechanism. As Deputy de Sausmarez has just said, it is for the States, ultimately, through the approval of the strategic direction, to set what the priorities are, but the Development Agency will work within that framework to deliver.

**The Chair:** Okay. There was a suggestion in the debate, in the Assembly last week, that the States should get out of the way of the Development Agency. But there was also a reference to cutting procedures and policies that can slow development and the potential impact of that. Presumably, that is not something your Committee would support, is it?

**Deputy De Sausmarez:** Well, I cannot speak on behalf of the Committee with a view on that, because we have not had an opportunity to meet to discuss since that debate took place. But I can certainly say, in terms of my personal opinion, that I would just refer you back to the comments that Mr Hackley has just made about it being a delivery vehicle and that actually the strategic decisions sit with the States. And actually, touching on one conversation further back than that, is the importance of engaging the community and other stakeholders.



So I think if the Development Agency can act as a body that better co-ordinates those different stakeholders, with a greater focus on moving things along without cutting corners, then fantastic. But yes ...

1110 **The Chair:** But in your view the Development Agency will need to accord with the various policies and procedures of the States, even though it is at arm's length?

1115 **Deputy De Sausmarez:** Yes, absolutely. I do not see that there is any other option. Even as the States, we cannot override planning Laws and things like that.

**The Chair:** Mr Hackley, you want to come in?

**Mr Hackley:** Yes, just to add to that, that was actually spelt out within the policy letter –

1120 **The Chair:** It is, but some of the debate did not follow that line.

1125 **Mr Hackley:** – that it would not be exempt from the Island Development Plan policies, for example, or any other procedures. It was just, I think the policy letter was saying, to not introduce further States' controls than are already in place through the mechanism, which is the planning system.

**The Chair:** Thank you.

The Nature Commission, when is that going to be formed?

1130 **Deputy De Sausmarez:** Oh, very excitingly, that is well under way. Claire might have an update on specifically when, but we are well advanced. Let me just see if I can see an exact date – no. But I know that we have talked through quite a lot of the detail, and we have made all those decisions and so I think it is at a point at the moment where some of the legal T's are being crossed and I's are being dotted. But it is progressing really well, and I am very excited about the opportunities that presents.

1135 **The Chair:** And how do you anticipate –

**Deputy De Sausmarez:** Sorry, Claire might have more information to add.

1140 **Ms Barrett:** No, I was just going to say we are actually ahead of schedule.

**Deputy De Sausmarez:** Yes, we are actually ahead of schedule. Let's not forget to mention that! *(Laughter)*

1145 **The Chair:** How do you anticipate the membership will be populated on the Commission?

1150 **Deputy De Sausmarez:** Well, there is an interim board, and that interim board will then recruit the full board. But again, there is going to be a focus on ensuring that it is a good balance of representation there.

**The Chair:** And this is going to work along similar lines to the Arts Commission or the Sports Commission, is it?

1155 **Deputy De Sausmarez:** Yes. I think there is possibly a fairly big difference between the two. The Health Improvement Commission might be a slightly closer model. But yes, ultimately it is a vehicle through which the States can obviously provide some funding and it can attract private investment or outside investment into that, so amplify the effectiveness of what we could do just with States' money alone.

1160 **The Chair:** Okay, and what power will the Commission hold in order to effectively influence Government and achieve its objectives, especially the environmental objectives?

1165 **Deputy De Sausmarez:** So a lot of the Commission's role can be around educating and co-ordination, so bringing different bodies and areas of expertise together. So yes, I think it should have ... I do not really understand the question, I suppose.

**The Chair:** So the Commission does not actually have any direct power on influencing policy?

1170 **Deputy De Sausmarez:** No, it is going to be an independent, arm's-length body. It will advise us as well as other ...

**The Chair:** Okay, I will turn now to Deputy Matthews.

1175 **Deputy Matthews:** Yes. Thinking about COP26 and the extension of the Paris Agreement to the Bailiwick, in practical terms, what impact does that have?

1180 **Deputy De Sausmarez:** Well, I do not see any conflicts, really, with what is already set out in our Climate Change Policy, and indeed Energy Policy, because all is in alignment there. Really, I think the main benefits are that international stage that we were talking about. It is a very strong signal that we take our international obligations seriously. It allows us to amplify aspects, such as green finance, like we were talking about earlier. But also, I think it provides greater focus and potentially frameworks to make that progress more efficient.

1185 So yes, it certainly does not conflict. We are already in alignment with the timelines and high-level aims set out in the Paris Agreement and I think it gives us an opportunity to, wherever possible, accelerate those.

**Deputy Matthews:** In the States last October, you mentioned, we were talking about the Global Island Partnership. (**Deputy de Sausmarez:** Yes.) Do you want to explain to me what it is and if we have made steps to join it; and what that might mean for us?

1190 **Deputy De Sausmarez:** Yes, so GLISPA ... Please do not ask me exactly, I can never remember, but it is the Global Islands Partnership, or 'Alliance' of something like that. Really it recognises that islands have got quite specific environmental considerations and often practical challenges that do not exist for bigger jurisdictions. Quite often it comes down to scale. So we know this. Even if we just look at our public services and how those are delivered, we know that, in terms of our fire service, if we were a town in the UK, we would not have a hospital the size of our hospital, we would not have a fire service the size of our fire service, because we would have been able to draw on resources from further down the road, or bigger, neighbouring conurbations.

1200 So scale is often a particular challenge but there are several things that islands have in common and really GLISPA is an opportunity to share and benefit from best practice, what has worked elsewhere, what has not worked elsewhere, so that we can more accurately, I suppose, define what we think will work best for us and also share some of the successes that we have had. Those conversations have been ongoing. I think we have been informally involved with them for quite some time and it is going to be a very useful resource for us going forward.

1205 **Deputy Matthews:** Is it Crown Dependencies or just other small islands?

**Deputy De Sausmarez:** It is a real mix and certainly not restricted to the Commonwealth. It is a very global approach, yes.

1210 **Deputy Matthews:** Talking about islands, transport is always a struggle on islands, or different to large countries. Have we made any progress on on-Island transport since your last update?

1215 **Deputy De Sausmarez:** Have we made any progress? Yes. Obviously, in terms of, we spend something like £60,000 a week on maintenance of our roads. Actually, Mr Luxon might know this even better than me. I do not think we can overlook the importance of the business-as-usual aspect. But certainly what I was talking about earlier in terms of this step-change approach that we need to take, with specific reference to delivering on housing, I think is going to be the most significant thing, hopefully, that we can deliver this political term.

1220 **Deputy Matthews:** Do you think you could give a couple of examples about how changes to our Island transport might reduce our carbon emissions?

1225 **Deputy De Sausmarez:** Yes, absolutely. I think it is always tempting, we see this in lots of stuff, when you talk about energy, we always go to the big power, the offshore wind farm, before we look at more mundane things, but possibly more effective things, like insulation and energy efficiency.

The same is true of transport. You say transport and people automatically think of wheels and vehicles and, 'Ah, EVs, that will solve it all.' But that is not the case. Our Climate Change Policy actually takes into account not just scope 1 emissions but scope 3, as well. That takes into account the embodied, the embedded carbon, in the production phase of vehicles. So that is from a purely carbon point of view.

1230 We need to be focusing, for all kinds of reasons – for reasons of spatial efficiency, for reasons of affordability, for reasons of climate change – first and foremost on low-energy and energy-efficient means of transport. So rather than just jumping straight to, 'Oh, well, we just need to get everyone into EVs as quickly as possible', we do need to be looking at it through that slightly broader lens.

1235 The brilliant thing about it is that it has got so many symbiotic benefits. I think transport is really at the intersection between lots of areas that we are all concerned about, housing being one of them; what has been coined the cost-of-living crisis in the UK. So that area, affordability, cost of living concerns, which I think there is growing concern given to; climate change, obviously; health.

1240 So transport ... the great thing is that the solutions that work for one, so let's take climate change – oh, population is another really important aspect to that – work for all of those things. If we can improve the efficiency of our transport system, then that helps with all those different aspects. I think I talked earlier about shared mobility. That is going to be a really important bridge mechanism, because infrastructure is super-important. We know that if you want to enable and facilitate active travel then infrastructure interventions are going to be the most important way of delivering that. But, even then, we know that we are not going to get everyone. It is not always going to be practical for everyone to walk somewhere, ride a bike or take a bus.

1245 So I think the shared mobility aspect is something I get quite excited about because it is using a mode that we are all very familiar with in a more efficient way and it reduces the pressure on spatial land use. And it enables us to develop more spatially efficiently, which means we are able to develop in a more cost-effective manner, which results in a reduction of pressure in terms of the cost of living and affordability.

1250 **Deputy Matthews:** I always think that being a small Island and being constrained by things like having narrow roads and a small road network, limits the ability to which you can do things like put cycle lanes in. It makes some roads more difficult to walk on. Is that a constraint on our active travel policies or take-up?

**Deputy De Sausmarez:** No, I do not think so, because it is about using the space that we have available. I completely agree that we have got granite-hemmed roads often and we cannot easily expand them. But you look at places which do expand them, and they do not solve their problems. My brother lives in Canada. They have got something called Highway 401 going through where he lives and I think for decades they have been going, 'Ah, we will just add another couple of lanes, that will fix it.' No! Everything just gets worse.

So even if we had more space available, I do not think it would have solved the problems that people assume it would solve. I think the way we need to look at it is how do we use the space available to us most efficiently. And I think there are quite creative solutions; we work with Jersey and their active travel. So again this comes back to the Island-appropriate solutions. We cannot just lift solutions from an American city, necessarily, and expect it to work, because that might not be an Island or Guernsey-appropriate solution. But it is really helpful talking with Jersey, because they have got very similar infrastructure, and coming up with some more creative solutions.

I will just give one practical example, if you like. One of the barriers to people walking is that they feel as though it is not safe enough and we have got lots of lanes, especially out of town, which do not have any pavement at all – they are just a lane. Those in particular we often get complaints, especially when they are near schools, that people do not feel safe walking along them because as far as people behind the wheel of a vehicle are concerned, it is their domain. They are in a vehicle and other people are in infringing on that. That is a subconscious and quite understandable reaction.

So people do not always feel very safe. But there may not, as you say, be enough space to put in a formal footpath. So if it is not heavy traffic, if there is not a lot of vehicle movements going through, one quite neat solution that Jersey put in place is poles, which are spaced far enough apart that a vehicle can pull in, but they cannot do the equivalent of pavement surf along it. So it still protects some space, demarks and protects some space for people walking, without compromising, necessarily, certainly their safety, but also the movement of vehicles in either direction. So that can work well under some circumstances.

That is an example of an Island-appropriate intervention that we can maybe look to see whether it would be appropriate in some places here.

**Deputy Matthews:** Yes, but I think it affects things like cycling as well. I think it is harder on the Island, on the narrow roads. I am not talking about adding lanes, I was talking more about having cycle lanes than adding traffic lanes.

**Deputy De Sausmarez:** Yes, but again, when we think about people riding bikes we know, because we have asked them and they tell us every single time, that one of the biggest barriers to people riding bikes is that they do not like mixing with motor traffic. We have got the space that we have available to us, there are sometimes options to reorganise how we manage that space because, quite often, we do not organise it very well in the first place and I will use Baubigny as an example.

Before the schools were put there, most of those lanes around there were two-way and the idea of a one-way system with contraflows was heavily opposed by the local resident population and interestingly because I think they assumed that it would be less convenient for them if they could not drive in both directions. But actually that scheme went ahead and when you speak to the residents who have lived throughout that, for a long time in that area, now, it is really interesting. Because some admit that they were completely opposed to the idea before it went in, but actually find it an awful lot more convenient now because they are not having to constantly reverse back down a lane because there is another vehicle coming towards them and all this kind of stuff.

So actually, sometimes by using our space more cleverly we can make it more convenient for people driving and safer, more convenient and more attractive for people walking or riding a bike as well.

**Deputy Matthews:** Is that something we could do more of, looking at those sorts of one-way systems or uses of space?

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**Deputy De Sausmarez:** Yes. Certainly, those are all in the mix of considerations and I spoke a little bit earlier in the first half about some mobility planning and network planning and it is exactly that kind of ... I think connectiveness is another really important point. So a safe walking route is only as safe as its least safe link. If there is a really good pavement, or something, all the way from St Martin's to Town but there is a nightmare crossing – as you all know, there are two of them, actually – we know that that puts people off. Because even though most of the journey might be perfectly good, if you have one weak link it is enough to make people feel unsafe and enough to put people off.

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So we know that continuity and that connectiveness is a really important aspect and that is why we look at network planning. It is that connectiveness that really matters.

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**The Chair:** Paul, do you want to ...?

**Mr Luxon:** Yes, sure. We talked about fragility of oil and gas supply. Food also has come into this equation now and there has been, over the last couple of decades, talk about higher levels of locally grown food, restrictions and objections from local food retailers that want standardised and all the rest of it. But do you think that there is scope for your Committee to ... or your Committee's view, I suppose, on the encouragement of higher levels of locally grown food, with or without subsidy, with or without practical support or facilitation, perhaps?

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**Deputy De Sausmarez:** Yes. I am going to speak a little bit prematurely, because this is an issue that we will be reviewing over the course of the year. So I am really now speaking from my personal perspective and not necessarily speaking for the Committee on this. But I do not think anyone would argue that it would not be a good thing for us to be more resilient, to have more locally grown produce.

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I think there are wins across the board with that, in terms of the nutritional value of the food, in terms of the food miles, the environmental considerations and of course in terms of the local economy. And most importantly in terms of that sort of resilience: the more food we can grow the more resilience we can build into our own system.

1340

However, I think it is also important to look at this again from a maybe slightly broader perspective because, as an Island, I do not believe that we have been self-sufficient for food for many centuries. So I think we do have to be quite realistic about what we mean by ... It is a bit like energy independence. If you are being purist about it, there is no such thing, but we can certainly become more energy independent and we certainly can become more food independent, if you want to use the same kind of term.

1345

But I think there are certainly lots of benefits. I was just thinking back, there was a fantastic speaker called Dr or Prof. Dave Goulson who the Pollinator Project brought over a few years ago, and he in one of his presentations pointed out that actually allotments tended to be far more productive than commercially farmed land.

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So I think when we do look at this, we need to look at it through that broader ... and obviously have a much greater degree of diversity. It is not just the mono-culturalists, it is often the much more diverse mix of produce that can be grown. So I do hope that when we look at it we will look at it from that slightly more rounded perspective.

But yes, I think certainly no one is going to argue with the overall aim that it would be great to have more locally grown food, it is just, as you say, a range of considerations around how that might practically be achieved, to what end and what the potential trade-offs are.

1355

**Deputy Matthews:** Thank you.

1360 **The Chair:** Right. We are just coming towards the end, so just to wrap up, are you content with the current operation of the bus contract?

**Deputy De Sausmarez:** Ah! The bus contract was actually the source of some substantial savings for E&I when it was last negotiated – I think a saving of £300,000 compared to what it would have been otherwise. So I think, certainly, the negotiation of the contract has been successful.

1365 I would say, with respect to the bus service generally, though – touching back on a theme that we explored in some detail in terms of staff resources earlier – is the main challenge at the moment with the bus service is drivers. So it is well known that we do not have as many drivers as we would like, or CT Plus do not have as many drivers as they would like, and we are looking at a range of potential options to see what we can do to alleviate that situation.

1370 **The Chair:** But outwith that, which is numerous pressures, I would imagine, bringing to bear on that – you can hang it on the pandemic, having global labour shortages, all sorts of things – outside of that, the rest of the operation of the bus service, are numbers rising?

1375 **Deputy De Sausmarez:** Yes, absolutely. We saw, up until COVID obviously, year-on-year increases to record-breaking levels. So in 2019, which was the last non-pandemic affected year, was record passenger numbers in modern history, just shy of, and possibly in real terms over, two million passenger journeys in a year, which was phenomenal.

1380 I think the one thing with bus policy is that it helps to be consistent. That is how you build. You do not gain passenger numbers by chopping and changing routes the whole time. So we are always quite careful to ensure as great a degree of reliability as we can, which is why we are keen to address or ameliorate, support the situation with the drivers at the moment because that is obviously impacting on the reliability, the provision of the service. So it is having an impact on what routes can be run on particular days etc., but yes, there has been a bit of a perfect storm of factors contributing to that. But we are keen to address as many that are within our control as possible.

1385 **The Chair:** Just finally, then, what progress is being made towards an electric fleet, if any?

1390 **Deputy De Sausmarez:** I think Damon might have more of an update. You may be aware that we are in the third phase of the bus fleet replacement programme. Up until that point, very frustratingly, and you know I lay on the tracks on this issue in the previous political term, there was not, up until recently, a bus that met all three of our key criteria, which was specifically Guernsey's specific criteria. Which were: width – obviously we need unusually narrow buses to fit down our roads; capacity, in that we do have actually quite a high level of passenger numbers, especially at certain peak times; and range, in terms of electric, because we are quite hilly as well, so that impacts our range.

1395 Up until this political term, there really were not any vehicles. There were loads that met one, there were quite a few that met two, but there were no vehicles that met all three of those key criteria. I am happy to say that technology has evolved and there now do appear to be models that do meet those criteria on the general marketplace. In fact, we brought one such model over to trial, give it an actual road test and threaten it with granite rash and all the rest of it. We were lucky enough to have a trip on that and it was a very comfortable ride.

1400 So the procurement process ... at policy level we obviously do not get involved in the operational detail. We are not directly involved in that procurement process. I do not know whether Damon has an update on that side of things, but I understand, certainly the last time you checked in, it was progressing.

1405 **Mr Hackley:** Yes, it is progressing well. We are of course testing that the product that we could potentially purchase is the same as the one that we saw in Guernsey, because sometimes you get a

better product to be demonstrated. So we are going through that process to make sure that the product is as good as it appeared. But no, that process is under way, phase three of the contract.

**The Chair:** Thank you.

1415 That concludes our questions and thank you to all the witnesses for attending and increasing the public understanding of the work that your Committee does. Thank you to the Members and the media for attending and those Members watching on the livestream.

1420 Scrutiny undertakes regular public hearings with all of the Principal Committees and others to increase public understanding of key areas of Government policy. The next hearing will be on 26<sup>th</sup> April with the Development & Planning Authority. The hearing is now closed.

Thank you.

*The Committee adjourned at 12.03 p.m.*