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**POLICY COUNCIL – STATES STRATEGIC
PLAN 2010-2015**

B I L L E T D ' É T A T

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I have the honour to inform you that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE**, on **WEDNESDAY**, the **29th SEPTEMBER, 2010**, immediately after the meeting of the States of Election already convened for that day, to consider the item contained in this Billet d'État which has been submitted for debate.

G. R. ROWLAND
Bailiff and Presiding Officer

The Royal Court House
Guernsey
20 August 2010

POLICY COUNCIL

STATES STRATEGIC PLAN 2010-2015

Foreword from the Chairman of the States Strategic Plan Team

In October last year the Policy Council presented Guernsey's first States Strategic Plan (SSP) to the States. The plan superseded the Government Business Plan which had been developed during the 2004-2008 States term as a first attempt to generate a stronger sense of direction within Guernsey's government. This is the first annual review of the new plan.

The SSP brings together policy planning (what the majority of States Members wish to achieve), with financial planning (the management of public money to make those things happen). Like all effective plans, the SSP is the expression of a continuous process of planning, action and review.

Although the SSP is a Policy Council document, the work of producing it is largely carried out by a seven member team five of whom are not Ministers. These States Members serve for a period and are then replaced by others on a rotational basis. This helps to refresh the Team's thinking and keep it in touch with a cross-section of political views. I think everyone in the team finds the work an interesting challenge and I am very grateful for the support I receive.

The Policy Council and SSP Team's task this year has been to further develop the plan and to review/update information about elements of the plan that were put in place last October. The full structure of the plan is still under development and while this report reflects the improvements that are being made, the SSP remains a work in progress.

Overall, the SSP attempts to provide the States with a comprehensive context in which to make decisions. Increasingly, there are difficult choices to be made about directing the use of limited public resources to meet the most important government priorities. As the Plan matures and becomes embedded in the way the States work it should help to make government better focused, cost-effective and accountable to the public.

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2. EXECUTIVE SUMMARY

- 2.1 The purpose of the States is to promote the well-being of the people of Guernsey. This will be achieved if the States ensures that the Island provides the conditions for a vibrant economy in Guernsey, which can in turn fund good quality and appropriate public services. Determining what services are to be provided, and to what standard, lies at the heart of politics, and will be resolved by the States as a whole in an evolving process. But it is essential that those public services are provided as cost-effectively as possible to ensure that the people in Guernsey receive the maximum benefit from the resources employed by the States.
- 2.2 The first States Strategic Plan (SSP) (2009-2014) was approved by the States in October 2009 and replaced the former Government Business Plan. This is the first annual review of the SSP which moves the planning horizon forward to 2015. The SSP continues to be developed alongside the Financial Transformation Programme as a means to co-ordinate policy direction, to provide a financial framework for policy development and to reinforce political accountability for policy delivery. Although the term 'joined up thinking' has become a cliché over recent years, this principle of co-ordinated government is the philosophy behind the SSP.
- 2.3 The background to the preparation of this plan review has been one of continuing positive engagement internationally to maintain and enhance the Island's standing within the global community as a crucial requirement to sustain a successful local economy and safeguard local interests.
- 2.4 The economic climate has continued to be testing during 2010 and although Guernsey's economy has performed relatively well, the review of corporate tax is yet to reach a final outcome and the establishment of a competitive regime will be key to the future stability of financial services and the local economy generally.
- 2.5 The format of the SSP remains broadly similar to last year with a main report that focuses on corporate objectives and policy development; financial and business planning and the prioritisation of proposals to fund New Service Developments (in 2011). The SSP Team and the Policy Council have, however, taken on board the concerns expressed by some States Members that the SSP last year concentrated too much on financial planning and needed to be rebalanced. This concern is addressed in the section on Policy Development which includes proposals that States Members be consulted during the autumn about the degree to which departmental policy should be part of the SSP in future.
- 2.6 The main body of the plan also refers to the SSP's rôle in supporting better levels of governance within the States organisation; to the system that the Policy Council is in the process of introducing to improve the prioritisation of new legislation and to the continuing development of Key Performance Indicators to assess the effectiveness of government policy.

- 2.7 The appendices to the SSP include summaries of States Department and Committee Operational Plans; the Fiscal and Economic, Social and Environmental Policy Plans and updates of the development of Island Resource Plans for Population Management; Energy; Strategic Land Use and Island Infrastructure. Together these provide the medium to long-term policy background to the SSP. Appendix 1 provides an outline timetable for the SSP process in 2010-2011 which illustrates the cyclical nature of planning and review.
- 2.8 Last year, the SSP emphasised the need for tight constraint on expenditure to enable the States to eliminate the structural budget deficit and return to a balanced budget. Section 5 explains the need to continue this approach and to comply with the States' adoption of a real term freeze on aggregate States revenue expenditure. States finances remain vulnerable to any increase in revenue expenditure.
- 2.9 A major aspect of the SSP this year is an explanation in Section 5 of the rationale that has been developed to help the States to make well-founded decisions about the use of efficiency savings, achieved through the Financial Transformation Programme, to fund new service developments. The list of proposals being recommended by the Policy Council for funding in 2011 on the basis of this rationale is provided. The prioritisation process will be further improved next year with the benefit of feedback from States Members, Departments, Committees and Policy Groups.
- 2.10 The States agreement in July to introduce a new States rule of procedure to support corporate prioritisation and deter new service developments being proposed which would alter taxation or increase expenditure unless the source of funding is indicated and an explanation provided of any effect on the States Fiscal and Economic Plan will further ensure the integrity of the SSP.

3. **INTRODUCTON**

The Bailiwick of Guernsey

- 3.1 The Bailiwick of Guernsey consists of the islands of Guernsey, Alderney, Sark and Herm. Sark is self-governing; Alderney is partly so but forms part of Guernsey for income tax purposes. Herm belongs to the States of Guernsey but is managed by leaseholders.
- 3.2 Although parts of the SSP are of relevance to Alderney (particularly those related to "transferred services"), the Plan is mainly concerned with Guernsey itself.

The States Strategic Plan in context

- 3.3 The States Strategic Plan is a tool to enable the States to decide what they want to achieve over the medium to long term and how they will allocate limited public resources to fulfil those objectives.

3.4 Last year's plan highlighted the challenge of managing government decision making, *"It entails multiple goals, complex policy and legal considerations, many different stakeholders often with competing claims on resources, political pressures and high expectations of transparency and public accountability"*.

3.5 The format of this first annual review of the SSP remains similar to the way the plan was presented last year in having a concise main report with a set of more detailed appendices.

- **The main report** this year includes a section on possible changes to the SSP to highlight the importance of the departmental rôle. It also updates States Members on measures being introduced by the Policy Council to improve the management of the States legislative programme.

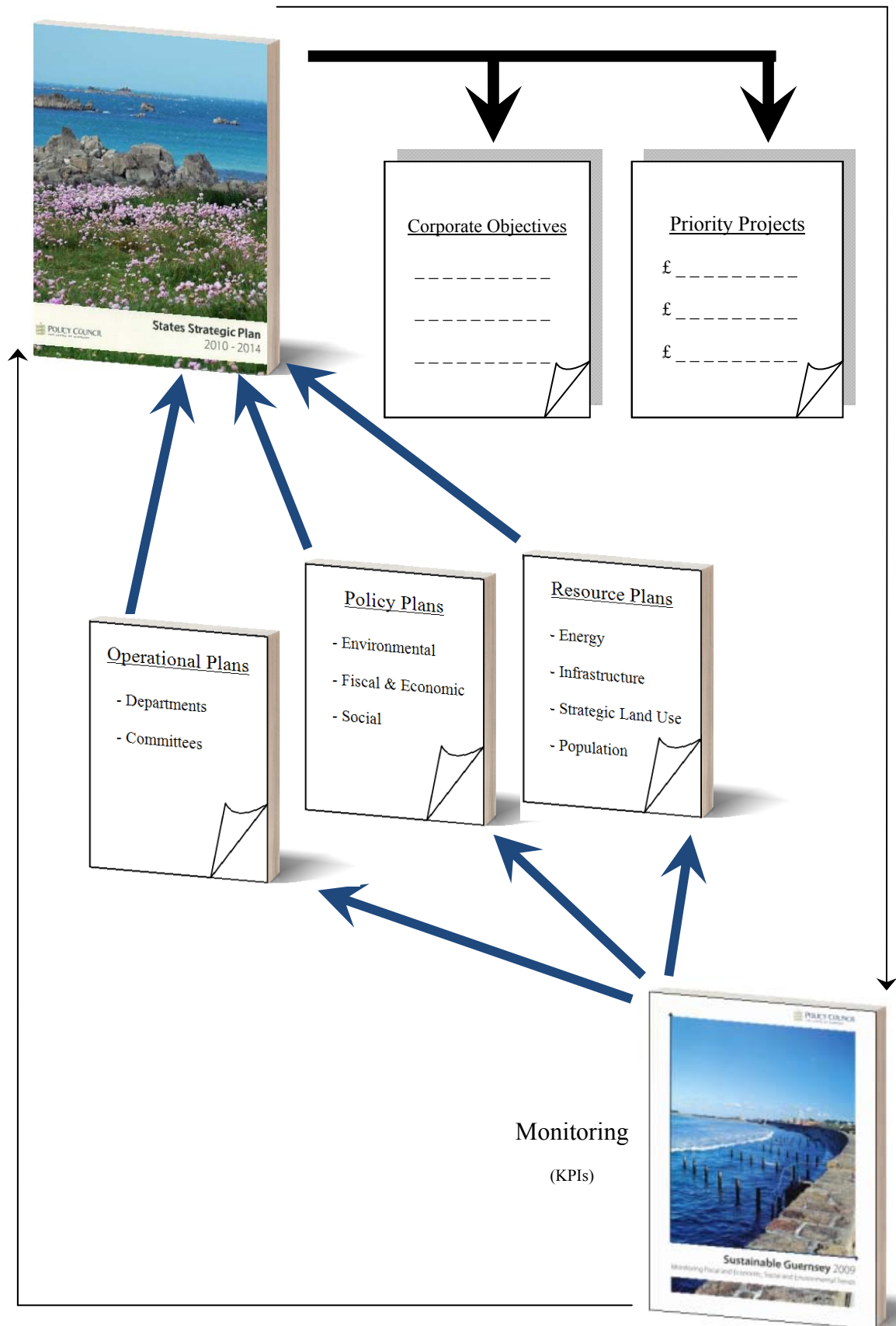
The report sets out the States current objectives and explains how the priorities for spending on new service developments in 2011 have been determined.

- **The appendices to the report** summarise the States Department and Committee Operational Plans; provide updates on the Strategic Policy Plans (Fiscal and Economic, Social and Environmental); and the Island Resource Plans (Population Management, Energy, Strategic Land Use, and Island Infrastructure) and update the Strategic Key Performance Indicators that were put in place last year.

Both the main report and the appendices are open for debate.

3.6 The illustration on the following page provides a very simple graphic description of the States Strategic Plan at this point in its development:-

- The States Departments' and Committees' Operational Plans; the Strategic Policy Plans and the Island Resource Plans are shown providing input to the annual SSP report.
- The main outputs of the SSP are the setting of corporate objectives and the determination of priority projects/new service developments for funding in the coming year.
- The outcomes being achieved through States policy to meet corporate objectives are then monitored and reported in the 'Sustainable Guernsey' report each year. This continuous feedback loop as information builds up over time, will enable the States to assess where policy appears to be proving effective and where it may be failing. Policy review can then follow.



What are the States objectives?

- 3.7 The following statement consists of an overarching statement of government aims supported by the principal objectives of the Fiscal and Economic, Social Policy and Environmental Policy Plans as approved by the States in mid-July 2009 and updated this year.

THE STATES OBJECTIVES

The government of Guernsey aims to improve the quality of life of Islanders and to secure our economic future while protecting the Island's natural environment, unique cultural identity and rich heritage. It recognises that this requires:

- Maintenance and enhancement of Guernsey's standing in the global community
- Wise long-term management of Island resources
- Co-ordinated and cost-effective delivery of public services
- Sustainable economic growth and effective public services without increasing the population to the detriment of our environment and way of life
- Improved awareness of the culture and identity of Guernsey

Fiscal and Economic Objectives (see Appendix 2 – Fiscal and Economic Plan)

- Long run fiscal balance: spending within constraints of the Fiscal Framework
- Real term freeze on aggregate States revenue expenditure
- Continuing OECD Tier One Status
- Average economic growth of 2% or more per annum
- Stable and low inflation: RPIX 3.0%
- Continuing full employment
- Skilled, flexible labour market

- Diversified, broadly balanced economy
- Well regulated, competitive domestic markets
- Modern key strategic infrastructure, public investment averaging 3% of GDP

Social Policy Objectives (see Appendix 2 – Social Policy Plan)

- Foster an inclusive and caring society which supports communities, families and individuals
- Assist people to help themselves and become independent where possible, by encouraging personal responsibility
- Promote active and engaged citizenship
- Promote, and remove barriers to, social inclusion and social justice
- Meet welfare needs and reduce poverty
- Improve housing availability, quality and affordability
- Maintain a healthy society and safeguard vulnerable people
- Maintain the Bailiwick as a safe and secure place to live
- Promote equality of educational opportunity
- Encourage all who need, or are able, to work to find employment

Environmental Policy Objectives (see Appendix 2 – Environmental Policy Plan)

- Reduce our carbon footprint and adapt to climate change
- Protect our biodiversity and countryside
- Manage our solid and liquid waste
- Conserve energy and switch to cleaner fuels.

3.8 The above Statement of Objectives supersedes the '15 States priorities' that were part of the former Government Business Plan in the States 2004-2008 term.

Proposed amendments to the Statement of Objectives

- 3.9 The Social Policy Plan update (see Appendix 2) includes a recommendation from the **Social Policy Group** to insert the word equality so that the fourth Social Policy Objective reads “Promote, and remove barriers to, *equality*, social inclusion and social justice”.
- 3.10 The policy group’s reason for proposing this change is to make clear that the objective is not only about social inclusion and social justice. It is also about equality of opportunity and equality of access to public services (eg equality of educational opportunity and action to address health inequalities). The key words, however, are “Promote and remove barriers to”; the Social Policy Group is not claiming that the States, or any government, is able to make all its citizens equal only that policies should embody the aspiration to treat people equally and help them to overcome disadvantage.
- 3.11 The Social Policy Group has also introduced two amendments to support the principal objectives of the Social Policy Plan (see plan summary, Appendix 2). One incorporates the successful amendment that was proposed by Deputy Peter Gillson last year; ‘include a duty of individuals to take personal responsibility to the fullest extent possible for the welfare and actions of themselves and their children’. The other is to ‘Promote awareness of entitlement to services and benefits and explain departmental processes and rights of appeal to service users’.
- 3.12 The **Environmental Policy Group** was also asked to review the Environmental Objectives that are included in the Statement of States Objectives. It is recommended that the statement be amended to include as a fifth bullet point: “To promote sustainable practices” which is a principal objective of the Environmental Plan.
- 3.13 The Environmental Plan objective to maintain Guernsey’s unique identity and heritage is already incorporated into the over-arching objective to the statement of States Objectives and is, therefore, not repeated as a separate Environmental Objective.

New States Rules of Procedure relating to the SSP

- 3.14 Last year, when the first prioritised list for funding new service developments was presented to the States through the SSP, the report said it was likely that new rules of procedure would be required to help the States to maintain self-discipline in such matters. In accordance with the Policy Council’s recommendation, the States directed the States Assembly and Constitution Committee to consult with the Policy Council to review the rules of procedure for publication, amendment and debate of future States Reports/Requêtes affecting the SSP, and the SSP report itself, and to report to the States with recommendations no later than 30th April 2010.

- 3.15 When the SACC reported to the States in April it recommended an increase in the period of notice for amendments and sursis to the SSP but no other changes. In a letter of comment appended to the report the Policy Council said that, in its view, the increase in notice period alone would be insufficient to maintain the integrity of the SSP:

“All Departments and Committees have a stake in the fair and open allocation of annual efficiency savings achieved through the Financial Transformation Programme to pay for New Service Developments. At the time of writing the SSP Team is about to consult with all States Members on a detailed rationale to be applied to determine the relative priorities to be attached to New Service Development bids to arrive at a system that commands majority support. A process which enables individual bids to ‘jump the queue’ via a report, amendment or requête without any requirement to reconcile that action with the reasoned prioritisation of spending that has been agreed by the States, at the very least, severely undermines efforts to improve standards of governance and to avoid unaffordable increases in aggregate expenditure which would be contrary to the position that the States has taken towards achieving a balanced budget.”

- 3.16 The Chief Minister proposed the following amendment seconded by the SSP Chairman which received States approval:

“To direct the States Assembly and Constitution Committee to formulate, and to lay before the July 2010 meeting of the States of Deliberation, such further change(s) to the Rules of Procedure of the States of Deliberation as may be necessary to ensure that any proposition which, if approved, may result in increased States expenditure must be so worded as to either:

- a) identify how such increased expenditure is to be funded, and expressly amend the States Strategic Plan accordingly; or*
- b) take effect only if and when a subsequent States Resolution shall have identified how such increased expenditure is to be funded, and expressly amended the States Strategic Plan accordingly.”.*

- 3.17 The SACC returned to the States in July with a report setting out alternative proposals: a rule to comply with the April resolution and an option, preferred by the Committee, to require that:

“Any decision to approve a proposition which may have the effect of increasing revenue expenditure but which does not incorporate –

- (i) an estimate of that increase in expenditure;*

- (ii) *an indication of how such increase could be funded; and*
- (iii) *an explanation of any effect on the States Fiscal and Economic Policy Plan*

shall take effect only if and when a subsequent proposition which complies with (i); (ii) and (iii) above has been carried.”

The SSP Team was content to support the SACC’s preferred option which was approved by the States. It presents a proportionate way of maintaining the integrity of the SSP and enabling the States to consider proposals very carefully in the knowledge of their financial implications.

The context in which this plan review has been prepared

External relations

- 3.18 Guernsey’s domestic success is dependent on its ability to engage and trade with the rest of the world. At present this engagement happens at both executive and political level on an ongoing basis. By the deployment of resources in London, Brussels and Washington, the island has developed and is actively implementing, strategies with the objective of maintaining and enhancing the Island’s standing within the global community, to preserve the Island’s reputation, and to respond to global developments.
- 3.19 The world is changing rapidly in response to the global financial situation, and this is as true of politics as it is of economics. As a result it is increasingly important that Guernsey constructively engages with its neighbours and trading partners. In response to this the Policy Council, through the External Relations Group (ERG) has continued to strengthen relationships within the islands of the Bailiwick, with Jersey and the UK. It has also developed relationships with the EU, US and relevant international bodies such as the OECD. Direct engagement is necessary to ensure that Guernsey’s views are heard and its position understood. As a result of this, and aligned with the New Service Development Bid made in 2009 for External Relations Activity in the EU, an office is being established in Brussels as a joint venture with the States of Jersey.
- 3.20 There are many recent examples of the Island being under the spotlight. Significant developments over the past year include the publication of HM Treasury’s “Final report of the independent Review of British offshore financial centres” (the “Foot Review”) in October 2009; and the publication of the *Crown Dependencies*, a report by the House of Commons Justice Select Committee in March 2010. In addition to this, the IMF has conducted on island assessments into the standard of the Anti Money Laundering and Countering the Financing of Terrorism regimes and the Council of Europe’s Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment (CPT) has been

assessing compliance with this international convention which has been extended to the Bailiwick. The Global Forum, in conjunction with the OECD secretariat, has commenced a review of Guernsey under its peer review process (this is the first of two reviews that will take place over three years on standards of tax transparency and will include the monitoring and review of progress made towards full and effective exchange of tax information). External scrutiny such as the above is now standard international practice and it is essential that Guernsey maintains high standards and is acknowledged as being a cooperative jurisdiction on the world stage.

- 3.21 The success of the strategic engagement undertaken in Whitehall and Westminster is highlighted by the positive working relationships that the Policy Council has with members of the new UK Government as well as the Select Committees that scrutinise Whitehall policy. This has enabled the ERG to adapt to the changing UK political situation effectively.
- 3.22 The development of the relationships with the UK and its devolved administrations was very effectively shown with the success of the British-Irish Council summit in Guernsey in June 2010. This served to further develop relationships at political and official level. Although much of the ERG's focus is far afield, the Group's constitutional relationship with Alderney and Sark is not forgotten and maintaining relationships with the other Crown Dependencies remains of vital importance.

The economy and fiscal position

- 3.23 The economic climate remains testing during 2010. Whilst growth may have resumed in most major Western Economies, close to home there remain concerns for the potential for UK and many EU countries to 'double' dip into recession as governments cut spending and raise taxes to repair their fiscal positions. Compounding the macroeconomic uncertainty is the concern that the regulatory reaction to the financial crisis could do as much harm as good to the economy. Regulatory changes in the EU are an ever present risk.
- 3.24 Whilst Guernsey's economic performance was strong in relative terms, it did experience a mild contraction in 2009 after a heady 2008 performance. This led to ETI revenues coming in under budget (although increased revenues elsewhere mitigated the impact). 2010 is proving to be another year of global uncertainty and current forecasts are that the Guernsey economy may 'stand still' during 2010 or experience marginal growth. However, the current performance of the labour market suggests another (very marginal) contraction is a possibility.
- 3.25 The corporate tax reviews taking place across the three Crown Dependencies create a short term challenge for business in the three jurisdictions. Guernsey has set out clear objectives that any revised regime must meet in numerous public statements, including the technical consultation document published on 21st June: in particular the non-negotiable requirement that any revised regime

must be internationally competitive. The certainty that these statements have provided has been reassuring to business but until it is possible to provide a clear statement on the ‘direction of travel’ for the corporate tax regime in Guernsey, and also on any associated timing, some financial services business may be deterred from locating on the island (this situation is the same for all three Crown Dependencies). Whilst any revisions to the regime may increase revenues, this is not a fundamental objective of the corporate tax review. It is most likely therefore that a structural deficit will remain (although the size of this cannot at this present moment in time be estimated until there is greater clarity).

- 3.26 That States expenditures grew by some seven percent in real terms during 2009 is, against this backdrop particularly, a cause for concern. The expected structural deficit from the zero/10 reforms is anticipated to manifest itself in this year’s fiscal performance. The Treasury and Resources Department’s present estimate of the overall deficit for 2010 is £39.1m (see Section 5). The necessity for expenditure restraint is thus of paramount importance.

4. POLICY DEVELOPMENT

States Members’ Concerns

- 4.1 As explained in the introduction to this report, the States Strategic Plan is a tool to enable the States to debate and agree medium and long-term government objectives and to allocate limited public resources to meet those objectives.
- 4.2 In a system of ‘government by committees’ without party affiliations and manifestoes, the SSP is a way of determining majority support for government policies and then prioritising public spending accordingly.
- 4.3 Last year, a major element of the first SSP involved the prioritisation of spending on New Service Developments. One outcome of the States debate in October 2009 was to commit the Policy Council to develop a clear rationale to underpin this process in 2010.
- 4.4 The way the Policy Council has carried out this task, advised by the SSP Team, is described in detail in Section 5 but the process of consulting with States Members about the rationale also highlighted some Members’ concerns about the overall balance between policy and resource allocation in the SSP.
- 4.5 The Executive summary to the 2009 SSP said that:

“This first States Strategic Plan therefore represents a real breakthrough in the integration of policy and financial planning at a crucial time for Guernsey and the Bailiwick. The main report is essentially a business plan and the emphasis on financial matters reflects this, but it is supported by summaries of States Department and Committee

Operational Plans, Strategic Policy Plans and Island Resource strategies that together represent the longer term thinking behind the short term tactical plan.”

- 4.6 The Strategic Policy Plans for Fiscal and Economic, Social and Environmental Policy had previously been debated in full and approved by the States in July 2009 ahead of the September debate on the SSP itself.
- 4.7 Nonetheless, it became apparent to the SSP Team in talking to States Members in Spring 2010 that some felt strongly that the SSP was too focused on financial matters and paid too little attention to the way policy is developed. In addition, it was noted that while the States as a corporate body debates the Strategic Policy and Resource Plans and is provided with the *Operational Plan* summaries of States Departments through the SSP process, the States do not have an opportunity to debate policy at a departmental level.
- 4.8 In effect, a ‘layer of thinking’ is not yet adequately represented in the SSP. The plan needs to demonstrate more clearly the link between the States objectives (set out in section 1); departmental objectives and policies; and the New Service Development projects being brought forward for prioritisation.
- 4.9 At present, an aspect of departmental policy may be brought forward for debate as the result of a successful requête but this is essentially a route for reviewing specific policies or topics. Requetes do not provide a mechanism for the regular, structured or comprehensive consideration of department policy or its consistency with objectives endorsed by the States as a corporate body.
- 4.10 The SSP Team took on board this criticism of the SSP and organised a meeting for all States Members in June 2010 to explore ways of improving the plan. The meeting was both well-attended and constructive and notes of the discussion were subsequently provided to all Members recording the opinions expressed.
- 4.11 A variety of views was voiced for and against the proposition that the States as a whole should have an opportunity to consider policy at department level. Some favoured the idea in principle and thought it warranted further investigation but Members generally were very conscious of the potential pitfalls. The concerns and reservations expressed included the following:
 - The States as a corporate body should only consider the consistency of department policy with corporate objectives and the broad direction being taken not the detail of policy which should be firmly left to departments.
 - The degree to which States Members should be able to intervene in the work of States Departments needs to be carefully judged to avoid adverse impacts. It is important for the pros and cons of current policy to be fully understood and for the potential impacts of change to be considered before the States reaches a view.

- The manner and timetabling of debates about department policy need to be practicable or the process could absorb a huge amount of States time.
- The forms of resolution appropriate to a debate about departmental policy should be carefully prescribed and almost certainly enshrined in States rules of procedure.

4.12 It was noted at the States Member meeting that the matter would be fully aired in this year's review of the SSP so that there could be a formal debate and resolutions.

Options for improving the policymaking process

4.13 At the June meeting, States Members expressed a variety of ideas for enabling the States as a corporate body to consider departmental policy. These included views that:

- The States should debate a department's overall policy direction but leave more detailed matters to the board concerned.
- It would be helpful for departments to explain the difficult choices they were having to make in deciding the range and level of services to provide (for example, in health provision). This would assist States and public understanding.
- There should be a cycle of debates each year perhaps involving a policy debate focused on one department each month.
- Base budgets (if not zero budgeting) should be established for each department before any process for debating department policy was established.
- In future, a department's programme for making the most of its allocated budget should be debated. A department could also identify what it would do with an additional allocation and what it would do to make savings if its budget was cut.

4.14 Having considered Members' opinions, the States Strategic Plan Team has tried to identify a practical way forward that would be likely to receive majority support in the States and has presented its views to the Policy Council.

Recommended approach

4.15 The Policy Council considers that States' involvement in departmental policy will only have a constructive outcome if the States are prepared to accept that:

- Lengthy examinations of departmental policies could absorb a lot of the limited time the States has available for debate each month.
- The States need to focus on the broad direction of departmental policy and any really major issues and policy choices facing a department not on detailed policy or operational matters.
- Department mandates must continue to be respected bearing in mind that departmental boards develop substantial knowledge over time in their particular areas of responsibility.
- As a general rule, directing abrupt U turns in policy would be very unwise and would have implications for staffing, budgeting and contracts with suppliers.
- Departmental policy needs to be seen as part of a bigger system or hierarchy of government policy expressed through the States Strategic Plan. It needs to be part of a unified whole with a consistent line of authority from corporate objectives to departmental objectives.

4.16 With these points in mind, the Policy Council would like to hear States Members' views on the following as a possible way forward:

- The annual review of the States Strategic Plan to be debated each September.
- Strategic Policy Plan reviews and Departmental policy debates to be held each year in January, February and March as follows:-
 - **January** - **Fiscal and Economic Policy Plan**
 - Treasury and Resources Policy
 - Commerce and Employment Policy
 - **February** - **Social Policy Plan**
 - Social Security Policy
 - Health and Social Services Policy
 - Education Policy
 - Home Department Policy
 - Housing Policy (also relating to the review cycle of the Corporate Housing Programme)
 - **March** - **Environmental Policy Plan**
 - Environment Department Policy
 - Public Services Policy
 - Culture and Leisure Policy

- 4.17 Clustering debates in this way would be a means of demonstrating that departmental policy accords with corporate objectives as approved by the States in the preceding September. The debate on Social Policy matters would be a major commitment of States' time but it would be difficult to split the debate without hampering the States' ability to look at inter-related social issues in the round. Further consideration needs to be given to the way in which reviews of the four Island Resource Plans, (Population Management; Energy; Strategic Land Use; and Island Infrastructure) might best be timetabled in future to relate to these policy debates.
- 4.18 Depending on the States' response to these very early ideas, the Policy Council proposes to consult further with States Members and with departments and policy groups during the autumn to firm up more detailed proposals for States consideration in 2011 and full implementation in 2012. At this point, Members are being asked to indicate whether there is majority support, in principle only, for the future SSP process to include debates about the broad direction of departmental policy and, if so, to agree that the SSP Team should consult further during 2011 and report back with recommendations in the 2011 SSP review.

5. FINANCIAL AND BUSINESS PLANNING

Update on the Financial Transformation Programme

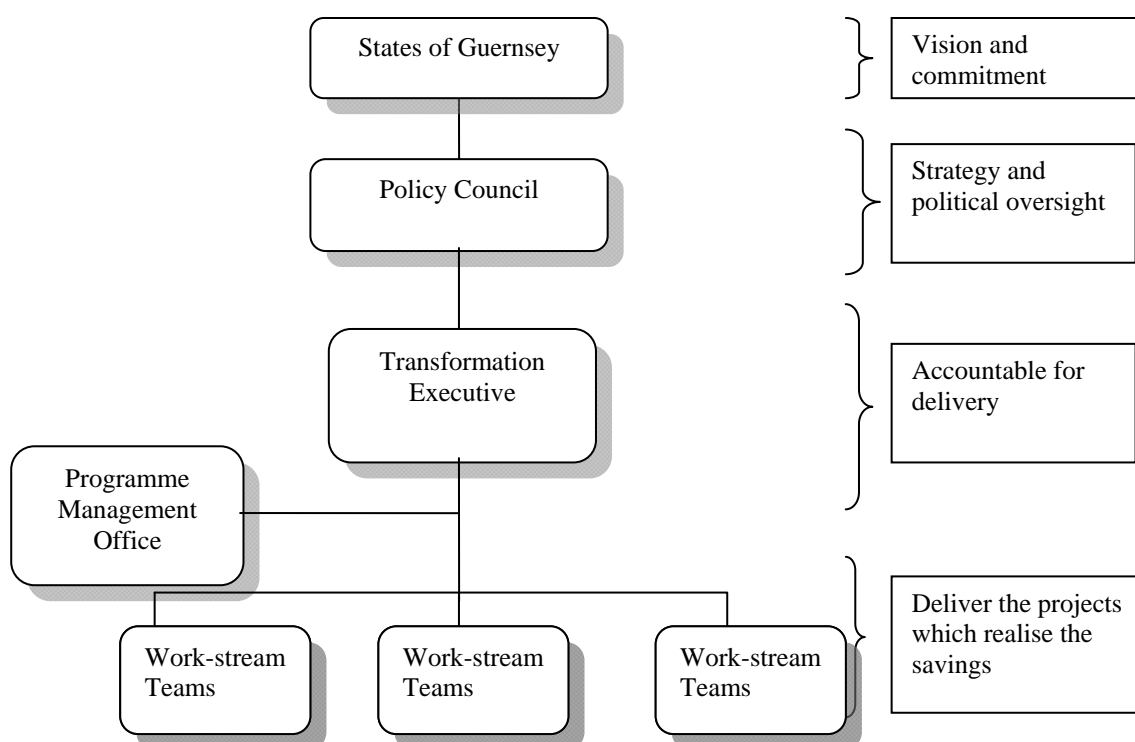
Introduction

- 5.1 The 2008 Budget Report announced the intention of the Treasury and Resources Department to undertake a Fundamental Spending Review (FSR) as part of its commitment to ensuring that public sector expenditure is better controlled and waste and inefficiency reduced.
- 5.2 The Treasury and Resources Department acknowledged the importance of involving Departments in developing the most appropriate framework within which the FSR would be undertaken. In order to deliver the best outcomes it was important that the review was "owned" by all Departments of the States and viewed as a necessary corporate measure. To this end, the Department initially commissioned a framework for the FSR, which was constructed with input from all Departments, and aimed to shape the key objectives and the intended outputs.
- 5.3 Once the framework was finalised, this was used as a basis for tendering the FSR proper with four key objectives:
1. Departments' spending plans provide for the most efficient and effective delivery of essential services;
 2. Departments' services (including corporate services and initiatives) are prioritised effectively and broadly in accordance with the aspirations of the Government Business Plan (now the SSP);

3. Departments are only engaged in delivering essential services and those services that cannot or should not be provided by the private sector; and
 4. To embed the mindset and approach of the spending review into a cyclical process for the States with a view to ensuring a future legacy.
- 5.4 Tribal Consulting Limited (formerly Tribal Helm Corporation Limited) (“Tribal”) was appointed to carry out the FSR after a competitive tendering process in the autumn of 2008. An initial six week review in early 2009 identified a total of 298 potential opportunities across the States which, if developed, could lead to increased efficiency in the delivery of services either directly or indirectly.
- 5.5 The detailed second phase developed work packages which covered all of the identified opportunities and resulted in Summary Opportunity Reports (“SOR”), or outline business cases, being developed for each opportunity or group of opportunities as appropriate. These SORs covered areas including whether, following further work, an opportunity did in reality exist, the potential cashable and notional benefits of delivery, any delivery costs, the feasibility of delivery and all identified risks. In total 107 SORs were produced.
- 5.6 In October 2009 the States of Deliberation considered the FSR Report and resolved to endorse and support the principal findings and recommendations proposed by Tribal and to direct the Policy Council to establish a Financial Transformation Programme (“FTP”) and adopt the proposed governance structure.
- 5.7 Over the five years from November 2009, the Financial Transformation Programme aims to reduce the States’ baseline revenue budget by at least £31m, or 10%. In the long term, the Programme’s integrated, work-stream approach will embed cultural change, thereby securing an efficient, effective and sustainable public sector for the States.

Structure of FTP

- 5.8 The Programme is being delivered through seven work-streams which manage delivery of all potential opportunities through joint States and Tribal work-stream leads. In addition, a central team coordinates delivery of the Programme. The structure of each project includes the development of detailed business cases, delivery of the project and finally, benefits realisation.
- 5.9 All business cases and other significant decisions are approved by the Transformation Executive and, where appropriate, referred to the Policy Council or the States of Deliberation. The Policy Council oversees the development of the Programme and receives an official programme report on a quarterly basis.



Current Status

- 5.10 Since October 2009 work has commenced on 27 projects within a prioritised programme. These are expected to ultimately deliver net reductions in annual revenue expenditure of over £20million when complete between 2011 and 2013. A further 7 projects are due to start this year.
- 5.11 Of this year's projects the majority are focussed on driving out internal inefficiencies, mostly through the establishment of corporate services across the organisation. These projects have potential revenue savings totalling £11.5million. Examples of projects underway in this category are:
- Development of corporate finance, human resources, information technology, procurement and asset management functions;
 - Improving States energy efficiency and water use;
 - Driving down supplier costs through the use of framework contracts;
 - Providing a better IT communication network with a lower operational cost; and
 - Reduction in the volume of States office space to reduce operational costs.

5.12 There are also 10 ‘enabler’ projects underway without which many of the savings projects would fail to deliver some or all of their benefits. Examples include:

- The States-wide implementation of an upgraded SAP (Systems Applications and Products in data processing) system;
- Introduction of a standard means of assessing investment and service delivery proposals, through robust business cases and objective prioritisation process using multiple, weighted, criteria; and
- Additional financial controls including the rebasing of Departmental budgets.

5.13 The Programme is making good progress in identifying sustainable savings and establishing plans to realise them. The Treasury and Resources Department will give a further update in the 2011 Budget Report which will be debated in December 2010.

Financial Planning

5.14 Building on the work initially undertaken for the States Strategic Plan in 2009, a high level five year financial forecast model has been developed to illustrate the likely position of States finances under three possible scenarios. It is important to note that these are potential outcomes based on probabilistic forecasts and there is no certainty associated with them. In particular, the projections for the later years of the model are increasingly uncertain and based on layers of assumptions.

5.15 The scenarios developed are based on a revised forecast outturn position for 2010 derived with the benefit of six months of actual data. The model relies on a series of fiscal and economic assumptions looking at a range of possible outcomes to return a central base case along with an upside case illustrating a more buoyant economic climate, and a downside case.

Assumptions

5.16 The financial modelling is highly dependent on the assumptions used and those applicable to all three scenarios and specific to the cases are outlined below:

- Inflation

All income and expenditure figures are projected in 2010 cash terms.

- Revenue Income

Revenue income has been modelled based on economic forecasts developed by the Policy Council’s Policy and Research Unit. These are based on forecasts of

GDP adjusted for relevant lead and lag times and of likely rising interest rates.

The central assumption for GDP is for some economic growth to return in 2011 estimated at 1.75% rising over the following years to circa 3.5% per annum at the end of the period.

In the downside case, recovery is more sluggish with no growth in GDP until 2012 and then only at 1%. This rises to 1.5% in subsequent years.

The upside scenario sees growth recovering more strongly with GDP at 3.5% in 2011 and rising to some 5% per annum by the end of the period.

In each case, where revenue growth is correlated to GDP, the tax receipt income is estimated accordingly and forecast revenue income should be considered as a range of possible outcomes.

All models have been projected based on the current corporate tax system and no allowance has been made at this stage for any possible changes to the tax structure as a result of the ongoing review.

- Revenue Expenditure

In line with previous assumptions, a “rebasings” allowance of £2m has been included in Departmental cash limits for 2011 to compensate for the removal of Departmental flexibility to automatically carry forward unspent balances. This is in recognition of the value of recurring expenditure which these unspent balances are currently funding.

Any known real growth, for example the revenue consequences of the capital programme, has been factored in. However, in the base and upside case overall cash limits (including formula led expenditure) have been held in real terms in line with the Fiscal and Economic Plan target. The downside case has revenue expenditure growing in real terms by just 1% per annum.

- Formula Led Expenditure

The large majority of formula led expenditure is for grants to and non contributory benefit payments made by the Social Security Department. Formula led projections have been provided by that Department.

- Efficiency Savings

These are based on the latest estimates provided by the FTP team, which are subject to change, but are the same in all three cases.

- Service Developments

The expenditure on new service developments in 2011 is assumed to be as per the recommended list that follows later in this section of this report.

The amount available to fund developments in 2012 is assumed to be equal to the savings generated through the FTP in accordance with the Resolution approved in the 2009 States Strategic Plan namely *“that all of the savings from the Fundamental Spending Review in the first three years (i.e. 2010-2012 inclusive) of the programme should be made available to fund prioritised service developments through the States Strategic Plan process”*.

The amount available in 2013 and beyond is assumed at 50% of new FTP savings generated in the base and downside case. However, this is restricted to 25% of savings in the upside case.

- Capital Income/Transfer from Ports Holding Account

This income is in line with the models presented in the Treasury and Resources Capital Prioritisation States Report (September 2009) with an annual net surplus of £3m from the Ports Holding Account assumed from 2010 and a further £1.775m from 2011.

- Routine Capital Expenditure

This is assumed to be static over the period.

Forecast Outturn 2010

- 5.17 A revised forecast outturn position has been estimated using data available for the first six months of 2010. This data indicates that:

- ETI

ETI receipts in the second quarter have remained at almost exactly the same level as quarter one at circa £39.8million although quarter two receipts have historically tended to be lower than the first quarter. This leads us to expect a higher than budgeted outturn on this important source of income.

- Other income taxes

It remains difficult to forecast other income tax receipts based on limited historic and in-year information. However, based on tax receipts and assessments in the first six months, we are anticipating Banks, Companies and Individuals to exceed estimates while distributed profits and transitional tax are likely to yield lower receipts.

- Departmental net expenditure

The majority of Departments are forecasting expenditure within agreed cash limits, including the use of budgeted unspent balances. However, the Health and

Social Services Department currently estimates that its expenditure will be some £3m in excess of its allocated cash limit. The anticipated net effect is likely to be in the region of a £1m saving.

- Formula led expenditure

Formula led estimates are currently forecasting a slight variance against the original budget due to higher than anticipated expenditure on Supplementary Benefits being offset by lower contributions leading to lower grants to the Social Security Department's funds.

- 5.18 The overall impact of these adjustments is currently estimated to give an overall net deficit of £39.1million compared to the original budget of £42.1million, an improved position of some £3million.
- 5.19 Further analysis of each of the cases followed and the detailed tables can be found as follows.

The Base Case (Table A)

- 5.20 As outlined above, the revenue income projections in the base case are based on the central forecasts produced by the Policy and Research Unit which sees GDP grow by 1.75% in 2011, and then 2.75% in 2012 and 3.5% in subsequent years and allow for a lag between contraction/growth and any impact on tax receipts.
- 5.21 Net revenue expenditure in this case is modelled to be constrained in real terms, including formula led expenditure, according to the policy in the Fiscal and Economic Plan of a "*real term freeze on aggregate States revenue expenditure*". This assumption differs from the practice adopted in recent years by the Treasury and Resources Department of excluding formula led expenditure from the target. This change in approach has been modelled on the advice of that Department and given the recent real terms growth in formula led expenditure which continues to add to the overall General Revenue deficit. Adopting formula led expenditure as part of the definition of "aggregate States revenue expenditure" will inevitably mean that there is less budget available to distribute to the non formula led expenditure elements if real terms growth persists. However, this approach will force a greater focus on controlling this demand led expenditure.
- 5.22 The base case estimates an overall deficit in 2011, after allowing for appropriations to the Capital Reserve, of over £43million which is only £1million or just under 2.5% worse than the original budget for 2010 and a £4million or 10% deterioration versus the revised forecast outturn. By far the biggest contributor to this worsening position is the anticipated fall in tax receipts due to the lag outlined above. However, the use of all efficiency savings to fund new service developments adds some £2.4million to the deficit.

- 5.23 It should be noted that there is no consideration of any possible budget proposals for increased tax receipts within this model.
- 5.24 The model also demonstrates the un-sustainability of this scenario which would see the Contingency Reserve – Tax Strategy exhausted during 2014.

Optimistic Financial Case (Table B)

- 5.25 The more optimistic assumptions for GDP and its resulting impact on tax receipts are shown in the upside case. In this scenario, the GDP increase in 2011 is 3.5% following some growth in 2010. This results in improved revenue income of some £3.1million over the base case in 2011 which rises to over £6million in 2012 and compounds to an improved position of almost £24million by 2015.
- 5.26 This case also assumes that the States manages to constrain all revenue expenditure (including formula led) within the Fiscal and Economic Plan target of no real growth. Alongside this, a lower amount has been allocated to fund new service developments with the remainder of any FTP generated savings being used to reduce the deficit.
- 5.27 This scenario would see the overall budget returning to a surplus position in 2014 with the allocated balance of the Contingency Reserve – Tax Strategy sufficient to bridge the gap.

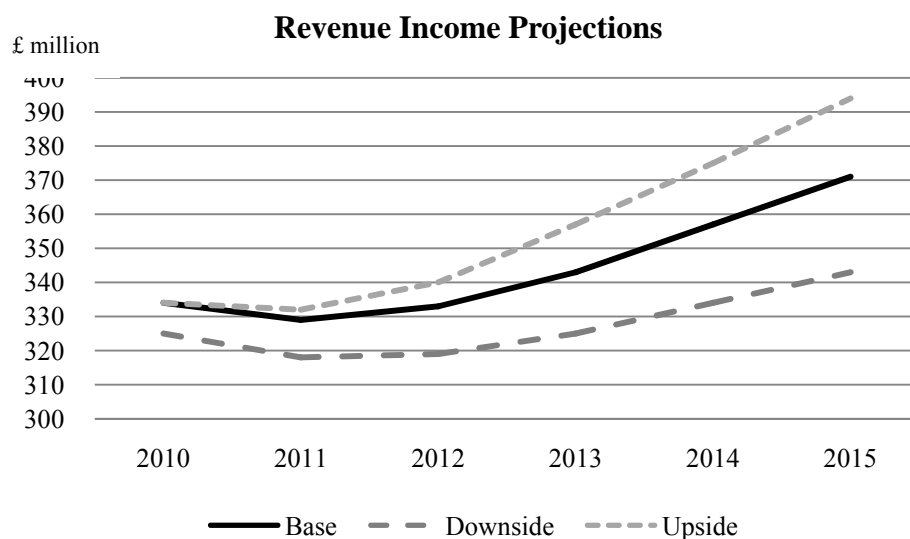
Downside Financial Case (Table C)

- 5.28 The revenue income assumptions on this model reflect economic forecasts of no growth at all until 2012 and then expansion of some 1% rising to 1.5% in later years.
- 5.29 This case also assumes that the States allows revenue expenditure to grow by just 1% in real terms in each year.
- 5.30 The combined impact of these assumptions is that the deficit would grow to some £56million in 2012 and reduce gradually in subsequent years. This would lead to the Contingency Reserve – Tax Strategy being exhausted in 2012 with insufficient balances to cover that year's deficit.

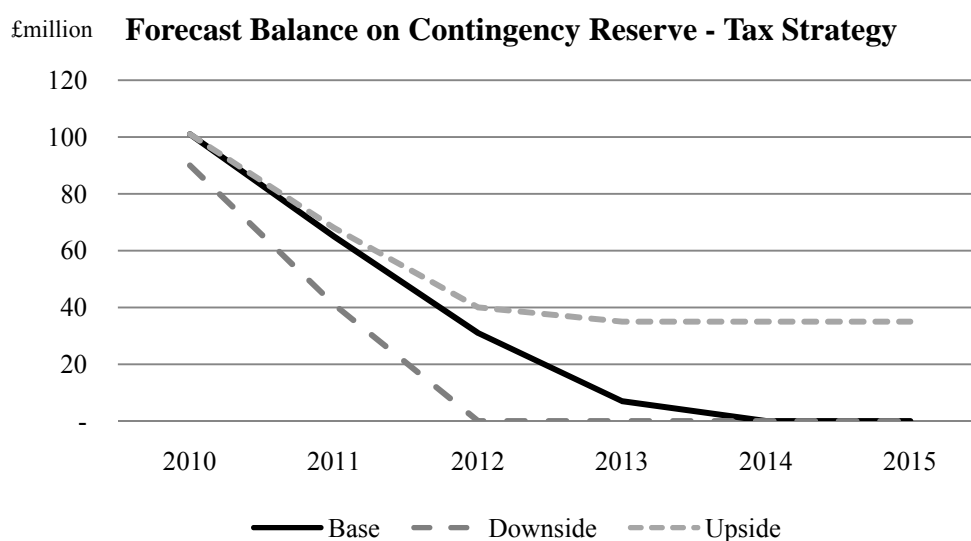
Financial Summary

- 5.31 It is clear that countless financial cases could be modelled based on a combination of the assumptions used above. However, the three cases illustrate very clearly that:
- The financial well being of the States is dependent on a buoyant economy generating growing tax receipts. The chart below shows that,

by 2015, growth or contraction in the economy and therefore tax receipts could impact on revenue income by over £50million;



- Expenditure restraint is vital in the current climate and adherence to the Fiscal and Economic Plan target of no real growth in aggregate revenue expenditure will help support the sustainability of the fiscal position;
- Further restraint in the allocation of efficiency savings to fund new service developments has a significant impact on the ability to manage within the agreed fiscal constraints; and
- The Contingency Reserve – Tax Strategy is likely to be exhausted before the end of 2014 unless some revenue raising measures are taken in the interim as illustrated in the chart below.



- 5.32 There are several key financial risks to the States' fiscal position which have not been factored in to the modelling undertaken but which may have a significant impact on the overall position. These include the ability of the Health and Social Services Department to constrain its expenditure, particularly on the demand led off island care, given recent results and the forecast overspend in 2010. There is also a risk of formula led expenditure increasing at a faster real term rate than illustrated in the models due to the demand led nature of the expenditure and the difficulty this places on controlling spend in these areas. Finally, the triennial valuation of the Superannuation Fund is due to be carried out at the end of 2010, the outcome of which is uncertain. However, this could increase financial pressure if the funding level is found to be inadequate.

Update on the Capital Programme

- 5.33 In June 2009, the States agreed a Capital Programme totalling an estimated £216million to be delivered over the six years to 2015. Many of the projects within the Programme are now underway and some at the advanced planning stages. The majority of these projects will come back to the States once they have progressed through gateway reviews and been to tender to enable detailed costs to be presented and approved.
- 5.34 A review is currently being undertaken by the Treasury and Resources Department of all of the financial assumptions within the Capital Programme model to include updated project costs, likely receipts from property sales and interest and the planned surpluses from the Ports Holding Account. The impact of any changes will be modelled to ensure that the delivery of the Capital Programme within the approved cash flow model remains feasible.

Financial Summary – base case

Table A

Income and Expenditure		2010	2011	2012	2013	2014	2015
Original Budget	Expected Outturn	£'000s	Forecast	Forecast	Forecast	Forecast	Forecast
£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Income							
Income Taxes	265,500	265,500	265,155	274,770	287,513	300,566	
Other Taxes	66,200	66,200	66,995	67,243	67,930	68,808	
Miscellaneous Income	2,257	2,257	1,167	1,221	1,298	1,389	
Revenue Income	333,957	333,957	333,317	343,234	356,741	370,763	
Less Expenditure							
Non Formula-led	(285,700)	(285,700)	(283,861)	(283,652)	(283,376)	(282,921)	
Formula-led	(50,767)	(50,767)	(51,046)	(51,255)	(51,531)	(51,986)	
Revenue consequences of capital programme	-	-	(560)	(560)	(560)	(560)	
			(335,467)	(335,467)	(335,467)	(335,467)	
Budgeted use of Unspent Balances	-	-	-	-	-	-	
Revenue Expenditure	(331,200)	(336,467)	(335,467)	(335,467)	(335,467)	(335,467)	
Revenue (Deficit) / Surplus	(5,500)	(2,510)	(2,150)	7,767	21,274	35,296	
Efficiency Savings	1,753	-	6,754	13,771	21,525	31,972	
New Service Developments	(1,753)	-	(2,279)	(2,279)	(2,279)	(2,279)	
Available for future New Service Developments	-	-	(4,475)	(7,984)	(11,861)	(17,085)	
Revised (Deficit) / Surplus	(5,500)	(2,510)	(2,150)	11,275	28,659	47,904	
Capital Income	2,500	-	2,500	2,500	3,500	-	
Transfer from Ports Holding Account	2,655	2,655	4,775	4,775	4,775	4,775	
Routine Capital Expenditure	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)	
Operating (Deficit) / Surplus	(16,345)	(15,855)	(10,875)	2,550	20,934	36,679	
Appropriation to the Capital Reserve	(25,755)	(23,255)	(27,875)	(27,875)	(28,875)	(25,375)	
Net (Deficit) / Surplus	(42,100)	(39,110)	(38,750)	(25,325)	(7,941)	11,304	
Contingency Reserve (Tax Strategy) balance at year end	100,675		30,506	7,362	-	-	
Unfunded Deficit	-	-	-	-	(382)	-	

Financial Summary – upside case

2010 Original Budget £'000s	2010 Expected Outturn £'000s	Table B			
<u>Income and Expenditure</u>		2011 Forecast £'000s	2012 Forecast £'000s	2013 Forecast £'000s	2015 Forecast £'000s
Income					
Income Taxes	262,006	262,006	270,954	285,494	319,980
Other Taxes	67,411	67,411	67,470	70,532	73,089
Miscellaneous Income	2,630	2,630	1,167	1,221	1,389
Revenue Income	332,047	332,047	339,591	357,247	394,458
Less Expenditure					
Non Formula-led	(284,497)	(284,497)	(283,861)	(283,652)	(282,921)
Formula-led	(50,970)	(50,970)	(51,046)	(51,255)	(51,986)
Revenue consequences of capital programme	-	-	(560)	(560)	(560)
	(335,467)	(335,467)	(335,467)	(335,467)	(335,467)
Budgeted use of Unspent Balances	-	-	-	-	-
Revenue Expenditure	(335,467)	(335,467)	(335,467)	(335,467)	(335,467)
Revenue (Deficit) / Surplus	(3,420)	(3,420)	4,124	21,780	58,991
Efficiency Savings	2,400	2,400	6,754	13,771	21,525
New Service Developments	(2,411)	(2,411)	(2,279)	(2,279)	(2,279)
Available for future New Service Developments	-	-	(4,475)	(6,229)	(10,780)
Revised (Deficit) / Surplus	(3,431)	(3,431)	4,124	27,043	77,904
Capital Income	2,500	2,500	2,500	2,500	3,500
Transfer from Ports Holding Account	4,775	4,775	4,775	4,775	4,775
Routine Capital Expenditure	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)
Operating (Deficit) / Surplus	(12,156)	(12,156)	(4,601)	18,318	66,679
Appropriation to the Capital Reserve	(27,875)	(27,875)	(27,875)	(27,875)	(25,375)
Net (Deficit) / Surplus	(40,031)	(40,031)	(32,476)	(9,557)	41,304
Contingency Reserve (Tax Strategy) balance at year end	100,724	67,702	40,318	34,510	34,510

Financial Summary – downside case

		Table C			
		2011	2012	2013	2015
		Forecast	Forecast	Forecast	Forecast
		£'000s	£'000s	£'000s	£'000s
Income and Expenditure					
Income					
Income Taxes	257,500	248,127	251,182	257,541	274,800
Other Taxes	65,200	67,052	66,421	66,153	66,688
Miscellaneous Income	3,000	2,630	1,167	1,221	1,389
Revenue Income	325,700	317,809	318,770	324,915	342,877
Less Expenditure					
Non Formula-led	(286,700)	(284,700)	(286,987)	(289,856)	(295,683)
Formula-led	(50,500)	(51,007)	(51,120)	(51,366)	(52,173)
Revenue consequences of capital programme	-	-	(560)	(560)	(560)
	(337,200)	(335,707)	(338,667)	(341,782)	(348,416)
Budgeted use of Unspent Balances	6,000	-	-	-	-
Revenue Expenditure	(331,200)	(335,707)	(338,667)	(341,782)	(348,416)
Revenue (Deficit) / Surplus	(5,500)	(17,898)	(19,897)	(16,867)	(5,539)
Efficiency Savings	1,753	2,400	6,754	13,771	21,525
New Service Developments	(1,753)	(2,411)	(2,279)	(2,279)	(2,279)
Available for future New Service Developments	-	-	(4,475)	(7,984)	(11,861)
Revised (Deficit) / Surplus	(5,500)	(17,909)	(19,897)	(13,359)	7,069
Capital Income	2,500	2,500	2,500	2,500	3,500
Transfer from Ports Holding Account	2,655	4,775	4,775	4,775	4,775
Routine Capital Expenditure	(16,000)	(16,000)	(16,000)	(16,000)	(16,000)
Operating (Deficit) / Surplus	(16,345)	(26,634)	(28,622)	(22,084)	(4,156)
Appropriation to the Capital Reserve	(25,755)	(27,875)	(27,875)	(27,875)	(25,375)
Net (Deficit) / Surplus	(42,100)	(54,509)	(56,497)	(49,959)	(29,531)
Contingency Reserve (Tax Strategy) balance at year end	89,659	40,913	-	-	-
Unfunded Deficit	-	-	(13,008)	(49,959)	(29,531)

Prioritising New Service Developments

Background

- 5.35 In 2009 the first SSP report explained the need to prioritise spending on New Service Developments in the following terms:

“In the past the States have considered proposals to develop new public services on a case by case, fragmented basis. Departments have traditionally submitted States Reports as stand alone proposals and the States have had no overall context for comparing the merits of one initiative against others ‘in the pipeline’.

The States have already recognised that this is a very unwise way to manage capital investment and the same logic applies equally to new revenue initiatives where a holistic view of budgetary impact is also required.

When prioritisation is imperative to constrain public spending and correct a structural budget deficit it is obvious that the States have to develop a framework for testing the respective merits of competing projects to get best value for public money.”

- 5.36 As part of their endorsement of the SSP the States resolved specifically that as a general principle, they would only fund new service initiatives in any of the first three years of the Financial Transformation Programme (ie 2010-2012 inclusive) up to the full value of the Fundamental Spending Review savings predicted for the relevant year. It was also resolved that this policy would be reviewed after 2012 as part of the ongoing SSP process.
- 5.37 In 2009 this approach resulted in the allocation of approximately £1.7m projected efficiency savings to fund the following:

	2010 SSP report cost in £'000s	2010 expected cost in £'000s	Ongoing cost in £'000s
Airport firefighter inquiry	250	170	-
Safeguarding vulnerable groups	155	155	250
Improving mental health services	75	75	75
Child and adolescent intensive outreach service	275	275	290
Children and young people's plan	108	98	110
British-Irish Council developments to meet external obligations	125	60	-
External relations initiatives within the EC	200	150	200
Employment of lawyers	365	365	365
Domestic abuse strategy	100	100	100
Drug and alcohol strategy	50	50	50
Disability officer	50	50	50
TOTAL	1,753	1,548	1,490

- 5.38 The States also resolved, in principle, that the Domestic Abuse Strategy should receive further funding no later than 2011 and in 2010 if it emerged that the additional money could be found within the efficiency savings, actually realised.
- 5.39 The SSP report acknowledged that prioritisation had necessarily been carried out in a very pragmatic way. Senior Policy Council and Treasury and Resources Department staff in liaison with Chief Officers, had provided the Policy Council with a list of recommended service developments based on the following criteria:
1. essential for legal reasons;
 2. essential to safeguard Guernsey's international reputation;
 3. cannot be avoided. This category included 'legacy' expenditure arising from decisions already made and implemented.
- 5.40 It was explained, however, that for the 2011 Budget onwards (ie from this year) it was important that a clear rationale for the prioritisation of New Service Developments should be produced and a system for applying this rationale established that has the majority support of States Members. This resulted in a States Resolution directing the Policy Council to undertake this as part of the 2010 SSP process.

Developing a rationale to prioritise spending on new services

- 5.41 Prioritising the use of efficiency savings to fund new services is only one aspect of a broader workstream (entitled 'Multi-criteria Analysis'), being undertaken as part of the Financial Transformation Programme.
- 5.42 Multi-criteria Analysis is a method for evaluating options to meet a set of stated objectives that can take on board both monetary and non-monetary considerations. It differs in this from cost benefit analysis and similar approaches which are more financial in approach. The technique requires:
1. **Clear objectives** for what the process is intended to do.
 2. The identification of **options for achieving the objectives**. In this case, the options are the New Service Development bids which represent competing (for resources) proposals for fulfilling States objectives.
 3. **Criteria for appraising the options (New Service Development bids)**. The criteria need to identify the characteristics of a good choice and bad one in terms of public spending when judged against the specific objectives to be achieved. The chosen criteria as a whole make up the basic performance matrix.

4. **Scores and weightings have to be applied to this performance matrix to turn it into a useful working tool.** Without weightings that allow greater importance to be placed on certain criteria, the system would be too much of a blunt instrument to do a complex job.
- 5.43 Ultimately, this FTP project and allied work on the development of full business cases will provide a single but multi-stage system of prioritisation for all substantial new capital and revenue expenditure that is based on this analytical approach.
- 5.44 The way the SSP Team has managed the relationship between the SSP process and the FTP project has been to treat the prioritisation of New Service Developments in 2010 as a pilot or forerunner for the bigger project. The Multi-criteria Analysis technique has been tailored to meet the requirements of the SSP whilst also being consistent with its application to the subsequent consideration of detailed business cases.
- 5.45 The annual cycle for reviewing the SSP allows for the prioritisation process to be improved year on year with the benefit of experience and feedback from all concerned.
- 5.46 In March 2010 the SSP Team sent out a template and detailed guidance notes to Departments, Committees and Policy Groups enabling them to submit any bids for funding new services for consideration but emphasising that projected efficiency savings would be constrained in the early years of the FTP. The team explained that the rationale for evaluating the bids was still being developed but that it was confident that the provision of information in the form requested would be sufficient to enable a final agreed rationale to be applied.
- 5.47 Once a draft rationale had been prepared it was the subject of consultation meetings with States Members in late March/early April. The final version of the rationale was as follows:

Purpose

The purpose of the prioritisation process is to direct limited public resources to achieve optimum public benefit.

Objectives

See the statement of States Objectives set out in Section 3 of this report.

Criteria

The criteria were grouped in three categories:

1. Support for States' objectives

- a) Proposal advances/is directly aligned with/ links to individual States objectives.

- b) Proposal has priority in the Department's Operational Plan or relevant Policy Plan high/medium or low.
- c) This specific proposal has prior in principle approval of the States yes/no.
- d) The proposal has not already received individual approval of the States but delivers (wholly or partly) a Strategy or Programme previously endorsed by the States yes/no.
- e) The risks of not proceeding as proposed are substantial/minor/no risk.

2. Benefits and options appraisal

- a) Proposal will deliver:
 - substantial and measurable benefits, or
 - minor or un-measurable financial benefits
- b) Proposal will benefit:
 - entire population/substantial sector or age group/small minority of the community
 - proposal will meet acute need/will be of substantial direct benefit/will only offer minor direct benefit to service users
- c) Department has demonstrated that the proposal cannot be funded by re-prioritisation of existing resources yes/no.
- d) Department has considered other practicable options for achieving objectives yes/no.
- e) Collaboration options have been considered yes/no.
- f) Benefits are severely affected/reduced/substantially unaffected by a delay in implementation.
- g) Scope can be adjusted for funding constraints yes/no.

3. Outline Financial case

- a) Proposal has the potential to generate nett income or savings/generates an income stream sufficient to make the project self-funding or some savings realisable yes/no.

- b) Proposal is financially sustainable* in long term yes/no
(*eg demand for the service is controllable over time; costs will not increase exponentially, potential for savings).
 - c) Department has used rational basis for indicative costs and benefits yes/no.
 - d) Costs of not proceeding are substantial/minor/no cost.
- 5.48 Weightings were applied to the criteria by the SSP Team to give particular emphasis to service developments that would actively advance States Objectives and that would substantially benefit large numbers of people or smaller groups in acute need. Weight was also placed on criteria identifying substantial risk should a service not be provided including legal and reputational risk.
- 5.49 Having tested a weighting system against samples of bids and adjusted it to avoid anomalies, the SSP Team passed on the rationale for the evaluation of the bids to be carried out under the auspices of the Policy Council. The SSP Team did not take part in the scoring process.
- 5.50 The Policy Council decided that checks and balances should be applied to ensure the evaluation produced sound recommendations. The process was set up as follows:-
1. **Scoring Team** – A small team of senior staff scored all the bids. This was a lengthy process involving the attribution of preliminary scores which were then double-checked for overall consistency across the full set of bids.
 2. **Moderating Team** – A team comprising the Chief Executive, Deputy Chief Executive, Head of Human Resources and Organisational Development, Chief Officer of Treasury and Resources and the Chief Accountant, took an overview of the scores to see whether the results were ‘convincing’. The officers were well placed to do this because of their seniority and knowledge of States business.

Together the Scoring and Moderating Teams were able to identify a number of New Service Developments that could be funded without the need to compete for efficiency savings (see Annexe, Table 3); and others that were not eligible for General Revenue Funding in 2011 for a variety of reasons (Annexe, Table 4).

3. **Policy Council** – Ministers received a report and the prioritised list of New Service Developments and endorsed the recommendations for inclusion in this report.

Overall, the three bodies involved in the evaluation and prioritisation process found that the use of Multi-criteria Analysis was proving to be a useful

technique. Some helpful insight was gained which will be shared with Departments, Committees and Policy Groups and used to improve the process next year.

New Service Developments recommended for funding in 2011

- 5.51 The list of New Service Developments which the Policy Council is recommending to the States for funding in 2011 is set out below (and with more financial information, in the Annexe (Table 1). A short description of each proposal is also provided indicating briefly why it has been given a high priority.
- 5.52 All States Members have had access to the full bids submitted by Departments and Committees and to summaries showing the evaluation of each bid. The Domestic Abuse Strategy is one of the recommended bids but it should be noted that this is based on the assessment it received this year rather than because of the States direction arising from last year's debate to prioritise this project.
- 5.53 Although it is always open to the States to indicate their views about future priorities through the annual SSP debate, the SSP Team as 'guardians' of the process would recommend, as a matter of principle, that this should be very carefully considered. If the States agree and have confidence in a rationale for prioritising new services that is as objective and factually based as possible, there should be little need to 'pre-prioritise'. The SSP Team hopes that States Members will become increasingly comfortable with the annual review of priorities as the system settles in and is seen to support the political process.

Priority Order	New Service Development	Relevant Area	Estimated Cost in 2011 in £'000s	Estimated ongoing cost in £'000s
1	Development of Gsy Mental Health and Wellbeing Strategy	Social	180	-
1	Community Service Scheme	Social	150	150
3	Domestic Abuse Strategy	Social	160	208
4	Children and Young People's Plan	Social	502	502
5	Housing Control staff (+3 FTE permanent posts)	Social	108	108
6	Criminal Justice Strategy co-ordinator	Social	90	90
7	Assistant Employment Lawyer	Legal	90	90
8	Exploitation of Renewable Energy – funding of GREC	Energy/ Environmental	100	100
9	Guernsey Obesity Strategy (Phase 1)	Social	147	147

9	Children (Gsy and Aldy) Law 2008 – 4 additional Social Workers	Social	200	200
9	Improving Storage of Museum Objects	Cultural Heritage	250	250
12	Legal Aid – Mental Health Review Tribunals	Social	300	300
13	Dedicated Wheelchair Service	Social	134	134
TOTAL			2,411	2,279

Development of a Guernsey Mental Health and Wellbeing Strategy

- 5.54 This proposal will pull together the various strands of work being undertaken on Mental Health and Wellbeing issues under a single comprehensive cross department strategy. Co-ordinating work streams will ensure a better use of resources. Mental Health was classed as a high priority in the 2009-2013 States Strategic Plan and is a pre-requisite for the relocation of the Castel Hospital, the implementation of the new Mental Health Law, the reduction in the number of people with Mental Health issues on supplementary benefit, the reduction in people in off-island placements (and the associated costs), the reduction of people in prison and the reduction in people abusing drugs and alcohol.

Community Service Scheme

- 5.55 The Community Service Scheme provides the courts with a community based penalty as an alternative to a custodial sentence. It provides an effective alternative to short term prison sentences, enables offenders to repay the community and protects victims by reducing the likelihood of re-offending.
- 5.56 The scheme, which has been in operation since October 2007, has been paid from the Home Department's unspent balances which are no longer available.

Domestic Abuse Strategy

- 5.57 The Strategy was approved by the States in 2009 but with only £100,000 of its £305,000 bid allocated in 2010. A successful amendment was also placed to ensure that the Strategy was given priority in 2011. Funding is required to continue to progress the work stream which was created due to the high number of cases that were coming to the attention of the criminal justice and social services agencies.

Children and Young People's Plan

- 5.58 This is a legal requirement under The Children (Guernsey and Alderney) Law, 2008 and some funding was agreed for it in 2010. HSSD is asking for the second instalment of funding to meet national standards and proceed with this inter

agency plan which is to promote and safeguard the welfare of children in Guernsey and Alderney.

Housing Control – 3 x Additional Permanent posts

- 5.59 Housing require funding for additional staff for their Housing Control section by making two temporary posts permanent and adding a third post. This is to ensure Housing Control services can be delivered within agreed and acceptable service standards (which the Department has been unable to adhere to since fees for the administration of employment-related Right to Work documents were introduced in 2009) and to ensure that those service standards can be maintained when published.
- 5.60 While funding is required in the short-term, there is a strong indication that funding via this route will not be required in the longer-term, because the enhanced level of customer service will enable the Housing Control Section legitimately to increase the level of fees to the extent that it can recoup the costs associated with these posts.

Criminal Justice Strategy Coordinator

- 5.61 The Home Department is seeking funding to appoint a co-ordinator to review the service provided by the Criminal Justice system and to research and develop a Criminal Justice strategy.
- 5.62 This is needed to avoid duplication, and to avoid the risk of conflict between organisations.
- 5.63 Associated funding is also being sought to introduce a corporate management IT tool which has been endorsed by the Value for Money team as part of the wider Financial Transformation Programme.

Assistant Employment Lawyer

- 5.64 Due to the increasing amount of employment law issues, the recruitment of an assistant employment lawyer is being sought by the Law Officers to assist their senior employment lawyer.
- 5.65 The States of Guernsey is one of the largest employers in the Island. An increase in cases is anticipated and there is a risk of an increase in litigation and possible expenditure for the States unless resources are made available to address cases at an advisory stage and review current policies which, in many cases, have not been reviewed for several years.

Exploitation of renewable energy – funding of GREC

- 5.66 In 2008, the States agreed to establish a Guernsey Renewable Energy Commission (GREC) responsible for promoting and licensing macro-renewable

energy projects within Guernsey. Initial funding came from Commerce and Employment's unspent balances with an agreement that in the longer term GREC would be funded by cost recovery principle through licence fees.

- 5.67 A shadow GREC has been established and a secure funding stream is now required to enable it to continue to develop the regulatory and commercial framework for renewable energy.

Guernsey Obesity Strategy

- 5.68 The Obesity Strategy was passed by the States in 2009 but not allocated funding.
- 5.69 The Strategy aims to slow and eventually reverse obesity rates which have almost doubled in the last few decades. By taking action now it should help to alleviate healthcare costs associated with obesity such as diabetes, chronic heart disease and arthritis.

Children (Guernsey and Alderney) Law 2008 – four additional social workers

- 5.70 The Law increases the age at which a young person is classed as a child from under 16 years to 18 years. The additional two years was not originally taken into account in terms of additional social work time. Consequently, in order to meet the increased work load HSSD require an additional four social workers.

Improving storage of Museum objects

- 5.71 A Public Accounts Report on Safeguarding Guernsey's Heritage Assets recognised that this has been an under-resourced area for some considerable time. Debating the report in February 2009, the States agreed to direct Culture and Leisure to return with a clear and costed proposal to address this issue. A States report has been debated at the July 2010 meeting.

Legal Aid – Mental Health Review Tribunals

- 5.72 The Policy Council is making a bid to provide legal aid in respect of the new Mental Health Review Tribunals (and any appeals to the Royal Court or Court of Appeal) undertaken under the new Mental Health Law.
- 5.73 Any delays in implementation may have Human Rights implications and a risk of unfair and unjust hearings.

Provision of a dedicated wheelchair service

- 5.74 HSSD is seeking funding to continue and enhance a wheelchair service for the Bailiwick consisting of a lead clinician and support staff. This will maintain the health and well being of its service users and in turn reduce the need for other forms of care.

6. WORKING CORPORATELY

Supporting good governance

6.1 As stated in the Introduction, government decision making entails multiple goals, complex policy and legal considerations, many different stakeholders often with competing claims on resources, political pressures and high expectations of transparency and public accountability. Making good long-term decisions and being seen to act consistently in this demanding situation is a challenge for any modern government.

6.2 In its report on the Review of Good Governance in Guernsey, (September 2009) the Welsh Audit Office said that:

“All public bodies should be able to demonstrate that they are applying good standards of governance. In 2005, the Independent Commission for Good Governance in Public Services set out six principles of good governance which have universal applicability to all public bodies, regardless of whether a governmental system is based on consensus politics or party allegiance. The principles as set out in Appendix 1 are:

- a) focusing on the organisation’s purpose and on outcomes for [islanders];*
- b) performing effectively in clearly defined functions and roles;*
- c) promoting values for the whole organisation and demonstrating the values of good governance through behaviour;*
- d) taking informed, transparent decisions and managing risk;*
- e) developing the capacity and capability of the governing body to be effective; and*
- f) engaging stakeholders and making accountability real.”*

6.3 The Policy Council is fully aware that the Public Accounts Committee is undertaking a review of Corporate Governance informed by the WAO report and has been in dialogue with the Committee over the rôle of the SSP as an important part of good governance.

6.4 At the time the WAO report was published, the Policy Council said that it recognised that any sustainable government will constantly evolve in response to changing economic, social and environmental pressures and public expectations:

“The States of Guernsey is no different and in response to current circumstances it is embarking on an unprecedented programme of

change embodied in the Fundamental Spending Review and the States Strategic Plan – to be presented to the States in October. In addition, the Policy Council is driving forward a programme designed to transform the public sector culture and practice. This ambitious and far-reaching programme, if approved by the States, will address many of the shortcomings identified by the WAO.”

6.5 The WAO report was published after the 2009 SSP had been finalised and sent to be printed but the SSP did indeed include much that was of relevance to the WAO’s message:

- a focus on the delivery of cost-effective public services;
- reinforcing political accountability;
- setting a consistent direction for government policy with a ‘line of authority’ throughout;
- the coordination of policy with the management of public resources;
- a process of annual monitoring and review.

6.6 This year’s SSP review shows how the plan has developed through 2009/2010. Although the Policy Council acknowledges that much remains to be done and the SSP must continue to develop, adjust and mature, the value of having a corporate planning process (as depicted in the diagram in the Introduction section) is beginning to emerge. Referring back to the six principles of good governance:

- a) The SSP includes a statement of government purpose and States objectives and a monitoring process which will focus on assessing the outcomes being achieved ‘in the real world’ through States policy.
- b) If the States decide to incorporate an overview of departmental policy in the SSP, this may help to improve the future definition of functions and rôles.
- c) The SSP is a tool to reinforce common goals and values across government.
- d) The SSP promotes well-informed and rational decision making. The approach to prioritising expenditure on new services as explained in Section 5 is an example of this.
- e) The ability of the States to be effective is strongly supported by the SSP bringing together policy planning and financial planning. Policy Planning alone lacks realism and financial planning alone lacks purpose.

- f) In the absence of a majority party manifesto/agenda and without requiring an executive form of government, the SSP is capable of setting out a government programme for which the States can be held accountable. Engagement with stakeholders takes place in a multitude of ways through the work of Departments and Committees and through the Policy Groups and their preparation of Policy and Island Resource Plans. The current review of the Strategic Land Use Plan, for example, has involved unprecedented levels of public input through the 'Guernsey Tomorrow' initiative.

- 6.7 **Consistent policymaking** - The SSP Team provides support and guidance to Policy Groups and Departments to emphasise that all policymaking needs to be consistent with the States Objectives. The process of prioritising new services further reinforces this approach and gives high scores to proposals that actively advance these objectives. The intention is to demonstrate that there is consistency of purpose throughout the corporate planning process.
- 6.8 The Statement of States Objectives which largely comprises the principal objectives of the Policy Plans is of key importance to establishing the line of authority that runs through the SSP. As part of the discussions which are to take place with States Members about the place of departmental policy in the corporate process, the SSP Team proposes to review the objectives to see if they can be made any clearer and sharper in support of better policymaking. This process of continuously improving the SSP through annual review and making it responsive to the majority consensus is a feature of the approach being taken by the SSP Team.
- 6.9 Policy Plans and Island Resource Plans are still either newly adopted or still under development, however, and the SSP Team is conscious that the new structure will take time to settle in before the benefits of the SSP are fully realised. At present, for example, the Strategic Land Use Plan is under comprehensive review and the first Island Infrastructure Plan is being written. When both are in place, however, the ability to plan for the future development needs of ports, airport, telecommunications, waste management will be greatly enhanced.
- 6.10 **The Policy Plans – Fiscal and Economic, Social and Environmental** – were debated and adopted in July 2009 and summaries provided in the October SSP report. Updated summaries are appended to this report (Appendix 2).

The plan summaries are different in style and presentation as the Fiscal and Economic and Environmental Plans provide more of a succinct overview whereas the Social Policy Plan is a longer document which describes the many social projects that are currently underway or for which funding is being sought. The SSP Team hopes it will be possible to develop a more standardised approach next year without compromising the individual characteristics of the different policy areas.

- 6.11 **Island Resource Plans** – Only the Energy Policy Plan has been debated by the States to date and an update is provided as an appendix together with progress reports on the work being done on Population Management, Strategic Land Use and Island Infrastructure (Appendix 3). Population Management will be the subject of a major public consultation exercise later in 2010. An Options Paper setting the scene for a consultation with States Members in the autumn about land planning and the presentation of a draft new Strategic Land Use Plan to the States in early 2011 is scheduled to be considered in September alongside this report.

Developing an annual legislative programme

To avoid any misunderstanding, States Members are asked to note that this section of the SSP explains a new system for prioritising the drafting of legislation which the Policy Council is establishing and which will become the basis for States debate as part of next year's review of the SSP.

A list of pending legislation required to fulfil outstanding States Resolutions since 2000 is provided as Appendix 6 for information only but States Members are not being invited to attach priority ratings to the list.

A recent history

- 6.12 In the 2004-2008 States term Members identified the need for active prioritisation of pending legislation as Priority 14 of the Government Business Plan (GBP). In July 2007 and March 2008 the GBP included a schedule, accurate at the time each plan was drafted, providing the States with a 'snapshot' of new legislation that was with the Law Officers for drafting.
- 6.13 The schedule allocated each piece of legislation to a recommended priority band:
- 'A' – Top priority
 - 'B' – Medium priority
 - 'C' – Low priority relative to other legislation over the next 12 months.
- 6.14 The Policy Council acknowledged, however, that the schedule/s could only provide a picture of the States Legislative programme at a point in time and that effective management would require a regular process of liaison with the Law Officers to ensure that political priorities were taken into account. The GBP report in 2008 stated that the Policy Council and Law Officers were investigating options to establish a better joint system to manage and direct the legislative process on a continuous basis.
- 6.15 The responsibility for prioritising the States legislative programme comes within the Policy Council's mandate and following the period of hiatus between the

demise of the GBP and its replacement with the SSP, the Policy Council resumed its exploration of ways to improve the process.

Recent Political Interest in the Suitability of the Current Process of Prioritising Legislation

1. Reply of Chief Minister at January 2008 States Meeting

- 6.16 At the January 2008 meeting of the States of Deliberation, the Chief Minister was asked to report back to the States on ways in which the development of legislation could be improved, controlled and monitored, so that it could be produced on a timely basis. The Chief Minister replied stating that:

“Policy Council staff [were] currently in discussion with HM Procureur about the management and prioritisation of the States’ legislative programme in accordance with States Priority 14. One possibility that [was] being investigated was whether a working group could be established with representation at a very senior level from the Law Officers, the Policy Council and the Legislation Select Committee. The group [would] meet regularly, perhaps on a quarterly basis, to keep the legislative process under continual review”.

2. Legislation Select Committee

- 6.17 The Legislation Select Committee agreed in the latter part of 2008 that a better system of legislative management, one which would attribute a higher priority to the most important legislation, was necessary.

“The Legislation Select Committee and HM Procureur have met to discuss the development of a more effective process for the States’ legislative programme. During the last States assembly, it was envisaged that this might include the establishment of a working group with very senior representation from the Law Officers, the Policy Council and the Legislation Select Committee to keep the programme under continual review” (Billet D’État VII 2009, Wednesday 25 February 2009).

3. Scrutiny Committee

- 6.18 A letter from the Scrutiny Committee to the Chief Minister, dated 28 September 2009, requested clarification on several matters relating to the States’ legislative programme, including a query in relation to the rationale behind the prioritisation process. While the Policy Council does accord priority to items of legislation by placing them into bands ‘A’, ‘B’ or ‘C’, a written rationale behind this process does not currently exist. The letter stated that:

“The former committee noted the large number of pieces of legislation designated as Priority A (67 out of 110) and acknowledges the workload

placed upon the Law Officers by the States....Given the daunting scale of the drafting task, the Committee is not confident that sufficient political direction has been given on prioritisation or that the workload is achievable”.

Current proposals

- 6.19 To fulfil its mandate the Policy Council is establishing an advisory group, the **Prioritisation of Legislation Working Group** in association with the Law Officers whose members will be:
- HM Procureur
 - HM Comptroller
 - Director of Legislative Drafting
 - Chief Executive
 - Deputy Chief Executive.
- 6.20 The group will meet quarterly to consider the full list of legislation that requires drafting and will make recommendations to the Policy Council on the top ten drafting priorities for the coming three months based on a prioritised list to be submitted by each department. The Policy Council will determine the priority list and will publish the priorities in the annual review of the SSP. This will give all States Members the opportunity to consider the effectiveness of the new system.
- 6.21 This corporate prioritisation will be based on a more thorough initial process whereby each States Report requiring new legislation will include a brief annexe containing information justifying the need for legislation; confirming how funding will be provided to carry out functions required by the new law; explaining the risks and benefits associated with enacting/not enacting the legislation and the estimated drafting time required to draw it up. The annexe will not be published but will provide the Prioritisation of Legislation Group with in depth information to carry out its rôle.
- 6.22 After the first year of operation (2011), the process will be reviewed to ascertain whether it is meeting political expectations and whether the process is sustainable within the resources of St James’ Chambers.

Exceptions to the Process

- 6.23 Whilst, ideally, urgent unforeseen requests for legislation not forming part of the list would also go to the working group for approval, in practice the Law Officers will retain a discretion to ensure that these requests, where justified, are satisfied. Members of the working group and the Policy Council will be informed where the drafting of legislation of this type has taken priority over drafting of items on the prioritised list.

- 6.24 Consideration needs to be given to items of legislation that have been awaiting drafting for a number of years. The States Resolutions since 2000 and the status of the subsequent legislation drafting are set out in Appendix 6. As can be seen, a number of items have been on the drafting waiting list for a significant period of time but have never achieved sufficient priority to warrant drafting.
- 6.25 In order to ensure that the legislation requiring drafting is as relevant as possible to the current day, if an item has not reached sufficient priority and has been awaiting drafting for a period of 5 years or more, the department concerned will be required to review and re-validate this legislation to determine if it is still relevant to the needs of today.
- 6.26 If it is still valid, then it can be ranked and prioritised with justification given as to why it is still relevant. If the Department deems that there is no longer a current requirement for this item of legislation, recommendations will be made to the working group, and subsequently to the Policy Council, that this item be deleted from the list. The SSP Team recommends that a decision not to proceed with legislation should be made by the States via the annual SSP debate. The States would be asked to rescind their original resolution.

7. MONITORING THE EFFECTIVENESS OF THE SSP

Key Performance Indicators

- 7.1 A summary update of the key performance indicators (KPIs) provided in the 2009 edition of the Sustainable Guernsey monitoring report, which was published at the beginning of this year, is provided in Appendix 5.
- 7.2 The purpose of KPIs is to enable progress against the strategic vision set out in the States Strategic Plan (SSP) to be monitored objectively. This summary report provides an overview of the performance of headline Fiscal and Economic, Social and Environmental trends in the years up to and including 2009; the time period leading up to the adoption of the SSP.
- 7.3 It should be noted that there is often an inherent lag between the adoption of policies and observable effects. The KPIs are intended to provide information as to whether previously adopted policies result in the desired outcomes. The next full edition of Sustainable Guernsey will be published in 2011, when analysis of trends in data will be possible for a higher proportion of the newly developed indicators and it may be possible to begin to assess the effectiveness of the policies set in the SSP.
- 7.4 The Policy and Research Unit intends to finalise the list of KPIs (some of which proved difficult to define as a result of the SSP also being relatively new) prior to publication of Sustainable Guernsey 2011.
- 7.5 In 2011 and future years the Sustainable Guernsey report will be published as an appendix to the Billet containing the annual review of the SSP.

The Financial Transformation Programme – Achieving Value for Money

- 7.6 Complementing the monitoring rôle of the annual Sustainable Guernsey report and the use of KPIs to assess policy effectiveness is the development of measures to monitor the achievement of financial planning objectives through the FTP.
- 7.7 The FTP is a States wide programme to deliver Value for Money across all departments and services. It will help to provide better information about how public money is spent and how well services perform as judged against financial KPIs. This information about cost-effectiveness of public services will help the States to improve operational efficiency and will inform both departmental and corporate priorities.

Financial Performance – States Annual Accounts

- 7.8 The States Annual Accounts are an important tool for measuring how well the States financial objectives are being met in terms of corporate policy (eg the real term freeze on aggregate States revenue expenditure – see Section 3, statement of States Objectives), and departmental operational plans.
- 7.9 The accounts will be developed to demonstrate more clearly the outcomes being achieved (both qualitatively and quantitatively), for the amount of public money being spent.

The role of the Public Accounts Committee (PAC)

- 7.10 The SSP Team had a helpful meeting with the PAC during July 2010 to discuss the relevance of the SSP to the Committee's mandate. It was agreed that the plan should provide a good information base in future to enable the Committee to scrutinise the management of States' assets, expenditure and revenues.
- 7.11 As explained in Section 6, the SSP Team considers that the strategic planning process is key to better governance in the States and that it offers both PAC and the Scrutiny Committee opportunities to enhance their effectiveness in holding government to account. The team also considers that PAC's support for the creation of an Auditor General post to improve standards of governance merits further consideration.

8. RECOMMENDATIONS

The Policy Council recommends the States:

- 1. To endorse the amendments to the Social Policy Plan and Environment Policy Plan objectives as set out in Section 1 of this report.

2. To agree that the Policy Council should proceed to consult with States Members, States Departments and Policy Groups in 2010/2011 on ways to improve the corporate policymaking process and, in particular, on the possible approach to be taken to include departmental policy in the SSP process described in Section 2.
3. To approve the allocation of £2.4m, to be accrued from efficiency savings through the FTP, to fund New Service Developments in 2011 as described in Section 3.
4. Subject to the approval of Recommendation 3, to approve in principle the list of New Service Developments for 2011 as set out below and described in Section 3, and to direct that comprehensive cases for funding shall be prepared before final approval is given for each new initiative:
 - A. Development of the Guernsey Mental Health and Wellbeing Strategy (£180,000).
 - B. Community Service Scheme (£150,000).
 - C. Domestic Abuse Strategy (£160,000).
 - D. Children and Young People's Plan (£502,000).
 - E. Housing Control Staff (3 Posts) (£108,000).
 - F. Criminal Justice Strategy Co-ordinator (£90,000).
 - G. Assistant Employment Lawyer (£90,000).
 - H. Exploitation of Renewable Energy Funding of GREC (£100,000).
 - I. Guernsey Obesity Strategy (Phase 1) (£147,000).
 - J. Children (Guernsey and Alderney) Law 2008 (4 Additional Social Workers) (£200,000).
 - K. Improving Storage of Museum Objects (£250,000).
 - L. Legal Aid – Mental Health Review Tribunals (£300,000).
 - M. Dedicated Wheelchair Service (£134,000).
5. To note the establishment of the advisory Prioritisation of Legislation Working Group and proposed new arrangements to prioritise the drafting of approved legislation as set out in Section 4 including annual reports to the States as part of the SSP review.

6. To endorse the updated summaries of the Fiscal and Economic, Social and Environmental Policy Plans as described in Appendix 2.
7. To note the progress reports provided on the development of Population Management and Island Infrastructure Plans; an update on the Energy Plan; and an update on the current review of the Strategic Land Use Plan as described in Appendix 3.
8. To note the updated summaries of the Policy Council, States Departments and Committees Operational Plans as described in Appendix 4.
9. To note the updated information provided as Key Performance Indicators and the intended further development of the KPIs as described in Appendix 5.
10. To note all other sections of the 2010-2015 SSP review not specifically referred to in the recommendations 1 to 9 above.

L S Trott
Chief Minister

27th July 2010

ANNEXE

NEW SERVICE DEVELOPMENTS

This annexe sets out all the New Service Development bids/proposals received during 2010 for funding in 2011 and beyond.

Table 1 sets out the four year cost estimates for those bids/proposals which are being recommended by the Policy Council for provisional, ‘amber light’ approval. Proposals that receive States’ support then proceed to the preparation of business cases.

Table 2 sets out the four year cost estimates for the bids/proposals which the Policy Council is not recommending this year. It is open to States Departments and Committees to resubmit any unsuccessful proposals next year if they wish to do so. They would then be considered alongside any other proposals which come forward in the interim.

In each table the bids/proposals are listed in descending priority order as scored using the method of Multi-criteria Analysis described in this report (ie highest scoring at the top of each list). As previously explained, Multi-criteria Analysis is a tool to test the strength of a proposal to assist the political decision-making process.

Broad cost estimates (see below), and not actual figures, are given because, in some cases, financial information is sensitive as it relates to projects that will go out to tender and it is not in the public interest to expose information about estimated budgets. An exception is made for the year 1 cost estimates for the New Service Developments recommended by the Policy Council for funding in 2011, as the figures for these are already set out in the main SSP report.

Cost estimates

Band	Estimated annual cost
A	£1m. plus
B	£500,000 to £999,999
C	£250,000 to £499,999
D	£100,000 to £249,999
E	£99,999 or under

Some New Service Developments which were submitted for funding from General Revenue (via efficiency savings) were found on examination to be eligible for funding by other means. These were removed from the prioritisation process but are listed in **Table 3** for information only.

Other proposals were submitted as New Service Developments but were not scored using the Multi-criteria Analysis process as they were found to be ineligible for General Revenue Funding for a variety of reasons. These proposals listed in **Table 4** are being discussed individually with the Departments concerned and, in one case with Alderney States and the Treasury & Resources Department.

TABLE 1: four-year cost estimates for New Service Development bids/proposals recommended by the Policy Council for funding in 2011

Rank	New Service Development	Cost estimates (band)			
		Year 1 (forecast cost)	Year 2	Year 3	Year 4
1	Development of Guernsey Mental Health and Wellbeing Strategy	£180,000	-	-	-
1	Community Service Scheme	£150,000	D	D	D
3	Domestic Abuse Strategy	£160,000	D	D	D
4	Children and Young People's Plan	£502,000	B	B	B
5	Housing Control staff (3 permanent posts)	£108,000	D	D	D
6	Criminal Justice Strategy co-ordinator	£90,000	E	E	E
7	Assistant Employment Lawyer	£90,000	E	E	E
8	Exploitation of Renewable Energy – funding of GREC	£100,000	D	D	D
9	Guernsey Obesity Strategy (Phase 1)	£147,000	D	D	D
9	Children (Gsy & Aldy) Law 2008 – 4 additional Social Workers	£200,000	D	D	D
9	Improving Storage of Museum Objects	£250,000	C	C	C
12	Legal Aid – Mental Health Review Tribunals	£300,000	C	C	C
13	Dedicated Wheelchair Service	£134,000	D	D	D

TABLE 2: four-year cost estimates for bids/proposals not recommended by the Policy Council for funding in 2011

Rank	New Service Development	Submitting Department	Cost estimates (band)			
			Year 1	Year 2	Year 3	Year 4
6	Implementation of Competition Law Regime	Commerce & Employment	C	C	C	C
8	Kinship Care	Health & Social Services	D	D	D	D
14	Legislative Counsel and Advisory Lawyer (new post)	St James' Chambers	E	E	E	E
16	Rationalisation of Museum Objects including addressing backlog	Culture & Leisure	D	E	E	E
18	Temporary staff and medical board fees to respond to extra jobseekers	Social Security	D	D	D	D
19	Change to Invalid Care Allowance	Social Security	B	B	B	B
21	Offender Management Strategy	Home	E	E	E	E
21	Household Expenditure Survey	Policy Council	D	-	-	-
21	Improve community and social care for adults in Alderney	Health & Social Services	D	D	D	D
21	Care and conservation of historic sites	Culture & Leisure	D	D	D	D
25	Drug and Alcohol Strategy	Policy Council	E	E	E	E
25	Improve Neuro-rehabilitation and stroke services	Health & Social Services	D	D	D	D
27	Bowel Cancer Screening Programme	Health & Social Services	D	D	D	D
27	Review of Terms and Conditions of all staff	Policy Council	D	-	-	-
29	Off Island acute care	Health & Social Services	A	A	A	A
30	Energy and Environmental Advice Service	Environment	D	D	D	D
30	Expand mental health services – out of hours	Health & Social Services	D	D	D	D
30	Additional support staff	St James' Chambers	D	D	D	D

34	Pre-School provision for 3-4 year olds (Gsy & Aldy)	Education	D	A	A	A
34	Increase road network maintenance funding to become sustainable	Public Services	A	A	A	A
34	Civil Litigation Lawyer (change contract to permanent)	St James' Chambers	-	E	E	E
38	Create primary mental health care service (re HASCAS)	Health & Social Services	C	C	C	C
39	Prison Service Review (up to 9 additional prison custody officers and management staff)	Home	D	C	C	C
39	Population Policy (+1 FTE temporary staff to field enquiries)	Policy Council	E	E	E	E
39	Website Support Officer	St James' Chambers	E	E	E	E
39	Increase staffing of Policy and Research Unit (+2 FTE)	Policy Council	D	D	D	D
43	Broadcasting administration and legislative requirements	Home	E	E	E	E
43	St James' Chambers additional accommodation	St James' Chambers	D	E	E	E
43	Haematology services	Health & Social Services	D	D	D	D
43	Adult learning disability respite care	Health & Social Services	C	C	C	C
47	CCTV / Alarm Monitoring / States Call Centre	Home	B	D	D	D
48	Ambulance paramedics (increase SJARS grant)	Health & Social Services	D	D	D	D
49	Home haemodialysis service and increase renal service capacity	Health & Social Services	D	D	D	D
49	Criminal Injuries Compensation Scheme – staffing etc	Home	D	D	D	D

TABLE 3: New Service Development bids/proposals which could be funded from other sources

Rank	New Service Development	Submitting Department	Source of Funding
1	Waste Strategy Development	Public Services	Tipping charges
7	New Electoral Roll 2012 Election	Home	Cyclical budget to be put in place
15	Modernisation of Supplementary Benefit Scheme – additional temporary project staff	Social Security	Fund as a Financial Transformation Programme project
17	Mont Cuet gas extraction	Public Services	Tipping charges
20	Long-term Care Benefit for Elderly Mentally infirm	Social Security	Long Term Care Insurance Fund
22	E-Citizens Project (Rolling Electronic Census)	Policy Council	To be funded through a capital allocation to the Policy Council if agreed in the 2011 budget
30	Mont Cuet leachate treatment plant	Public Services	Tipping charges
34	Mont Cuet litter control system	Public services	Tipping charges

TABLE 4: New Service Development bids/proposals not scored

Rank	New Service Development	Submitting Department	Comment
n/a	Accommodation for Guernsey Border Agency (Customs)	Home	Not a service development. Cost of Home Department premises being displaced by HSSD site development
n/a	Restorative Justice Development Officer	Home	Already funded to March 2012
n/a	Formation and funding of Alderney Housing Association	States of Alderney	Relates to Alderney States budget
n/a	Additional accommodation for adults with a learning disability	Health & Social Services	Requires capital expenditure so not a 2011 revenue bid

APPENDIX 1 – THE SSP PROCESS

The Introduction to this plan review describes the main report (which is a form of annual Business Plan) and the appended summaries of Department/Committee Operational Plans, Corporate Policy Plans and Island Resource Plans (which together provide the policy context and longer term thinking behind the plan). The various components that contribute to the SSP process are shown in the simple accompanying illustration which also indicates the annual cycle of monitoring and review.

The SSP continues to be a system under development as this first annual review makes clear. For example, the States may resolve to explore whether the direction being taken by departmental policy should be part of the process from 2012 onwards. As the overall plan develops year on year the practical logistics of managing the process will also need to be reviewed and revised. The following timetable describes the intended process of review next year.

Timetable for 2010/2011

- | | |
|--|---|
| September 2010 | <ul style="list-style-type: none"> - <u>States Strategic Plan debate.</u> - States consider Options Report for the review of the Strategic Land Use Plan. - Likely start of Population Policy Group consultation with States Members about the replacement of the existing Housing Control Laws (3 month process). |
| October/November 2010 | <ul style="list-style-type: none"> - Strategic Land Planning Group (SLPG) consultation with States Members about the review of the Strategic Land Use Plan (2 month process). - States Strategic Plan Team consultation with States Members about the SSP process including the use of Multi-criteria Analysis to evaluate proposals for New Service Developments. This may also include discussions about the place of departmental policy in the SSP. |
| December 2010 | <ul style="list-style-type: none"> - Annual Budget debate. |
| January/February/
March 2011* | <ul style="list-style-type: none"> - SLPG present draft Strategic Land Use Plan to the States. - SSP Team issues requests and guidelines for Policy Plan and Island Resource Plan updates and New |

Service Development proposals by end January/early February.

- End of April 2011**
 - Deadline for input to SSP from Departments, Committees and Policy Groups.
 - Data collection underway for 2011 Sustainable Guernsey report.
- May/June 2011**
 - New Service Development Proposals evaluated.
- June/July 2011**
 - Draft SSP prepared for approval by the Policy Council.
 - End of July print deadline.
- August 2011**
 - Annual Facts & Figures booklet published.
- September 2011**
 - States Strategic Plan debate.

SSP to include:

- Draft Island Infrastructure Plan
- Schedule of recommended legislative drafting priorities.
- Prioritised list of New Service Developments recommended for funding in 2012.
- Updates of Policy Plans and Island Resource Strategies.
- Summary report on the Key Performance Indicators.
- Sustainable Guernsey report to be published as an appendix to the September Billet.

***NB** If the proposals in Section 4 of this plan review receive States' support and are further developed and implemented in 2012, there will then be major policy debates in the States during the January-March period of 2012 as a lead-in to the September SSP review.

The Policy Plans and Island Resource Plans that contribute to the SSP are all still new or under development with the exception of the Strategic Land Use Plan which is undergoing comprehensive review. As the plans become more fully developed it may

be possible to provide the States with an SSP timetable for a 1-5 year period showing when each plan will be reviewed and other anticipated milestones but this would be premature at this early stage. Progress summaries will, however, continue to be provided as part of the annual SSP review.

APPENDIX 2

FISCAL AND ECONOMIC PLAN: 2010 UPDATE

▪ Objectives

The Fiscal and Economic Plan ('FEP') is based on the view that sustainable economic growth is desirable and is to be pursued as a means of increasing the standard of living of Guernsey's residents and providing tax revenues to fund ever increasing demands for public services, in particular education, health and law and order.

Underlying the FEP is the principle that the private sector is the engine of economic growth and that the public sector's role is to provide the necessary competitive fiscal and macroeconomic environment to enable the private sector to flourish. The primary objective of fiscal policy is therefore to promote long term economic growth.

The maintenance of a competitive position for Guernsey is an imperative for future economic success. The maintenance of this competitive position is best served by: a continued conservative fiscal stance of the States (and thus its internationally competitive tax position); maintenance of its tier one Organisation for Economic Collaboration and Development ('OECD') tax regime status; measures to control inflation and hence costs; together with supply side¹ strategies that foster innovation and improve the productivity of both the workforce and firms; and continued investment in key strategic infrastructure.

The main macroeconomic and fiscal objectives were summarised as:

- Long run fiscal balance: spending within constraints of the Fiscal Framework
- Real term freeze on aggregate States revenue expenditure
- Continuing OECD Tier One Status
- Average economic growth of 2% or more per annum
- Stable and low inflation: RPIX 3.0%
- Continuing full employment.
- Skilled, flexible labour market.
- Diversified, broadly balanced economy.
- Well regulated, competitive domestic markets.
- Modern key strategic infrastructure, with public capital investment averaging 3% of GDP

Sustainable Guernsey 2009 provides a further breakdown of these objectives with associated analysis, commentary and quantitative key performance objectives ('KPIs') for the majority of them.

¹ 'Supply side' the side of the economy concerned with the production of goods and services, usually in reference to the factors of production such as labour, land etc (as opposed to 'demand side' which is concerned with the demand for such goods and services.)

The principles and objectives of the FEP agreed by the States in July 2009 were deliberately chosen to be as far as practical time invariant. However, changing circumstances, economic performance and common sense clearly imply that objectives be subject to continual review. Following review, each of the 10 objectives above are retained unchanged. However, analysis will take place during the course of 2010 in an attempt to better determine the economy's long run natural growth rate in the light of recent revisions to historic growth of the period 2006 to 2008². Similarly, whilst statistics previously demonstrated a stable level of diversification across the economy and the finance sector, these recent growth revisions have led to a reassessment of that position.

The key fiscal parameter of the FEP: that of long run fiscal balance, implies that once again expenditure must be frozen in real terms across the States. This key objective impacts on all policy plans and across all States departments. Whilst the States enjoyed a marginal revenue surplus during 2009, once a steady state level of capital expenditure is accounted for, ie a level of 3% of GDP as set out in the fiscal framework, the States clearly has a structural deficit in the region of £40m. In cyclical terms certain revenue lines, such as ETI, clearly demonstrated a slowing trajectory during the course of 2009 and indications are that this will continue during 2010. In short the fiscal position is therefore likely to be both cyclically and structurally negatively affected.

▪ Progress/relevant developments

Probably the most significant development since the States endorsed the FEP in 2009, is the fact that the three Crown Dependencies were informed by Her Majesty's Treasury ("HMT"), that the European Union Code of Conduct Group on Business Taxation ("CCG") no longer deemed their zero/10 corporate tax regimes to be compliant with the 'spirit' of the code. The States agreed in October 2009 to review its corporate tax regime. This review is taking place according to the timetable announced by the Chief Minister in April 2010 with the consultative document being published on 21st June 2010.

That any new corporate tax regime for Guernsey:

- must be "competitive";
- must be "internationally acceptable";
- must "promote a sustainable economy in Guernsey";
- must be based on a simple, solid rationale (and not over-complicated);
- must give rise to other benefits such as double taxation agreements;

and fundamental to the continued competitiveness of Guernsey's financial services industry is safeguarding the tax neutrality of the broadest range of financial products.

² The average annual real terms growth rate of the previous 5,10,15 and 20 year periods (prior to 2009) are now shown to be: 3.16%, 2.70%, 3.13% and 1.98% respectively.

The pre-existing review of stage II of zero/10 (referred to in the FEP agreed last year) was thus subsumed into this project and is being run concurrently. It is vital to stress that analysis shows that it is almost certain that any revised alternate regime that meets the five criteria above will not provide additional revenues sufficient to remove the structural deficit.

This review is being led by the Fiscal and Economic Policy Group ('FEPG') through a core political steering group led by the Chief Minister and comprising the Minister for Treasury and Resources ('T&R') and the Minister for Commerce and Employment ('C&E').

Other relevant developments of general initiatives referred to in the 2009 plan included the intent to set up a Fiscal Policy Panel to provide an annual independent assessment of the conduct of States' fiscal policy. In February of this year, three eminent economists were invited by the Policy Council to compose the inaugural membership. These economists successfully perform a similar function for the States of Jersey and it was agreed that constituting these panels with the same membership was a strong signal of support for pan Channel Island collaboration.

As was outlined in the FEP, during the course of the year, the States began to publish official forecasts for inflation and output for the very first time. The Inflation Outlook bulletin is now published by Policy Council quarterly. Output forecasts were first published in the 2010 budget. Both sets of forecasts are inputs into the budgetary and strategic planning process. The Policy Council, jointly with C&E, also undertook an inaugural annual business survey with the full support of industry representative bodies.

The FEP contains four key strategies: a fiscal framework strategy; an anti-inflation strategy; a supply side development strategy; and an infrastructure investment strategy. The arrangements under the fiscal framework strategy have, with the setting up of the Fiscal Policy Panel, been completed in full and the panel will publish its first report later this year.

The arrangements for the anti-inflation strategy have been partially completed: a target for inflation has been set and successfully communicated but the arrangements for the overseeing of competition remain under development. In September 2009 the States considered a report from C&E on the development of competition legislation in the Island. This report (subsequent to the initial approach in 2006) had two principal functions: to provide guidance to the Law Officers in the drafting of legislation on Mergers and Acquisitions which had not been included in the earlier report; and to specify how it is envisaged that the legislation will be administered. Subject to one minor amendment the States approved the proposals.

Under the proposals as approved, competition legislation will be administered by a "Guernsey Competition and Consumer Authority" that will be formed as a re-structured Office of Utilities Regulation ('OUR'), and will thus, as with competition authorities elsewhere, be independent of government which will nevertheless set the overall policies. The legislation itself will consist of primary legislation, which will set the

framework, while more detailed provisions will be specified in a number of Ordinances. In April 2010 the States directed C&E to review the current mandate of the OUR which has been requested to be completed by 2010. No consideration can be given to what impact this may have on the OUR's operations at this stage.

In February 2009 the States approved the primary legislation, the Competition (Enabling Provisions) (Guernsey) Law 2009, which has now received Royal Assent and has been registered by the Royal Court. Work priorities for 2010 include the preparation and enactment of the Ordinances that are necessary to bring the legislation into force and the logistics related to the setting up of the new authority.

The development of a competition authority was also a key work stream of the supply side development strategy. Other key components/work streams of this strategy that were the FEPPG was directly responsible for delivering included workforce development. During 2009 C&E commissioned Frontier Economics Limited to carry out an assessment of skills needs and skills gaps in Guernsey together with a strategic review of C&E directed funding in skills development. A key conclusion of Frontier's report was that the development of an integrated skills strategy was essential to maintaining the competitiveness of the Island and proposed arrangements for delivery of such a strategy. At the date of writing, the response to the stakeholder and public consultation on the report is in the process of analysis.

During 2009 C&E also held discussions with its counterparts in Jersey to explore ways in which the new Guernsey Authority and the Jersey Competition and Regulatory Authority can enhance their co-operation to mutual benefit in the future, and which may lead to a joint authority for both islands at some time in the future. These discussions will continue in 2010.

Other areas identified under the umbrella of supply side initiatives include post retirement working, childcare and modernisation of the tax and benefit structure to remove disincentive to work. Development and discussion continues in these areas. The final supply side initiative referred to legal developments: the first of which related to commercial legal products in reference to the ongoing work of the Finance Sector Development Unit, C&E. This work has involved commissioning and publication of the Hunt Review of Guernsey's banking sector and a sizeable lobbying exercise on behalf of industry with the European Union on a raft of directives during 2009 and work continues in this vein.

Outside of the developments contained in the plan itself, 2009 saw offshore financial centres come under scrutiny and pressure from many sources. Reference has already been made to the EU Code of Conduct Group's revised view of the compatibility of zero/10 regimes with the 'spirit' of the Code. In a similar vein, the OECD published a white list of jurisdictions that meet the international standards on tax transparency and exchange of information (hereafter referred to only as "tax transparency") in spring 2009. The 2009 plan expressed a clear objective of a 'commitment to continuing OECD tier 1 status' for Guernsey. That commitment informed the public consultation on Guernsey's movement to automatic exchange of information under the EU Savings Directive,

published in early May, where the presumption was made that, in principle, movement was already taken as implied.

In November, HMT published its review of Crown Dependencies and the Overseas Territories. This was led by Michael Foot, CBE, a previous Managing Director of the UK's Financial Services Authority and was in general terms exceedingly positive for the Crown Dependencies. The economic contribution of the three Crown Dependencies was acknowledged to an extent never previously entertained by HMT. The review was also complimentary about Guernsey's regulatory environment and economic planning and the Crown Dependencies were held up as an example for others to follow.

2009 also witnessed a raft of regulatory pressures driven by the aftermath of the financial crisis of 2007/8. These were over and above those issues relating to tax transparency referred to above and included new proposed regulations relating to the insurance and funds sectors: regulatory developments in the banking sector being driven mainly through the OECD and the Basel Accords. This resulted in a greater degree of engagement with the EU at numerous levels and across several areas of the States. Similarly, the degree of communication between the FEPG and the GFSC on these matters was also commensurately higher than in previous years. The spring of 2010 saw a high degree of co-ordination between the GFSC and the Finance Sector Development Unit, C&E, on the subject of analysing economic impacts on the insurance sector of Solvency II equivalence.

▪ **Context**

The external developments referred to in the previous section have all contributed to a greater degree of uncertainty in the regulatory and fiscal arena for Guernsey's business in general and the finance sector in particular. This is likely to negatively impact on growth prospects for business in the short term. Notwithstanding the fact that Guernsey has begun to be publicly differentiated amongst offshore finance centres as a tax transparent, well regulated domicile, in the long run, the benefits of having been seen to be compliant with the EU Code of Conduct, which may itself provide EU market access benefits, together with a reputation for tax transparency and the existence of a respected regulatory regime, ought to augur well for Guernsey's competitive position and long term economic health.

In the period leading up to the global downturn, Guernsey's economy was enjoying strong, rising and rapid growth and it is likely this strong momentum, together with other factors such as the introduction of zero/10 and the diversity of the finance sector, mitigated the impact of the global downturn on Guernsey's economy. It is likely that 2009 saw a mild contraction in the Guernsey economy and certain tax revenue streams, such as ETI, were on a slowing trajectory. This mild downturn needs to be viewed in light of the miserable global conditions during 2008 and 2009 and it is significant that business confidence, particularly within the domestic economy, appeared to have strongly returned by the Spring of 2010.

Notwithstanding the above, prospects for 2010 remain subdued, particular compared to the 2006 to 2008 period. Spring forecasts suggest a likely overall standstill for the economy in 2010 and growth when it resumes is likely to be at slower levels than the period leading up to the financial crisis, as our near large developed neighbours whose prospects, on which much of the finance sectors depend, continue to be constrained by high levels of debt and fiscal deficits. Therefore States revenues are likely to come under pressure from cyclical factors during 2010 in addition to structural pressures as referred to above. The overriding objective of the States in budgetary terms therefore will be to resolutely maintain the commitment to controlling public expenditure and thus a recommitment to the objective of a real term freeze as a minimum in general States expenditure.

- **Recommendations and Resolutions**

To endorse the (continuing) plan.

GUERNSEY SOCIAL POLICY PLAN: 2010 UPDATE

1. Executive Summary

This report (the 2010 Social Policy Plan) reviews the States Social Policy Objectives and recommends one change to one of the principal objectives (to insert the word equality so that the fourth social policy objective reads “Promote, and remove barriers to, *equality*, social inclusion and social justice.” The report also recommends that “*Promote awareness of entitlement to services and benefits and explain departmental processes and rights of appeal to service users*” be included as set out in section 3 of this plan.

The report provides a progress update on last year’s social policy plan’s work programme. Whilst implementation of the full 2009 plan has been held up due to lack of funding, a significant amount of work has been achieved.

The report also sets out the new developments that social policy departments would like to progress and attempts to prioritise the new developments as set out in section 6 of this report. Finally, the inter-relationships with other aspects of the States Strategic Plan are discussed.

It is important to remember that this report sets out what social policy departments would like to do, not what will necessarily be done, as what is progressed in 2011 will be dependent on the outcome of the SSP prioritisation process and the resolutions passed during the SSP States debate. This report has predominantly been drafted during April and May 2010 and therefore reflects SPG’s views and prior to the Policy Council’s deliberations on what new service developments to recommend to the States for 2011.

The States of Deliberation are also recommended to:

- Rescind their previous resolution to repeat the Survey of Guernsey Living Standards;
- Agree to extend the Domestic Abuse Strategy until the end of 2014 so that an evaluation of the strategy can be carried in 2013 to be reported back to the States ahead of the 2014 prioritisation process;
- Agree that the research into a disability strategy and disability discrimination legislation should include researching and reporting to the States on all aspects of the UN Convention on the Rights of Persons with Disabilities, with a view to recommending whether an extension of the Convention to Guernsey should be requested.

2. Introduction

The purpose of the 2010 Social Policy Plan is to review the Social Policy Plan agreed in 2009. The 2009 plan will be revised and extended, on a rolling basis, so that the 2010 Social Policy Plan sets out the States of Guernsey’s vision and priorities for social

policy related initiatives for the next five years, i.e. from 2010 until approximately 2014, inclusive. The priorities for 2011 will also be explored in greater detail.

This annual process is vital as social policy is one of the core issues at the heart of government. It includes health and social services, education, social welfare and housing, keeping Guernsey a safe place to live, promoting healthy lifestyles and some employment matters. These issues form a significant part of the work of seven States Departments and the Policy Council's Policy and Research Unit. Social policy is the largest area of States expenditure.

3. Social Policy Objectives

In 2009 the States agreed to a number of strategic objectives for social policy. A change is proposed for 2010 which is shown in *italics* below.

- Foster an inclusive and caring society which supports communities, families and individuals
- Assist people to help themselves and become independent where possible, by encouraging personal responsibility
- Promote active and engaged citizenship
- Promote, and remove barriers to, *equality*, social inclusion and social justice
- Meet welfare needs and reduce poverty
- Improve housing availability, quality and affordability
- Maintain a healthy society and safeguard vulnerable people
- Maintain the Bailiwick as a safe and secure place to live
- Promote equality of educational opportunity
- Encourage all who need, or are able, to work to find employment

The objectives are explained in further detail overleaf, together with the areas of work and specific projects that are being progressed in order to meet these objectives. The effects of the amendment moved by Deputy Gillson which was agreed in 2009 and proposed changes for 2010 onwards are shown in *italics*. Each area of work has key performance indicators which are included in the Sustainable Guernsey monitoring report.

Appendix 1 to this appendix maps in greater details the main social policy strategies and projects to one another and to the social policy objectives and areas of work.

Social Policy: Principal Objectives	
Foster an inclusive and caring society which supports communities, families and individuals	1. Provide an environment which encourages a fair, inclusive, non-discriminatory, safe, caring and viable community which allows talent and hard work to be rewarded
	2. <i>Promote awareness of entitlement to services and benefits and explain departmental processes and rights of appeal to service users</i>
	3. Enhance people's ability to realise their potential and increase their personal and social wellbeing
	4. Provide/facilitate opportunities for independence and improved self esteem
	5. <i>Include a duty of individuals to take personal responsibility to the fullest extent possible for the welfare and actions of themselves and their children</i>
Promote active and engaged citizenship	6. Promote a culture of active and engaged citizenship, in which self-development, participation in community and civil life and caring for disadvantaged neighbours are key features
Promote, and remove barriers to, equality, social inclusion and social justice	7. Promote social inclusion and the design of policies that limit the damaging effects on the life chances of those who could be said to be socially excluded
Underpinning Objectives	
Meet welfare needs and reduce poverty	8. Focus on human welfare issues that are directed towards meeting recognised needs in health, housing, income maintenance and education and provide access to quality services in these areas
	9. Aim for Islanders to live their lives free from poverty
Improve housing availability, quality and affordability	10. To ensure that all persons legally resident in Guernsey have access to housing accommodation to meet their reasonable needs

Maintain a healthy society and safeguard vulnerable people	11. Pursue a strategy for health and social services which promotes the attainment and maintenance of optimum health for each individual (in terms of length and quality of life) and which supports and safeguards vulnerable members of the community
Maintain the Bailiwick as a safe and secure place to live	12. Promote and support policies which aim to reduce crime and disorder and keep the Bailiwick a safe and secure place to live
Promote equality of educational opportunity	13. Evolve policies for education, training and lifelong learning which promote equality of educational opportunity
Encourage all who need, or are able, to work to find employment	13. Provide support, careers guidance and training to those who need it most to find and retain suitable, sustainable employment when they cannot do so unaided

Underpinning Objectives		Areas of Work
Meet welfare needs and reduce poverty	8. Focus on human welfare issues that are directed towards meeting recognised needs in health, housing, income maintenance and education and provide access to quality services in these areas	Meet welfare needs and reduce poverty
	9. Aim for Islanders to live their lives free from poverty	
	10. To ensure that all persons legally resident in Guernsey have access to housing accommodation to meet their reasonable needs	
Improve housing availability, quality and affordability		Improve housing availability, quality and affordability
Maintain a healthy society and safeguard vulnerable people	11. Pursue a strategy for health and social services which promotes the attainment and maintenance of optimum health for each individual and which supports and safeguards vulnerable members of the community	Provide health and social care services
		Support families and vulnerable people
		<i>Promote equality and eliminate discrimination</i>
Maintain the Bailiwick as a safe and secure place to live	12. Promote and support policies which aim to reduce crime and disorder and keep the Bailiwick a safe and secure place to live	Reduce crime and enhance community safety and responsibility
Promote equality of educational opportunity	13. Evolve policies for education, training and lifelong learning which promote equality of educational opportunity	Provide education and training
Encourage all who need, or are able, to work to find employment	14. Provide support, careers guidance and training to those who need it most to find and retain suitable, sustainable employment when they cannot do so unaided	Encourage employment and lifelong learning

Possible Projects 2010-14 [NB not in any order of priority]	Areas of Work
Review/overhaul the benefits/contributions system for providing financial assistance for low income households, including removing disincentives to working in the tax/benefit system A) <i>Temporary staffing for review B) Temporary staffing for Supplementary Benefit administration</i>	Meet welfare needs and reduce poverty
Ensure the long-term sustainability of the social insurance fund	
Progress the Social Housing Development Plan	
Supported accommodation/accommodation for people with special needs	Improve housing availability, quality and affordability
<i>First time buyer initiatives</i>	
Private rented sector accommodation	
<i>Key worker accommodation</i>	
Improve mental wellbeing A) <i>Integrated mental health care service, B) Mental health and wellbeing Strategy, C) Out of hours mental health service (Part 1 – legislation, Part 2 – strategy and services, NB there are also revenue implications tied to HSSD's Site Development Plan)</i>	
Introduce new screening and preventative health measures A) colorectal screening and B) the obesity strategy	Provide health and social care services
Alderney social care services	
<i>Enhancement of existing health and social care/welfare services A) Midwifery, B) Haematology, C) Haemodialysis D) St John's Ambulance paramedics, E) Off-island placements</i>	

Reviewing the causes and responses to long-term sickness	Support families and vulnerable people
Develop and progress an integrated care and support strategy for older people (<i>and review of long-term care</i>)	
Improve community recreational facilities	
Review of voluntary sector role in promoting social inclusion	
NEET (Young people not in education, training or employment) strategy	
Put in place an infrastructure to comply with the new Children & Young People's Legislation & develop & progress a Children & Young People's Plan A) <i>C&YPP Accommodation B) Social Workers, C) Kinship Care</i>	
<i>UN Convention on the Rights of the Child</i>	
Domestic Abuse Strategy	
Drug and Alcohol Strategy	
UN Conventions on Discrimination, e.g. on the Elimination of All Forms of Discrimination Against Women (CEDAW)	
Civil partnerships	<i>Promote equality and eliminate discrimination</i>
UN Convention on the Rights of Disabled Persons and a strategy and services for disabled people (including A) neuro-rehabilitation and B) a wheelchair service; <i>also C) accommodation for adults with a learning disability and D) respite care</i>)	

<i>Review of Invalid Care Allowance</i>	
Setting up and implementing the independent safeguarding initiative to protect children and vulnerable adults (safeguarding vulnerable groups)	Reduce crime and enhance community safety and responsibility
Criminal Justice Strategy including Review of Law Enforcement and introduction of community policing model A) <i>Community service scheme</i> , B) <i>Strategy development</i> , C) <i>Offender management strategy</i> , D) <i>Prison service review</i> E) <i>Restorative justice development officer</i> F) <i>Police review</i> G) <i>Sex offender and offences legislation</i>	
Criminal injuries compensation scheme	
Progress Education Development Programme Phase 1 (EDP1)	Provide education and training
Pre-school education	
Childcare	
New initiatives and training aimed at assisting people into employment/up-skilling	Encourage employment and lifelong learning

4. Context for developing the plan 2010-2014

As explained in the 2009 SSP Report (Billet d'état XXVI), phase 2 of the Fundamental Spending Review identified lower estimated net savings over a five-year than were previously projected. This meant that last year's social policy plan had to be substantially modified with respect to what could be achieved in 2009 and 2010. This situation is unlikely to change this year. Approximately £6m-£8.5m worth of projects have been put forward by social policy departments for commencing in 2011, compared with estimated efficiency savings in the 2009 SSP report of less than £3m. These efficiency savings would need to cover all new service developments in 2011, not just those in the social policy plan. Until the estimated efficiency savings are reviewed and the rest of the SSP bids are received by the SSP team, it is difficult to know how much funding might be available for social policy in 2011. Against this background the Social Policy Group has attempted during April and May 2010 to prioritise its recommended priorities for 2011.

Sustainable Guernsey 2009 included some social policy key performance indicators (KPIs), albeit that it was recognised that further refinement to some of the KPIs would be required. The three indicators that were highlighted red in that report (i.e. because they were against the desired trend) were: house price to earnings ratio; adult obesity; and domestic abuse incidents. All were increasing, whereas the desired trend was for a decrease. The other indicators either had insufficient information available or suggested a stable or improving position.

The next section of this report explains which social policy initiatives did receive funding in 2010, provides a review of progress achieved to date, and outlines what the Social Policy Group and social policy departments would like to achieve in 2011 (if sufficient funding were available). The projects are listed in the order given in the 2009 Social Policy Plan, with new or additional developments included at the end.

It is important to realise that, in addition to the new developments and projects requiring further funding listed in this plan, many other areas of good work are ongoing, for example the full Corporate Housing Programme (which contributes to the objective on improving housing availability, quality and affordability) and the tobacco strategy which is a preventative health strategy that is important for the objective on maintaining a healthy society.

The Corporate Anti-Poverty Programme was originally established to meet welfare needs and reduce poverty. The Corporate Anti-Poverty Programme (CAPP) was subsumed into priority 4 of the former Government Business Plan and has now been superseded by the initiatives given in this social policy plan (as is explained in Appendix 2 to this appendix). Hence, in future, reference should be made to the Social Policy Plan rather than to CAPP.

A detailed report on the progress of the Corporate Housing Programme was submitted to the States for the May 2010 States meeting. The Corporate Housing Programme (CHP) is the practical framework for implementing the States Housing Strategy across a

broad range of fronts. The successful delivery of the CHP helps to meet a number of the core values and strategic social policy objectives of the Social Policy Plan, as detailed in the most recent report on the CHP, which was considered by the States in May this year³.

This Report identified and described in detail no less than 39 workstreams that were being progressed as part of the CHP. With this in mind, when the Government Business Plan was superseded by the SSP it was decided that the CHP was sufficiently wide-ranging as to justify a separate States Report – one that would be published every two years in advance of that summer's SSP.

In approving that Report, the States agreed that any work being undertaken in pursuit of CHP goals would be referenced in departments' operational plans and/or in the SSP itself. Consequently, in relation to this Social Policy Plan, commentary below has been limited to a reminder of the details of the major strategies and social policy initiatives being taken forward through the CHP. Other workstreams will be referenced in departmental operational plans, so as to ensure that the CHP is fully integrated within the SSP architecture.

5. Progress against the 2009 plan and relevant developments

1. Implement the independent safeguarding initiative to protect children and vulnerable adults (lead Home Department)

The need to safeguard our community's most vulnerable groups through participation in a new Vetting & Barring Scheme ('the Scheme') being introduced across the UK was endorsed as the highest priority in the Social Policy Plan in 2009.

The aim of the scheme is to provide a more robust system by which to carry out background checks on people working or volunteering with vulnerable adults and children by means of extending the UK Government's new Vetting & Barring Scheme ('the Scheme') to the Bailiwick. The Scheme recognises the need for a single process to assess all individuals who wish to work or volunteer with children and vulnerable adults, and therefore directs that these persons are registered with the Independent Safeguarding Authority ('the ISA') to do so.

Registration with the Scheme confirms that there is no known reason why the individual should not undertake certain roles with children and/or vulnerable adults, and it therefore constitutes a person's 'passport' to working or volunteering with these groups. Eligibility for registration with the Scheme will be assessed by staff of the ISA on the basis of information contained in a criminal record check as provided by the Criminal Records Bureau ('the CRB') and also other sources, such as referrals from professional bodies. Scheme registration is fully portable and registered persons will be subject to

³ *'Corporate Housing Programme – Progress against the 2009 Action Plans and Future Strategy'* (Billet d'État XI 2010)

continuous monitoring, meaning that employers will be legally obliged to feed into the ISA any concerns that they may have about an employee in respect of their suitability to work with vulnerable groups as a result of allegations of and/or actual incidents of inappropriate conduct. In this way the Scheme ensures that malicious persons are not free to simply relocate in order to continue their offending behaviour.

Information about an individual's registration status will be securely stored for employers and voluntary organisations to use when they are recruiting. Once the Scheme has been fully rolled out, employers providing what the Scheme defines as 'regulated' or 'controlled' activities will be legally obliged to only recruit individuals to those activities who are registered with the Scheme.

The Scheme constitutes the most robust employment vetting procedures ever in place and the Home Department and the Social Policy Group feel that it is essential for Guernsey to participate in this UK initiative if a consistent and robust approach to safeguarding our society's most vulnerable groups is to be achieved.

The scope of this project is vast and necessarily multi-agency. The Home Department has therefore had to pursue a phased approach to the Bailiwick's participation in the Scheme and has successfully completed Phase 1, the facilitation of a direct relationship with the CRB which offers significant enhancements to existing local employment vetting services and provides for the operation of parts of the Scheme at a local level.

The Home Department continues to work towards the achievement of Phase 2, the facilitation of a direct relationship with the ISA, but must first await the outcome of a review of the Scheme that the new UK Government has recently announced will be undertaken.

The £155,000 prioritised to the Home Department for 2010 will fund essential set-up costs to support the implementation of Phase 1, which will also in turn support the implementation of Phase 2. There will be ongoing maintenance costs associated with this, and part of the funding prioritised to the Department for 2011 – 2013 will go towards meeting these costs.

The fact that this initiative has already been prioritised through the SSP process means that the Department will be ready to proceed with adapting to the UK's revised timetable once it has been determined. The Home Department will therefore continue to progress the achievement of Phase 2 with the UK with a view to maintaining the full funding prioritised to the Department for 2011 – 2013.

2. Put in place an infrastructure to comply with the new Children and Young People's Legislation and develop and progress a Children and Young People's Plan (lead HSSD)

The Children (Guernsey and Alderney) Law 2008 commenced in January 2010. The integrated Children and Young Peoples plan that is a requirement of the legislation was part funded for 2010 through the States Strategic Planning process. In 2009 it was

estimated that approximately £500,000 would be required for the plan from 2011. A draft plan has now been developed and costed at £610,000 in total. £108,000 has already been allocated through the SSP for 2010 and the remainder of the funding will be required for 2011 onwards. An outline of the Plan will be presented to the States later in 2010 as required by the Law for States approval.

In addition to the Plan, the Children (Guernsey and Alderney law) increases the age of at which a young person is classed as a child for certain purposes from under 16 years to under 18 years.

The additional 2 years has a significant impact on the work of HSSD in terms of social work time. The young people in this age range often have significant complex problems which span a number of service areas, including Assessment and Intervention social work, Youth Justice and the Child and Adolescent mental Health Team. In order to meet the duties imposed by the new Law the Health and Social Services Department requires an additional 4 social workers.

The Health and Social Services Department has also requested funding to deliver “kinship care”, again as part of the new Children’s Law. Kinship care is used to describe all care arrangements for children placed with family members by the department as an alternative to departmental care. This would apply to those children who can no longer live with their birth parents.

These children would otherwise be in the care of the department in foster care or residential care which is a much more costly option.

The costings have been based on an estimated 17 children needing kinship care at any one time.

3. Review the benefits/contributions system for providing financial assistance for low income households (leads SSD and T&R; Policy Council also involved)

Since the last States Strategic Plan debate, a full-time Project Officer has been appointed throughout 2010 funded through the Corporate Housing Programme. The project commenced in October 2009 and is following Prince2 methodology. An update was provided through the Social Policy Group in December 2009. Scoping of the project is underway and the project initiation document/business case and project plan are being developed. During February 2010, a workshop took place facilitated by Dan Finn who is Professor of Social Inclusion at the University of Portsmouth and an Associate Director at the Centre for Economic and Social Inclusion. Next phases of work during 2010 include initial research and information gathering, including examining how the rent rebate scheme could best be integrated within a reformed supplementary benefit scheme, investigation of the eligibility criteria for the new benefit, the review of the benefits paid in addition to the basic allowance and consideration of the mechanisms for incentivising work. The project will continue beyond 2010 with a report to the States towards the end of 2011 and, depending upon

the States resolution, the next phase of the project would commence involving system changes.

This project is the top priority for the Social Security Department and was the third highest priority in the 2009 Social Policy Plan. However, the speed of progress is dependent upon the funding available to staff the project and at present there is only one full-time Project Officer appointed, funded through the Corporate Housing Programme. Consequently, there is a high risk that project deadlines will not be met and the Department may not report to the States before the end of 2011. Although there is no funding available during 2010, there is a need for a full-time Project Manager to be appointed who also has the skills to assist with policy development and a second full-time Project Officer. The level of funding required in 2011 for a full-time Project Manager and two full-time Project Officers would be around £160,000.

The Social Security Department is also seeking funding to temporarily increase the capped administrative general revenue budget so that the Supplementary Benefit Section is adequately staffed during 2011 and so that there is funding to carry out medical assessments.

At the end of February 2008 there were 253 jobseekers. This had risen to 434 by the end of February 2009 and to 490 by the end of February 2010. This equates to a 94% increase over two years.

The Job Centre administers Unemployment Benefit funded through the Social Insurance Fund and Supplementary Benefit funded through General Revenue. Some jobseekers only receive Unemployment Benefit whereas others receive Supplementary Benefit or a combination of the two. At the end of February 2008 there were 170 jobseekers receiving Supplementary Benefit. This had risen to 258 by the end of February 2009 and to 303 by the end of February 2010. This equates to a 78% increase over two years. At the end of February 2008 there were 350 people receiving Supplementary Benefit as a result of incapacity for work. This had risen to 397 by the end of February 2009 and to 472 by the end of February 2010. This equates to 35% increase over two years.

The Supplementary Benefit Section remains under great pressure from public and political perspectives to work with jobseekers and the long-term sick to reduce the overall numbers claiming out of work benefits. In order to meet this expectation the Section must be adequately staffed. It is important to recognise that increased claim numbers automatically leads to increased expenditure on the formula-led general revenue budget. There is therefore a strong case for the implementation of temporary strategies that should reduce formula-led expenditure and, at worst, will moderate its further increase.

Repeat Survey of Guernsey Living Standards/ Minimum Income Standards Study

Finally, last year's social policy plan also referred to repeating the Survey of Guernsey Living Standards or carrying out a minimum income standards study to inform the review and modernisation of supplementary benefit. This was not prioritised for funding in the

2009 States Strategic Planning process and hence a repeat Survey of Guernsey Living Standards has not been carried out. The States are therefore asked to rescind their previous resolution to carry out a repeat Survey of Guernsey Living Standards.

The Social Policy Group is currently exploring two options to assist research into poverty and standards of living in Guernsey using the results of a minimum income standards study in England and local data from the Guernsey retail prices index and the household expenditure survey. To assist this research the Social Policy Group would support a household income and expenditure survey being carried out in 2011, when the household expenditure survey is due to be repeated.

4. *New initiatives and training aimed at assisting people into employment/upskilling (leads C&E and Education; SSD is also involved)*

Three departments are working on initiatives aimed at assisting people into employment and upskilling. An update from each of these departments is provided below.

Social Security

Most of the Social Security Department's initiatives have been funded through the Guernsey Insurance Fund's Back to Work benefits. Social Security and Education have continued to work together on several work streams, including investigations into the creation of some form of job club, which has not been pursued, and early access to young people at school who are at risk of becoming NEET (not in employment, education or training). In November 2009, the Department introduced its Recruitment Grant to support employers who recruit the long-term sick or long-term unemployed. Social Security have also been working with Health and Social Services, Education and Housing on the introduction of its "Get into Caring" training scheme, the first pilot course of which took place in the Spring of 2010 and provided short-term trial work placement in residential and nursing homes. SSD is looking to repeat the course, with increased numbers, in the autumn of 2010.

The preparation of the Department's new training centre on the Raymond Falla House site is nearing completion. It will be delivering its first course in the autumn of 2010. Within the Job Centre, resources have been refocused so that an Employment Advisor is now working solely with single parent jobseekers and is available to work with any single parent on benefit who wants help with finding work. Steps are also being taken during 2010 to introduce a questionnaire for all new jobseekers. This questionnaire will help jobseekers focus on their return to work, provide Job Centre staff with insight into the work-readiness of individual claimants and assist with tailoring individual claim management plans and inform subsequent job-focused meetings.

In addition, Social Security and Housing are working together to introduce improved measures for matching jobseekers to vacancies as part of a joint strategy on a six-month trial basis to try and limit the issue of short-term housing licences.

As far as its work rehabilitation initiatives are concerned, during 2010 the Department is exploring opportunities to introduce workplace mentoring to support the work rehabilitation process. If the Department takes this initiative forward, it will involve working with partner businesses and States Departments to introduce formal training for mentors. A further initiative during 2010 involves working with States Departments to introduce an Adult Employment Scheme. If approved, this will lead to work experience placements and opportunities for paid employment within the States.

It is anticipated that these projects will continue beyond 2010. Social Security and Education have agreed that it will no longer pursue the job club initiative as the high level of investment required was unlikely to be matched by the outcomes gained for those that are considered to be the hardest to help. Instead, the two Departments will work together to strengthen the services provided through the Job Centre and the Work Rehabilitation team and agree strategies for improving the support for those at risk of becoming “NEET” upon leaving school and to increase the take up of support available to jobseekers through the adult guidance service.

Education

The Education Department has continued to encourage all sectors of the island community to engage in learning as it recognises the benefits that education and training has upon an individual’s ability to find sustainable employment. The past year has seen the following developments:

- Guernsey now has a Post-16 participation rate of 74% in full time education and an 82% of all 16 year olds engage in education and training. This is the highest ever participation rate.
- The States Registered Apprenticeship Scheme has a record number of apprentices on the scheme despite concerns about the decline in the number of employers who were recruiting last year. A proposal has been drawn up to extend the apprenticeship scheme to run a States Traineeship Scheme.
- The Careers Service has made proposals to transform into all all-age guidance service by incorporating the Adult Guidance programme into its work. The Education Department has extended the project for one more year and it is planned that a full proposal is made to the States in 2010 to establish a permanent all-age guidance service.
- Schools have been encouraged to broaden their curriculum offer to ensure that pupils can access a wide range of courses.
- The Link Centre has been opened which offers support for schools and students with behavioural, emotional and social difficulties

- The College of Further Education has continued to provide a wide range of courses that are intended to meet the training needs of all sectors of the community.

Commerce and Employment

In the summer of 2009 the Commerce and Employment Department commissioned Frontier Economics Limited to carry out an assessment of skills needs and skills gaps in Guernsey together with a strategic review of its investment in upskilling the Island's workforce. The approach taken to the review was holistic, thus work related learning/training needs and skills provision/delivery across all economic sectors and at all levels were examined by Frontier Economics. The Department's contractors consulted extensively with stakeholders including the majority of States Departments represented on the Social Policy Group and the resultant report is out to stakeholder and public consultation at the time of producing this update. It should be noted that Frontier Economics' major recommendation is the development of an integrated skills strategy which, if adopted, should subsume two of the principal aims of workforce development, i.e. increasing participation in the workforce and increasing the effectiveness of the workforce.

As in 2009, Commerce and Employment has worked collaboratively with the Education Department as a significant financial contributor to, and partner in, the 2010 Careers Show. The Department has continued to fund the Guernsey Enterprise Agency which, in 2009, saw a marked increase in requests for advice and assistance from people considering setting up their own businesses, many of whom had lost or were at risk of losing their employment. In addition Commerce and Employment has worked closely with the College of Further Education Business School in establishing a short course aimed at individuals who are considering starting their own business.

5. *Domestic Abuse Strategy (lead Policy Council)*

Last year's social policy plan reported that on average, every week in the Bailiwick of Guernsey, the police attend over ten domestic incidents and deal with four domestic assaults on women and men, yet we believe that most domestic-related incidents are not reported. Between 2007 and 2008 the number of reported incidents to the Police increased from 722 in 2007 to 878 in 2008. The figure for 2009 was 847. The performance indicator in Sustainable Guernsey is red in 2009 highlighting that the strategy is needed. A Domestic Abuse Strategy was debated by the States and approved in principle in September 2009. The Strategy outlines the States' proposals to prevent domestic abuse happening in the first place, to decrease repeat victimisation and make it easier for individuals to feel able to come forward and seek help. It also sets out proposals to improve protection and services for victims and their children, and to bring more perpetrators of this crime to justice. At the time it was estimated that the cost of implementing the strategy would be in excess of £300,000 per year.

The Strategy was allocated £100,000 of funding in the October SSP debate. Clearly this was not sufficient to implement the whole strategy but the Domestic Abuse Advisory

Group and the Social Policy Group, in consultation with the local Domestic Abuse Forum, Options, have prioritised the following service development for implementation in 2010: Domestic Abuse Strategy Coordinator and Multi-Agency Risk Assessment Conference Coordinator; Independent Domestic Violence Adviser; therapeutic work with children (this has become even more important since the reduction in the level of service offered in the Bailiwick by the NSPCC); rent deposit scheme; a paper data collection scheme; a small pilot perpetrator programme; and research in Alderney. The Strategy Coordinator has been in post since March 2010. At the time of writing the MARAC post is being advertised, a job description is being developed for the therapeutic work with children and the IDVA service is out to tender. The supervised contact service is also continuing under the Children and Young People's Plan.

If further funding for the Strategy was available in 2011/12, the priorities would be; perpetrator programmes (and further support work with women and children); education/youth work; and expanding the IDVA service. Part of the Coordinator's post only has temporary funding for 2010 and there is only currently funding available for one Independent Domestic Violence Advisor post, whereas the strategy was initially prepared assuming 1.5 (or possibly 2 posts). The number of high risk cases being referred to the Multi Agency Risk Assessment Conferences (MARAC) is considerably higher than originally anticipated and indicates that three would be necessary to cover the number of high risk cases occurring. Clearly one post cannot take on such a substantial case load. Full funding of the strategy would require an additional £207,600.

The States originally agreed that the strategy would run from mid 2009 until the end of 2010. However, the majority of the strategy will not be funded before 2011. (In October 2009 the States agreed in principle that the Domestic Abuse Strategy should be funded no later than 2011). This gives insufficient time for the strategy to be operational for a full year and for a progress and performance report back to the States before the 2012 SSP planning cycle. It is therefore recommended that the current strategy should continue until the end of 2014, so that a progress report can be prepared towards the end of 2013.

6. *Drug and Alcohol Strategy (lead Policy Council)*

In December 2009 the States agreed an additional £50,000 per annum for the drug and alcohol strategy (at 2009 prices) and to continue the strategy until the end of 2014. The strategy has been very effective at implementing measures to tackle drug and alcohol abuse in the Island and this additional funding will ensure the strategy's continuation. Priorities within the strategy for 2010 and 2011 are emerging drugs of concern, the establishment of a young person's treatment service, high risk offender schemes and drug education orders, reviewing the drink/drive alcohol limit, and a performance review of the whole strategy to inform the next strategy from 2015 onwards. A small amount of additional funding is still required for the strategy to reinstate the demand reduction initiatives deleted from the strategy in 2010 and to make the Drug Education Worker and Criminal Justice Alcohol Worker fulltime posts within the strategy in line with demand. The December 2009 States report on the strategy explained that these initiatives would remain on the SSP prioritisation list.

7. *Introduce new screening and preventative health measures including colorectal screening, and the obesity strategy (lead HSSD)*

Last year's Social Policy Plan included costs for introducing colorectal screening and some funding provision for the obesity strategy. Introducing bowel cancer screening and measures to tackle growing levels of obesity will reduce health expenditure in the long term, not to mention the social benefits that many people will be able to lead healthier lives.

At one point the Treasury and Resources Department had allocated funding for the introduction of the colorectal cancer screening service, but funding was withdrawn due to implementation problems. A bid for funding in respect of this service development has been re-submitted in 2010. Bowel cancer is the second most common cancer in Guernsey after breast cancer. Approximately 35 new cases are diagnosed each year. Lifetime risk of developing bowel cancer in the UK is 1 in 18 for men and 1 in 20 for women. 80% of people diagnosed with bowel cancer are 60 years or older. If bowel cancer is diagnosed at an early stage (Dukes stage A) 85-95% of patients live for five or more years after treatment. Colorectal cancer screening is recommended by National Institute of Clinical Excellence and has already been implemented in the UK.

The Obesity Strategy was approved by the States in November 2009 but no funding was allocated through last year's States Strategic Planning process. Funding is requested in 2010, without which the strategy cannot go ahead. Rates of obesity in Guernsey have more than doubled in last few decades and the condition has become one of the most important causes of preventable death and ill-health in the island. Should rates of obesity continue to increase, the negative impact on health may exceed that of smoking within ten to twenty years as the most important preventable cause of premature death on the island. Overweight and obesity are linked to conditions such as cardiac heart disease, type II diabetes and cancers and are associated with very significant costs, both directly to health services and indirectly to commerce and society as a whole. The Guernsey Obesity Strategy has been developed to try and halt the increase in obesity amongst the island's population and, in doing so, to reduce the associated costs.

It is acknowledged that there are a wide and complex range of causes of obesity, including individual biology, social, economic and environmental factors. The Strategy points to an equally complex range of actions to tackle obesity levels, including interventions at governmental, community, family and individual levels and interventions across an individual's life course.

8. *Criminal Justice Strategy including review of law enforcement and community policing (lead Home Department)*

The Home Department is leading the development of a cross departmental and multi-agency Criminal Justice Strategy (including a strategy for community safety).

Last year it was explained that this included a major review of how Law Enforcement services are delivered which was largely being funded from existing Home Department resources. However, as further work on the Criminal Justice Strategy has developed, it is clear that further work will be required to fully develop a full criminal justice strategy. In addition there are some projects that are currently being funded out of unspent balances on a pilot basis, which will need more permanent funding in order to continue. These initiatives have been subdivided for the SSP process, as set out below.

Development of the Criminal Justice Strategy

There is a wealth of documentation defining political expectations, the expectations of the public – the primary stakeholders – and also of criminal justice professionals as to how the local community should be protected. There remains, however, no such Criminal Justice Strategy that is centrally coordinated so as to ensure that such expectations may be consistently met. At all levels of crime, and importantly where criminal activity increases in sophistication, so too must efforts to tackle it and in doing so meet our core objective to maintain the Bailiwick as a safe and secure place to live.

The formulation of an overarching, coordinated Criminal Justice Strategy will formally bring together the programmes of each criminal justice agency, promote links with key government agencies (e.g. Health and Social Services, Education) and non-government organisations (e.g. Victim Support & Witness Service) and establish a clear framework from which the best use of resources, expertise and technology can be made to tackle offending behaviour, increase the satisfaction of victims and witnesses and, more widely, the confidence of the local community. It is hoped that in consequence a more holistic and efficacious Criminal Justice System can be realised, the security of the local community can be enhanced, and value for money will be assured.

Throughout 2009 the Department has revived the Criminal Justice Policy Working Group – now known as the Criminal Justice Working Group ('the CJWG') – to lead on the formulation of achievable objectives from political aspirations, and this – the direction of the Criminal Justice Strategy - will be the Group's long-term function. The Home Department has committed administrative and research support to the Group.

The success of any Strategy is firstly dependent upon the creation of conditions for informed decision-making by way of systems that facilitate the generation and extraction of meaningful statistics. This itself is dependent upon the existence of appropriate mechanisms by which to exchange data efficiently and securely between CJ organisations. Improvements in data-sharing mechanisms and the rationalisation of information-sharing processes by enabling technologies is therefore at the very heart of our ambition to achieve an integrated Criminal Justice System. An audit of systems and data-handling arrangements by all core criminal justice organisations is currently being coordinated by the Department using existing resources so as to identify where low-cost efficiencies can be made. The benefits of these efforts will not be confined to Criminal Justice organisations themselves but will be felt by victims, witnesses and defendants as the accuracy and consistency of knowledge shared means a reduction in the time-frame in which cases are processed.

In full support of the States of Guernsey's commitment to strategic decision-making, economic efficiency and value for money, the Department has also undertaken proof of concept of a corporate management I.T. tool to assist in business planning and performance measurement. This was recognised by the Home Department as being more critical than ever in terms of ensuring that Government strategic objectives are met, offset against the Department's own responsibility to track and monitor performance and efficiency. This will be crucial when submitting future funding bids where there are resourcing implications and the consequent need to make sound, evidence and criteria-based decisions.

The Strategy's development was not allocated any funding in 2009 and whilst the Department has made significant progress on this work-stream throughout 2009 and 2010 through the utilisation of existing resources, the scope and associated demands of this project clearly indicate the need for a full-time coordinator. The Home Department is therefore seeking £60,000 in 2011, and annually thereafter, for a coordinator's post so that work on this significant and substantial work-stream can continue.

Associated funding (£30,000) is also sought to progress the introduction, maintenance and development of a corporate management I.T. tool which is currently being evaluated and has been endorsed by the Value for Money Team ('the VFM Team') as part of the wider Financial Transformation Programme ('the FTP').

Community Sentencing

The Community Service Scheme exists to provide the courts with a credible community based penalty as a direct alternative to a custodial sentence. The sentence allows the court to require an offender, found guilty of an imprisonable offence, to perform a specified number of hours of unpaid work in reparation to the community.

The Community Service Scheme is administered by the Probation Service and is governed by the Criminal Justice (Community Service Orders) (Bailiwick of Guernsey) Law 2006. This legislation was registered by the Royal Court on the 29th October 2007 and Community Service Orders have been available as a sentencing option for the Bailiwick Courts since that date.

A Community Service Order is effectively a fine on an offender's free time. It is a punitive sentence although the focus of the sentence is on the positive effect of the offender's work within the community and not the negativity of the punishment. The sentence allows the offender to retain their liberty which allows them to maintain accommodation, employment and family links, all factors known to reduce the likelihood of reoffending.

The new sentence of Community Service is targeted at offenders who would have been sent to custody or youth detention for a period of up to 12 months, or would have been received a suspended sentence or fine. In cases where the order is made as an alternative

to a custodial sentence, the default sentence is stated in court and the offender can expect to receive that period of custody if they re-offend or fail to comply.

The Community Service Scheme has been in operation since October 2007, paid for from the Home Department unspent balances which are no longer available. All set up costs, including vehicles, premises, training and equipment are in place and paid for. The Community Service Scheme is being included within the States Strategic Plan as it was originally established as a pilot project and needs ongoing funding in order to continue.

Offender Management Strategy

The Offender Management Strategy sets out an agreed model of best practice for managing offenders both in the community and in custody. It fulfills the requirement for a resettlement strategy identified as lacking in the 2009 HMI inspection of the Prison and follows the recommendation in the 2009 Prison Service Review for an Offender Management Unit within the Prison.

The prison staffing requirements to meet the needs of the newly formed Offender management unit have been met through redeployment of prison staff and do not require additional resources.

There is currently one part time Probation officer assigned to the Prison. For the effective implementation of the strategy this needs to be increased by one full time Probation Officer.

The Multi Agency Public Protection Arrangements (MAPPA) currently have no administrative support. For adequate management of high risk offenders a coordinator is needed to provide administrative support to the Home Department agencies involved (Police, Probation, Prison).

Prison Service Review

The Home Department wished to modernise the Guernsey Prison Service making the most effective and efficient use of resources to deliver the Offender Management Strategy and develop into a working prison, growing a prison regime to meet offender needs and reduce the risk of reoffending. The recruitment of an additional 9 Prison Custody Officers (PCO's) incrementally over the next three years will release our most experienced Prison Officers from locations where there is no prisoner contact to utilising their expertise to manage prisoners. An additional Manager is required to drive Prison Service Strategy designing new policy and procedures providing a safer environment for staff and prisoners.

Restorative Justice Development Officer

Restorative Justice (RJ) is an innovative, problem solving approach to offending behaviour, bringing the offender and victim together so that the offender can

acknowledge responsibility and the victim can say to the offender how they have been affected.

The Home Department supported the development of RJ approaches by agreeing to fund a 3 year Development Officer post to ensure that the needs of victims were being fully integrated within the criminal justice developments in the Home Department. Restorative Justice is victim focussed. Any benefit to the offender is a by-product.

The post is situated at the Probation Office but the Development Officer has a multi agency remit and is managed by senior officers from a range of agencies including Police, Probation, Prison, Victim Support, Mental Health Services and Youth Justice. The 3 year pilot period ends in March 2012. This proposal is for ongoing funding of the development officer post for this multi agency, victim focussed initiative.

Police Resource and Staffing Review

In 2005 a review of the Guernsey Police Force by the National Audit Office concluded that even at the time of the review 'the Force was stretched to meet the current and future requirements but that any increase in establishment must await a clear development strategy'. The Home Department has carried out a review of Policing and specifically related Law Enforcement Responsibilities. As part of those recommendations a strategy has been developed entitled '*A force for the Future*' which considers the most effective and efficient deployment of human resources both from the perspective of attested officers and that of appropriately deployed support staff including and where relevant outsourcing. The aims are to release Police Officers to front line duties, fully establish a model of Neighbourhood Policing Programme and engage fully with the public in terms of proactive rather than the current reactive policing model, which is largely consequential upon present staffing difficulties. The Board felt they had not had significant time to study the recommendations of the report in time for consideration of 2011 New Service Developments, but should recommendations be approved the new organisational modelling would seek to evolve over a short to medium period of 3-5 years.

Sex Offender Legislation

The Home Department is committed to advancing the development of the comprehensive and closely related areas of sex offenders and sexual offences legislation. At the heart of this legislation is the development of a structure for the effective monitoring of sex offenders in Guernsey (and the imperative to include those convicted elsewhere) it is therefore critical that we have alignment of Guernsey sexual offences to corresponding offences elsewhere. Simple replication of the UK's Sexual Offences Act 2003 is not considered the most suitable way forward in this case, therefore complex and detailed legislation will have to be drafted, bespoke to needs and operability in the Bailiwick. HM Procureur has given clear commitment to the development of new sex offender and sexual offences legislation, and the Law Officers have confirmed that these are areas which need to be thoroughly researched and

developed by St James' Chambers before any States Report can be prepared by the Department. This work is currently ongoing.

9. *Improve mental health services (lead HSSD)*

In 2009 and early 2010 the Cognitive Behaviour Therapy (CBT) service has been introduced as part of the reformed Psychological Therapies Service and a budget created to allow this development to continue. Workload and outcomes are being monitored so that an audit of the service can be undertaken during 2010.

The HSSD has yet (at the time of writing) to make submit a business case to the Treasury and Resources Department for the £75k approved last year for the new Mental Health Law, due to implementation delays, but will be doing so shortly.

Plans are well advanced for the homes to replace Oberlands House, which is on the site identified for the development of replacement mental health facilities. At the time of writing, the HSSD is in the process of undertaking the work up to gateway 1 of the States Property Services construction codes of practice. It is anticipated that construction will begin on the 2 homes, to replace Oberlands House, in 2010.

HSSD hopes to pursue three strands of work in relation to mental health issues in the near future. The first is the development of a mental health strategy. This piece of work will enable the various strands of work currently being undertaken both within and without the States Strategic Plan on Mental Health and Wellbeing issues across the Island to be brought together under a single comprehensive cross departmental strategy. The funding will enable a core team of mental health and wellbeing professionals to work with the relevant departments to undertake a needs analysis and develop a future strategy for promoting the Mental Wellbeing of the population and identifying the key models of care for primary, secondary, tertiary and forensic mental health services.

Second, is a proposal to develop an integrated mental health care service. This proposal would see the development of an integrated mental health care service in Guernsey which is currently not available unless people have private insurance or can pay for private therapy. Without such a service there is a risk a person's mental health problems will continue to develop and become chronic in nature with resultant continued increase in demand on secondary care services, increased demand on medications, sickness and long term benefits.

The third proposal would see the development of an out of hours service in secondary care for people who have mental health problems. Currently the only out of hours service is provided by on call medical staff: there is no assertive outreach, home treatment or crisis care in Guernsey.

10. *Develop and progress an integrated care and support strategy for older people (leads Housing and HSSD)*

The Housing and Health and Social Services Departments, together with Treasury and Resources and Social Security, are continuing to develop an Older People's Housing,

Care and Support Strategy. This was assigned a ‘high priority’ in last year’s Social Policy Plan.

The findings of this multi-faceted Strategy, informed by extensive research in 2008 and 2009, will culminate in a report to the States in 2010. If approved, implementation of the Strategy is likely to commence in earnest in 2011.

The Strategy will examine the social and financial implications of an ageing population and recommend how best to address the predicted additional demands on housing, health and social care services. It will emphasise that the types of services older people want and need to remain independent in the community (rather than move into institutional care) are cost-effective in the long-term.

At its core, the Strategy will encourage a move away from funding services and buildings designed to meet acute needs, to preventative social care services and early intervention measures. Nonetheless, the Strategy will highlight the requirements for an extensive build programme over a four year period (2011-2014) to meet the immediate and ongoing need for specialist housing for older people. (Provision has been made within the Corporate Housing Programme Fund to deliver a £31 million build programme.)

The Strategy will also highlight the costs associated with delivering more community services to a growing number of older people. While the magnitude of these is currently being explored, effective partnership working with Third Sector organisations offers an opportunity to mitigate the financial impact on States’ funds.

Additionally, in this context, the Strategy will recommend those services which should be funded by the Long-term Care Insurance Scheme and which through General Revenue, to ensure that there are not perverse incentives to opt for more expensive institutional care over community-based provision.

Finally, in response to the almost doubling of the older population and the shrinking of the working age population within the next 30 years, the Strategy flags the importance of developing initiatives that will retain as many older people in the workforce as possible, with recommendations around flexible retirement, earlier pension planning, re-training programmes, etc.

11. *Pre-school education* (lead Education Department)

Pre-school education for 3 to 4 year olds is a priority in order to promote equality of educational opportunity. Pre-school education and childcare have been high priorities since the inception of the Corporate Anti-Poverty Programme in 2003. Research has proved conclusively that the earliest years of a child’s life are crucial to their development: laying the foundations for success at school and in later life, and helping to ameliorate the effects of poverty and disadvantage. High-quality pre-school education is associated with major benefits both by providing children with a good basis for lifelong learning and by helping to close the educational gap for children at risk of

failing at school. Investment in pre-primary education is the most efficient tool to address those issues both in term of long-term results and cost-benefit ratio. Positive outcomes associated with pre-school education are better health, less vulnerability to crime, improved educational attainments and emotional well-being. All three- and four-year-olds in UK and Jersey have access to a part-time early education place which is regarded as an essential part of the infrastructure for a successful economy in the modern world. The Education Department believes that it is essential that 3 -4 year old children in Guernsey and Alderney should have similar entitlement.

The Education Department has developed its proposals and confirmed earlier this year that pre-school education is a priority. The Department is now waiting for in principle support through the States Strategic Planning process to take this initiative forward. If successful, a States Report would be brought forward at the end of 2010 or early in 2011. Set up could then commence in 2011 with implementation from September 2012.

12. Supported accommodation/accommodation for people with special needs (lead Housing Department)

Work to develop a Supported Housing Strategy to meet the housing needs of vulnerable user groups - the physically disabled, people with learning disabilities, people with mental health problems, etc. - continued during 2009 and into 2010 and is currently funded as a research project as part of the Corporate Housing Programme. The Strategy will also aim to address the accommodation problems experienced by people leaving prison, people who exhibit challenging behaviour, such as offenders, and people with substance misuse issues.

In 2009 the Housing Department commissioned the Health and Information Exchange to carry out research that would establish the long-term accommodation requirements of people with physical and mental disabilities. The research was carried out primarily to enable the Housing Department to determine future housing need in the context of this Strategy, although the data obtained will have a wider application in relation to understanding the needs of disabled Islanders.

The Strategy was highlighted as a medium priority in the Social Policy Plan. It is expected that, to implement its recommendations, there will be no need to build any purpose-built accommodation; however, it is anticipated a Needs Assessment Panel will be created and there will be a need for four additional staff to be employed as Supported Housing Workers by the Housing Department. This will represent an ongoing cost to the CHP Fund of approximately £165,000 per annum, commencing in 2011, when it is intended that the Housing and Health and Social Services Departments will present a joint Report to the States.

The Housing Department's latest report on the CHP, due to be considered by the States in May 2010, provides further details.

13. Disability services (neuro-rehabilitation programmes and a wheelchair service, respite care and accommodation for service for people with learning disabilities with challenging behaviour) (lead HSSD)

A condition or event that causes serious disability e.g stroke, trauma or neurological illness makes a huge impact upon the lives of patients and their families. In order to cope with such a situation they must learn to cope with their changed body and as a changed individual within the wider community. In the absence of a designated stroke or neuro-rehabilitation unit, the key objectives are to maximise initial care, assessment and rehabilitation for service users with acquired brain injury or severe disability caused by other conditions. Recognised pathways of care commence immediately after the acute episode. They include the initial management of the condition and follow through to supported discharge from the hospital setting. The success of the pathway is largely dependent upon the patient/family being able to access the appropriate members of the multidisciplinary team.

A Neuro-Psychologist was appointed during 2009 who comprehensively assesses the needs of patients with associated illness & disability. To be clinically effective, care planning and delivery requires input from occupational therapy and nursing staff. HSSD have submitted a request through the SSP process for staffing, in respect of the balance of the team required to get the rest of the service underway.

An interim wheelchair service is in place with costs being met by the HSSD. HSSD have submitted a bid to the SSP process to establish a dedicated wheelchair service for the Bailiwick of Guernsey consisting of a lead clinician and support staff. The service would run clinics to assess the wheelchair requirements of service users, ensure prompt delivery of wheelchairs and offer a cleaning and maintenance service.

HSSD would also like to provide additional accommodation facilities to meet the increased demands for long-term residential support for adults with a learning disability, including some of whom who are in residential placements off-island, and, in line with children's legislation and Services for Adults' philosophy, there is a need to separate respite (short break) services for children and adults currently being provided at the Croft.

14. Alderney social care services (lead HSSD)

There has been no action on this initiative as no funding was made available through the SSP process in 2009. This service development is part of HSSD 2010 submission, but costs will be significantly uplifted. The overall aim is to improve service delivery and co-ordination of care through provision of a community and social care team that promotes the independence of adults and older people in Alderney.

Currently, a limited service is provided during daytime hours, Monday to Friday. There is no cover for late afternoons or evenings when service users require help with preparations for bed and evening meals and there is no provision for palliative care services.

The needs of palliative care patients hoping to exercise the choice of dying in their own homes relies upon existing hospital staff undertaking additional hours and dependence upon family members or privately employed carers.

15. *UN Conventions, e.g. on the Elimination of All Forms of Discrimination Against Women (CEDAW) (lead Policy Council for CEDAW)*

Work is underway to prepare a report on the legislation needed to enable the Bailiwick of Guernsey to sign up to the UN Convention on the Elimination of Discrimination Against Women. This was given a high priority in the July and September 2007 Government Business Plan debates. It is likely that in order to sign up to CEDAW the Island will need to introduce statutory maternity leave and pay, equal pay for work of equal value and also introduce sex discrimination legislation with respect to access to goods, services and education. An initial internal social policy discussion document on statutory maternity leave and pay has been produced. This will be amended and completed following modelling work currently being undertaken by the Social Security Department and a survey of maternity allowance and grant claimants which is scheduled for April/May 2010. A report on equal pay for work of equal value is also nearing completion.

The Social Policy Group hopes to undertake further consultation with States Departments in the autumn of 2010, before launching an employer and public consultation later in the year or early 2011. Further consultation with the Ministry of Justice will also be required. A report should be ready for debate by the States in 2011. The cost of any new provisions, for example with respect to maternity pay or leave, is unknown but the costs to the States would depend on decisions made with respect to funding streams; e.g. whether any proposals were funded from general revenue or an increase in insurance contributions. Even if the States did decide in 2011 to sign up to CEDAW and to go ahead with the proposals, it is likely to take one to two years to prepare and implement the necessary legislation and to prepare for the implementation of any new measures. Therefore implementation would take place from 2013/14.

Further work is also required in relation to the UN Convention on the Elimination of All Forms of Racial Discrimination which has been applied to Guernsey since the 1960s.

16. *Childcare (lead Policy Council)*

This has been a high priority since the inception of the Corporate Anti-Poverty Programme in 2003. Childcare featured in priorities 4, 5, and 9 of the former Government Business Plan and in the 2009 Social Policy Plan. It is also mentioned in the Fiscal and Economic Plan. The Social Policy Group has commissioned IFF Research to carry out a survey of childcare needs and family life in the Island and over 2000 households have been interviewed. At the time of writing (April 2010) the fieldwork stage of the survey has been completed and the results and IFF Research's report are expected by the summer 2010. The results will then be considered by the Social Policy Group and the desirability of possible schemes and funding will then be

evaluated later in 2010. A report to the States will follow in 2011. For similar reasons to CEDAW and because of the potential cost, the States would not be in a position to implement any proposals before 2012 and possibly not until 2013/14.

17. *Strategy for Young People Not in Education, Training or Employment (NEET strategy)* (lead Education Department)

Last year the Education Department carried out surveys of its undergraduate students, its apprentices, and young people who are not in education, employment or training (NEET). The NEET survey showed that these young people are socially excluded with respect to all aspects of community life: they are not in education, training or employment; they are more likely to live alone without family support; they have a poorer diet; they are more likely to drink to excess and/or take drugs; they smoke more; therefore they are more likely to suffer later health problems; they have lower self esteem etc. Hence the Social Policy Group feels that it is important to carry out further research into initiatives to help this particularly hard to reach group, both to help young people who are currently not in education, training or employment and to prevent others entering this situation. Depending on the results of the research undertaken, this could inform some of the education and employment initiatives in the plan and the benefits review. Further resources may be needed in later Social Policy Plans, dependent on the outcome of the research.

18. *Disability Strategy and UN Convention on the Rights of Disabled Persons (including Disability Discrimination Legislation)* (lead Policy Council)

The Health and Social Services Department set up a Disability Forum under the Corporate Anti-Poverty Programme to consult their service users. This forum includes representatives from a number of user groups for disabled people, health and social care professionals, the Guernsey Disability Alliance and States Departments. The Guernsey Disability Alliance would like a report on disability and the needs of disabled islanders to be prepared. The forum has also requested that the Policy Council take responsibility for disability issues, including the appointment of a Disability Officer (the Social Policy Group believes that if made this should be at strategic, not operational level) and research into the United Nations Convention on the Rights of Persons with Disabilities (including Disability Discrimination legislation). In last year's social policy plan it was identified that a report was needed on the number and needs of disabled people in Guernsey and Alderney to inform a disability strategy and investigation into the need to introduce, and the implications of introducing, disability legislation in Guernsey.

It was also identified that further staff resources would be required to carry out the work. As a result £50,000 was allocated in the October 2009 States Strategic Planning debate and a Disability and Equality Strategies Officer has been appointed on a five year contract from April 2009 to carry out this work.

In July 2009 the States and approved that research into Disability Discrimination legislation and a Disability Strategy should be progressed ahead of research into Civil Partnerships, but behind the research on the Convention on the Elimination of all Forms

of Discrimination Against Women (CEDAW). The CEDAW research is now well underway and the Disability work is being started. The States is also asked to approve that should include researching and reporting to the States on all aspects of the UN Convention on the Rights of Persons with Disabilities, with a view to recommending whether an extension of the Convention to Guernsey should be requested.

19. *Review causes/responses to long-term sickness (leads SSD and HSSD)*

At HSSD a Cognitive Behavioural Therapy service has been introduced for low level mental health patients to help them back to work.

At Social Security current initiatives are funded through the Guernsey Insurance Fund. Since 2009, the number of long-term claims has continued to rise, bringing annual expenditure in 2009 up to around £6.5m (short-term sickness an additional £3.3m). Mental health related illness continues to be the most common primary diagnosis amongst all short-term and long-term sickness claims. Social Security and Health and Social Services are continuing to work together to develop a funding model to enable talking therapies to be delivered at an early stage of illness through the development of an integrated mental health service. This is discussed further under the heading of mental health services.

In addition to this initiative, Social Security's Work Rehabilitation team continues to work with people on a one-to-one basis to encourage and support return to work. A number of questionnaires aimed at individuals and employers have also been introduced in support of early intervention strategies. As a result, Social Security gathers data which helps the early identification of new claims at risk of becoming long-term and this is used to determine how those cases should be monitored. The Department also gathers data on what steps employers have taken regarding opportunities for workplace adjustments. During 2010 the work being done to explore the introduction of workplace mentoring in the public and private sector and an Adult Employment Scheme within the States, if successful, could also lead to employment opportunities for those people recovering from illness. Other work streams identified for 2010 and beyond include increased usage of incapacity assessments and incapacity assessment training for GPs (not just those carrying out the assessments for Social Security). Initiatives to combat the rising trend in the social insurance based incapacity benefits can be funded through the Guernsey Insurance Fund. However, the rising trend is being mirrored within the non-contributory based supplementary benefit scheme and progress in this area will be dependent upon whether further saving opportunities can be identified to release around £20,000 per annum to fund this important work from the capped administrative general revenue budget.

20. *Improve community recreational facilities (lead Culture and Leisure)*

This project was suggested at the November 2008 States Members' workshop. Last year it was reported that SPG members felt this to be a lower priority compared to the other initiatives suggested in the Social Policy Plan (although as with all the initiatives in the plan it is something the group would like to see pursued). Such initiatives are therefore

not being progressed by the Social Policy Group as part of the plan at this time. General improvement of facilities will be funded by the Culture and leisure Department from within its capital allocation by working in support of appropriate partners on specific projects. Activities for children and young people, who are at risk, or in need, are included in the draft Children and Young People's Plan. Increasing activity levels to tackle obesity (and associated resources) is being considered as part of the obesity strategy.

21. *Full review of voluntary sector role in promoting social inclusion*

This project was suggested at the November 2008 States Members' workshop. The Social Policy Group is participating in the British Irish Council work-streams on: 1) the contribution of the voluntary sector in promoting social inclusion; and 2) digital inclusion. Therefore there is some work already going on in this area. Last year the Social Policy Group felt unable to undertake a full review in collaboration with the voluntary sector of all social policy areas because of all the other commitments in this plan. However, the Group has been approached by a community based organisation in the Island which is looking to commission a piece of research that evaluates the role the charitable sector plays in social policy provision in the island. The research will look at the shape of the sector, what role the sector plays in social policy/social inclusion, how this might be improved and how government and the third sector can work together most effectively. It is intended that both charitable organisations and representatives from government will be involved and interviewed as part of the research. The Social Policy Group is keen to support this initiative and looks forward to learning from the outcomes of the research.

22. *Civil partnerships (lead Policy Council)*

In September 2006 the States of Guernsey accepted the prayer of a Requête to direct the Policy Council to initiate an investigation into the desirability of the enactment of legislation:-

- Enabling people to enter into legally recognised and binding civil partnerships in Guernsey
- Addressing all issues that might be associated with, or arise out of, the creation of such partnerships
- Enabling the recognition for the purposes of Guernsey law of similar civil partnership arrangements entered into under the laws of other jurisdictions

In July 2007 the States gave CEDAW a high priority status. Last year the States agreed with the Social Policy Group's recommendation to finish the CEDAW research, carry out research into a disability strategy and the UN Convention on the Rights of Disabled People, and then research civil partnerships. The CEDAW work is well underway and the disability strategy research will commence in the next month. As agreed last year civil partnerships research is still on the Social Policy Group's agenda but that research cannot commence before 2013 unless further staff resources are allocated.

23. *Progress Education Development Programme Phase 1 (EDP1) (lead Education Department)*

Last year it was reported that this is the Education Department's top priority and is vital to ensure that all secondary school pupils have access to equivalent facilities and opportunities regardless of the school that they attend. EDP1 is part of the capital development programme. In future the Social Policy Plan will focus on new revenue projects, not purely capital ones, so this project will no longer be included in the Social Policy Plan as it is featured in the capital development programme.

24. *HSSD Site Development Plan (lead HSSD)*

The new clinical block (Phase 5 of the HSSD's site development plan) achieved 'practical completion' in December, 2009 and by the end of March, 2010, the development will be fully operational.

The next phase of the development is the replacement of Oberlands House with two homes for people with a disability and it is expected that construction will begin in 2010.

Once this project has been completed, the development of the replacement mental health facilities will commence.

Again, this project is featured in the capital development programme and will not continue to be included in the Social Policy Plan unless new revenue funding is also required.

25. *Ensure the long-term sustainability of the social insurance fund (lead SSD)*

A report into the financing of contributory social security schemes was considered by the States at the July 2009 meeting (Billet d'Etat XXI of 2009). The States resolved that pension age increase to 67, incrementally between 2020 and 2031, that the upper earnings or income limit be increased, that an allowance be applied on non-employed income, that the contribution rate for the non-employed over 65 increase and that the grant to the Health Service Fund remain at 12% of contribution receipts to that Fund. However, the States resolved not to increase the percentage contribution rate for employers and not to reduce the percentage grant to the Insurance Fund to hold the 2010 cost at the 2009 level. The partial acceptance of the Department's proposals has left unresolved one of the most important items of business within the Department's mandate. The Department has not returned to the States with follow-up proposals as it is awaiting involvement in the wider deliberations of the Policy Council's Fiscal and Economic Steering Group concerning the future development of the economic strategy and taxation regime.

26. *Progress the Social Housing Development Plan (lead Housing Department)*

The need to improve standards of accommodation for low-income households in general needs social rental housing underpins the five-year development plan that was

approved by the States in December 2007. The Plan focuses on rationalising the social housing stock, re-focusing provision to ensure that it meets the needs of tenants by developing new accommodation through the Guernsey Housing Association (GHA), and bringing existing social rental housing up to modern day standards. This is a high priority for the Housing Department and an important part of Action Area C of the Corporate Housing Programme.

The Housing Department's report on the CHP, due for consideration by the States in May 2010, provides a detailed update of progress being made in fulfilment of this Plan. The report shows that by combining income received from the rationalisation of the housing stock with reduced levels of States' grant required to fund new development, the Housing Department is able to deliver the comprehensive five-year Social Housing Development Plan from the CHP Fund for so long as it continues to receive the full value of its rents (including the refunding of rent rebates).

27. *First time buyer initiatives (lead Housing Department)*

Last year's Social Policy Plan reported that the Housing Department was reviewing initiatives designed to assist first-time buyers and other households who would struggle to obtain a commercial mortgage to purchase a home. It was intended that a new Homebuyers scheme could be developed in partnership with the private sector to replace the existing States Home Loans Scheme, which would be closed to new borrowers.

However, during the debate on the Social Policy Plan in July 2009, the Deputy Housing Minister advised the States that the Housing Department had decided, after careful consideration, not to pursue the development of a Homebuyers Scheme.

The Housing Department concluded that it could not justify the associated high level of expenditure year-on-year to assist a relatively small number of people into home ownership. Additionally, the Department was advised that the institution of such a Scheme could potentially increase Guernsey's house price inflation and make it difficult for first-time buyers not on the Scheme to get on to the property ladder.

Furthermore, it became clear that in comparison to the Homebuyers Scheme, the Partial Ownership Scheme offers better value for money to the States, carries less risk and benefits a greater number of people. By investing in partial ownership, the States is not only helping people to buy without over-extending themselves, but it is building new properties to add to the stock of affordable housing; and this helps to dampen the effect of house price inflation to the benefit of all home buyers.

In the Housing Department's Report on the Corporate Housing Programme (due for consideration in May 2010), the States was asked to agree to the closure of the States Home Loans Scheme to new borrowers with immediate effect. The absence of any way of restoring real value to the Scheme without risking counterproductive effects on the local housing market, together with the fact that investing in providing more partial

ownership properties would be financially advantageous for the States, led to this recommendation.

As a result of these collective decisions, there will be no further direct funding requirements from the CHP Fund in relation to a Homebuyers Scheme or for the States Home Loans Scheme. However, grant funding to enable the GHA to continue to develop additional partial ownership homes is made on a scheme by scheme basis from the CHP Fund, as part of the wider Social Housing Development Plan.

28. *Private rented sector accommodation (lead Housing Department)*

The States Housing Strategy focuses on ensuring the availability and affordability of accommodation in all tenures. Action Area C of the Corporate Housing Programme includes a number of initiatives which are underway to support the private rental sector, such as:

- supporting the Guernsey Private Residential Landlords' Association (GPRLA) to progress the self-regulation of the private rented sector;
- investigating the introduction of minimum standards or a licensing system for rental properties at the bottom end of the market, e.g. lodging houses and staff quarters; and
- reviewing the relevance of the Rent Control Law in the private rental sector.

More detailed updates of progress in these areas can be found in the Housing Department's latest report on the CHP, which was due to be considered by the States in May 2010.

29. *Criminal injuries compensation scheme (lead Home Department)*

Last year's Social Policy Plan explained that the Home Department was looking at how a Criminal Injuries Compensation Scheme might be introduced. In 2008 The Criminal Injuries Compensation Scheme was allocated a formula led budget of £300,000. However, this funding was intended to cover payments from the scheme, not the administrative costs of the scheme.

Approval of the Law by Privy Council has been delayed as Sark raised concern regarding the potential financial implications for the Island. Considering the difficulties in assessing the likely cost of the Scheme, it is unlikely that the Department will be able to provide the information sought by the Island. Further discussions with Sark are necessary before the Department can proceed, however, when the States agreed to the drafting of the Bailiwick wide Law they did provide for the possibility of the Law not necessarily applying to Alderney and Sark, therefore the Law Officers have advised that draft Law can be amended without the requirement for a further States Report if necessary.

In the course of evaluating how a Scheme could be introduced locally it became apparent that supporting the scheme was likely to require dedicated staff resources, the Law has been drafted to allow for the creation of a completely independent office with dedicated staff in the same way as the Data Protection and Legal Aid legislation. However, in acknowledging the significant financial implications of supporting the operation of a scheme under these circumstances the Department has sought the advice of the Law Officers over the interpretation of the legislation and is investigating the possibility of a dedicated member of staff based centrally being included in the formula led budget, acknowledging that the scheme is likely to go through financial peaks and troughs. If this is not possible and independent staff and office space is required, then further funding will be needed to administer the scheme.

The legislation has been drafted to allow the Department to determine the details of the Scheme including the level of awards and eligibility criteria. The Department is confident that a Scheme can be introduced that will have regard to the current economic climate while providing a robust scheme that places the needs of victims of violent crime at the forefront of criminal justice system.

When the Department is satisfied that there will be appropriate resources to support the Scheme, work can continue on the development of eligibility criteria and the level of awards. The Department may consider whether it is appropriate to bring a secondary report to the States considering the original decision was made 9 years ago. Some work is needed to finalise the draft Law, most significantly addressing Sark's position, before it goes to the States for approval, the Law is unlikely to receive Royal Sanction until 2011, as it will need to progress through the Legislation Select Committee, States and Ministry of Justice.

30. *Key worker Accommodation (lead Housing Department)*

Key worker accommodation is part of the Corporate Housing Programme. Last year it was not included in the Social Policy Plan as, at the time, it was felt that a key worker strategy might fit more appropriately within the population policy/resource plan. It has since been decided that key worker accommodation should be included in the social policy plan, along with the other large CHP projects. Hence an update on development is provided here.

In March 2007, the States agreed the 19 recommendations of a 'green paper'⁴ report on the recruitment and retention of public sector "key workers". The report examined the complex interplay of those factors affecting the recruitment of key workers, including housing licence policy, remuneration and accommodation. It highlighted changes to current policy that could deliver significant long-term revenue and capital savings, primarily by re-focusing the ways that "key workers" are accommodated and by phasing down the payment of housing-related subsidies.

⁴ 'An integrated corporate strategy to meet the Island's needs for Key Workers' – Housing Department and Health and Social Services Departments - Billet d'État XI 2007

The Strategy is being taken forward by the Key Worker Housing Group; a cross-departmental working group represented by the Housing, Home, Education and Health and Social Services Departments, together with Treasury and Resources and the Policy Council. A political steering group has also been formed, comprising representatives of the boards of Treasury and Resources, Housing and Health and Social Services.

The principal emphasis is currently on the selection of a housing association ‘partner’: (i) to take over the management of the States’ existing portfolio of directly provided ‘key worker’ accommodation; and (ii) to establish a build programme of purpose-built accommodation for “key workers” that, in time, should reduce the reliance on renting properties from the private sector, which is not cost-effective. At the time of writing, submissions received from three reputable housing associations were being evaluated in order to select the preferred housing ‘partner’, with a view to a report going to the States in 2010 to seek approval to enter into the proposed partnership arrangements.

This initiative is being funded from the Corporate Housing Programme (CHP) Fund. Just over £5 million has been included in the budget projections for the CHP to initiate a ‘key worker’ build programme in the years 2011-2014, based on the assumed grant levels required. A further £5 million has also been set aside for strategic acquisitions of land and/or property whose size and location make them ideal for redevelopment as ‘key worker’ accommodation.

Two complementary workstreams are also being pursued. This includes a major review of the way in which States’ departments set and abate rents for their accommodation, and a review of the basis upon which housing benefit and rent allowance payments are made to public sector “key workers”.

The Housing Department’s latest report on the CHP, due to be considered by the States in May 2010, provides further details.

31. *UN Convention on the Rights of the Child (lead Commerce and Employment) and other conventions affecting Children, Young People and their Families (lead HSSD).*

In October 2005 the Policy Council reported to the States on international conventions affecting children, young people and their families. That report discussed six conventions but explained that the UN Convention on the Rights of the Child was the most widely recognised human rights treaty. The States resolved that the Policy Council should seek the extension, in respect of Guernsey, at the first most convenient opportunity. The new Children Law provides the necessary legislative framework to meet most of the requirements of this Convention. There is however a ‘gap’ in Guernsey’s domestic legislation relating to the employment of children needs to be updated or re-written. In 2005 Commerce and Employment were identified as the lead department in this area. Commerce and Employment have advised that they will be looking at this issue as part of a wider review of employment legislation.

The Policy Council's October 2005 report also advised that in order to be able to request extension of the 1980 Hague Convention on the Civil aspects of International Child Abduction and the 1993 Hague Convention on the Protection of Children and Co-operation in respect of Inter-Country Adoption, changes to the legislation on child abduction and child custody may be required together with rewriting of the Island's adoption law. This is something that HSSD will look into further in the next few years.

32. *Review of Invalid Care Allowance (lead SSD)*

The review of invalid care allowance is likely to increase formula-led expenditure through the general revenue budget in order to fund increased demand for invalid care allowance following the raising or removal of the earnings limit.

Attendance allowance is paid to the most severely disabled people in our community, who have significant care needs. Invalid care allowance is paid to some of the carers of the people receiving attendance allowance.

During 2009, Social Security completed a review into the adequacy and effectiveness of the attendance allowance and invalid care allowance schemes.

This review is being followed by a period of consultation, which is currently ongoing. It is one of the Department's stated objectives to report to the States during 2010 with proposals for changes to both schemes. One of the core proposals is expected to be the raising or removal of the earnings limit which currently applies to carers wishing to claim invalid care allowance.

At the end of February 2010, there were 451 people receiving attendance allowance and 264 people receiving invalid care allowance. The core objective of this proposal is to increase the number of carers entitled to receive invalid care allowance by raising or removing the earnings limitation which, over the last 25 years, has become out of step with the general rise in earnings. It is estimated that this could result in a 55% rise in the number of invalid care allowance claims from carers under age 65.

One of the core values within the social policy plan is that there should be a focus on human welfare issues that are directed towards meeting recognised needs in health, housing, income maintenance and education and provide access to quality services in these areas. Recognising the needs of carers and supporting them to stay in employment contributes to the social policy programme.

33. *Continuation/enhancement of existing health and social care/welfare services (lead HSSD)*

Whether the social policy plan should concentrate solely on new service developments or whether it should also look at the need to increase existing services in line with demand is an area that is still being unpicked in the States Strategic Planning process. The following services are all already in existence, but demand and circumstances has led to a need for increased funding in these areas. They are included here to ensure that

when making planning and budgeting decisions States Members have the opportunity to consider the full picture as far as social policies and services are concerned.

Haematology

The Haematology Service undertakes the investigation and support of malignant and non malignant Haematology, and enables the Island to provide Accident and Emergency cover, an on Island Oncology service, and surgical services, via the Guernsey Blood Transfusion Service.

HSSD wishes to provide an up to date Haematology service in line with current needs by upgrading the Consultant Haematologist contract, improving blood donor recruitment and selection, and ensuring a more robust local blood transfusion service to guarantee availability of blood products and to reduce costs.

This would reduce the need for costly off Island referrals by providing a local diagnostic Haematology Service, and by supporting the Accident and Emergency, Oncology, and Surgical services on the Island, and to reduce the associated costs of importing blood into the Island.

Haemodialysis

HSSD wishes to establish a home haemodialysis programme and to increase the nursing establishment within renal services, from 8-10 full time equivalents, to support an increase in the number of dialysis sessions that can be offered per day and establish and run a home haemodialysis option. This would: offer an alternative option to hospital based haemodialysis to those patients suitable for home treatment, thereby potentially freeing up capacity within the unit; ensure that Alderney resident patients are offered appropriate treatment for kidney failure; achieve compliance with NICE Guideline (2002) Home versus Hospital Haemodialysis, which recommends the option of a home haemodialysis choice for patients for whom it is suitable; and increase the number of unit based dialysis sessions to 72 per week (currently 60 per week).

St John Ambulance paramedics

Ambulance paramedics have been established in Guernsey with The St John Ambulance & Rescue Service (SJARS) since 1992 and have become an essential and extremely valuable part of the island's healthcare provision. The necessity of having paramedics for pre-hospital emergency care is well supported by the medical profession.

In 1990, the then Board of Health supported the introduction of paramedics but did not fund their provision. SJARS introduced the service in 1992 using public donations, which has continued to the present day.

However, given their integral nature to the provision of medical services, it is strongly believed that it is appropriate that they are now included in the grant from the Health & Social Services Department (HSSD) to the SJARS.

Paramedics are an essential part of Guernsey's health Service, providing clinical expertise and treatment to a wide range of illnesses and injuries in the pre-hospital environment. They have been funded solely for the last 17 years by public donations to the SJARS, but, as their expertise and treatment skills have increased, this method of funding has become inappropriate. The SJARS is seeking funding for the continuance of this aspect of pre-hospital clinical care.

Acute care off-island referrals

The demand for and complexity of treatments referred off Island by the MSG to NHS Trusts in the UK for treatment is increasing. The 5 year average number of referrals per annum is 3,700. Whilst there are marginal changes in the volume of referrals the cost of some of the complex treatments are significant. Areas of high cost include neonatal care, cancer care, cardiac care critical care, neurosurgery and blood products for patients with blood disorders. The Health and Social Services Department needs to ensure that sufficient funding is assigned to meet these and in parallel devise and implement systems that verify need and manage demand.

34. *Projects from SSD relating to long-term care and the transfer of funding for visiting consultants to the SSD Health Service Fund (lead SSD)*

The Social Security Department has two new projects that it wishes to progress that do not require new general revenue funding. However, they are new developments and so for completeness are included here.

The first is to transfer the costs of visiting medical consultants from HSSD to SSD's health service fund (which currently has a surplus). The Health and Social Services Department contracts with a number of UK healthcare providers for medical consultant services delivered in Guernsey by visiting consultants. The costs are currently met from the HSSD general revenue budget. The 2009 costs were around £0.5m, excluding a further £0.5m for the renal service (dialysis). As the Social Security Department, through the specialist health insurance scheme, generally pays for specialist medical services in Guernsey, and as the Department pays travel grants for patients travelling off-island, there is logic in the costs of the visiting consultants being financed from the Guernsey Health Service Fund, administered by SSD. The net result would be to use the health service fund surplus to fund visiting consultants and to free up £0.5m p.a. of general revenue funding for additional new social policy developments. The Social Security Department is bringing a separate States report on this issue as a States resolution would be required.

The second proposal is to introduce a new long-term care benefit rate for Elderly Mentally Inform (EMI) residents living in private residential care homes. The EMI status of residents would be determined by the Needs Assessment Panel, constituted by the Health and Social Services Department.

These are not general revenue funded proposals but are included in the new service developments process as it is important for the social policy group to recognise how all Social Security's service developments relate to the social policy plan.

6. Work plan and prioritisation for the next five years 2010-2014

The Social Policy Group considered the bids put forward into the SSP process for 2011 from Social Policy Departments on the above social policy matters. The Group felt that all these projects were very important in contributing to the States social policy objectives and should be progressed as soon as possible. However, in light of the current financial picture and existing States resolutions, the Group has attempted to prioritise the social policy bids put forward for 2011. The Group also recognises that its priorities will be fed into the SSP scoring and multi criteria analysis process which will inform the Policy Council's recommendations to the States. All States Members have some very difficult choices to make.

The table overleaf summarises the Social Policy Group's priorities for new funding for **2011 only**. The rationale for this prioritisation follows. (Note that within each priority category, projects are not further prioritised.)

In considering this table, it is important to note that, in accordance with the instructions given by the SSP Team, the Social Policy Group has only sought to prioritise projects for funding that are sufficiently advanced to be implemented in 2011; it has **not** attempted to review its priorities over a longer time period. However, to give the complete picture, section 5 of this report has provided details of the majority of projects that are currently under development, regardless of whether they require new revenue funding in 2011.

This is significant because some major projects have not yet been progressed to the point where they can be implemented in 2011, albeit that they will, potentially, be seeking substantial funding in future years – a good example being the Older People's Strategy (see section 5, item 10), which was assigned a high priority in the 2009 Social Policy Plan.

While the Social Policy Group feels that at least some elements of virtually all the essential, very high priority and demand-led projects identified for funding in 2011 should be progressed without delay, it wishes to register its concern that the one year horizon has not allowed it to consider its priorities for funding over a longer time period.

Essential	Very High Priority	High Priority	Medium Priority	Research only (not 2011)	No New General Revenue Funding
Community Service	Mental Health and Wellbeing Strategy	Pre-School Education (Grant)	Kinship Care	Disability Strategy	New Long-term Care Benefit (EMI)
Children and Young People's Plan	Criminal Justice Strategy	Prison Service Review	Obesity Strategy (Part 2)	CEDAW	Visiting Consultants (Transfer Funding)
Children Law – Social Workers	Pre-School Education (Quality of)	Mental Health Out of Hours Access	Colorectal Cancer Screening	Older People's Strategy	
	Offender Management Strategy	Alderney Social Care	Restorative Justice Development Officer	Childcare	
Demand-Led	Primary Care Mental Health Service	Neuro-Rehabilitation	Drug and Alcohol Strategy	Adult Learning Disability Respite Service	
Haemodialysis	Obesity Strategy (Part 1)		Ambulance Paramedics	Accommodation for SPLD clients with challenging behaviour	
Supplementary Benefit (admin)	Domestic Abuse Strategy		Criminal Injuries Compensation Scheme	Skills Strategy – Adult Guidance	
Acute Off-Island Referrals	Dedicated Wheelchair Service			Sex Offender /Offences Legislation	
Haematology Services	Supplementary Benefit (Review/Modernisation)			Police Resource and Staffing Review	
	Changes to Invalid Care Allowance			NEET Strategy	

Essential priorities

1. *Community Service Scheme*

The courts are issuing Community Service Orders and the infrastructure for the scheme has all been put in place and paid for. The States also supported the evaluation of the scheme and agreed in November 2009 that it should continue. It's funding from Home Department unspent balances runs out at the end of the year so it is vital that the service receives funding in 2011 in order to continue.

2. *Children and Young People's Plan and Legislation (Children Law-Social Workers and Children and Young People's Plan and Adult Learning Disability Respite Service)*

In order to meet the new requirements of the Children (Guernsey and Alderney) Law 2008 (which came into force in January 2010) with respect to 16-18 year olds and ensure that social worker case loads are acceptable, more social workers and accommodation are required. These projects are therefore essential to meet the new legal requirements. In order to comply fully, HSSD have also advised that the child and adult respite provision at the Croft should be separated, although this is considered less urgent for 2011 than ensuring sufficient social workers and accommodation and therefore it is recommended that the adult learning disability respite service should be prioritised lower down the list and deferred until next year. However, it is likely to be a very high priority for 2012.

Demand led issues

3. *Haemodialysis*

There are two parts to this bid. The first part (approximately £117,000) relates to a growth in demand for the service, which is essential and has to be met. The other part is looking to expand a home dialysis service which, whilst it would be particularly beneficial for Alderney residents, is less essential.

4. *Acute off island referrals*

This bid relates to acute off island referrals, not longer term placements for people with complex needs. It is understood that whilst the FTP is looking at which providers are used, the referral process is not currently included within the financial transformation programme. This is expenditure that is being incurred as a result of growth in demand.

5. *Temporary SSD supplementary benefit staff*

Again this is purely a growth issue, rather than a new service development, due to the recent increase in benefit claimants at Social Security as a result of rising unemployment.

6. *Haematology*

HSSD have advised that this is a legacy/demand led issue which HSSD will discuss with the Treasury and Resources Department and the SSP team. However, it is a lower priority for the Health and Social Services Department than acute off island referrals and haemodialysis.

Very high priorities

7. *Mental health and well being strategy/legislation*

The full implications of the new mental health law are being reviewed. Consideration has been given to delaying the development of a mental health strategy but it is considered important for 2011 in order that it is developed in time to complement the planned redevelopment of mental health facilities. It was also felt that a mental health strategy could be cost effective in the longer term.

8. *Developing a Criminal Justice Strategy*

This is considered very important to ensure a coordinated approach. Other bids such as the offender management strategy and prison service review are also related, but bringing together an overarching, cohesive strategy is considered vital in order to achieve value for money. However, it is felt that this could be achieved to some extent with a slightly lesser amount.

9. *Integrated mental health service*

It was felt that there was an acute need for such a service. If funding for visiting consultants was transferred from HSSD to the SSD Health Service Fund then funding could be made available for this (or higher priority) initiatives.

10. *Obesity Strategy part 1*

It is estimated that obesity will lead to rising health service costs in the future. Whilst it might not be possible to make the full funding available in 2011, approximately £147,000 would mean that the parts of the strategy could get underway.

11. *Pre-school Education – Part 1*

It is unlikely that sufficient funding (£1.6m) can be set aside for pre-school education at this time. The Education Department's bid has two objectives, 1) ensuring the quality of early years' education provided and 2) ensuring that all children have access/entitlement to pre-school education. The former is less expensive and could perhaps be progressed as a higher priority ahead of the other part of the proposal.

12. *Offender Management Strategy*

This was felt to be a precursor to implementing the other elements of the Prison Service Review.

13. *Domestic Abuse Strategy*

In October 2009 the States agreed in principle that the Domestic Abuse Strategy should be funded no later than 2011. Many of the developments planned for 2011 could be progressed with £160,000 and some for around £83,000. Concern has been expressed that if the strategy does not receive any further funding, then some aspects of the strategy being instigated in 2010 might not be sustainable – see earlier text.

14. *Dedicated Wheelchair Service*

An interim arrangement is in place with Southampton for 2010. However this interim arrangement has only temporary rather than recurring/permanent funding. If the continuation of this arrangement is supported then its ongoing funding will need to be addressed. Over time, issues such as administration, database maintenance, cleaning, maintenance etc will still also need to be addressed. However, this service is an improvement compared to previous years.

15. *Supplementary Benefit Review/Modernisation*

This was given a very high priority in last year's Social Policy Plan. There have been discussions about the speed of the review and the likelihood of the outcome being affordable in the short-term. However, the importance of the link with the rent rebate scheme has been highlighted and additional resources would mean that the review could be conducted more quickly.

16. *Changes to Invalid Care Allowance*

This is a social justice issue and should therefore be a very high priority.

High priorities

17. *Pre-school Education – Part 2*

See above

18. *Prison Service Review*

This is important for the Home Department but less important than Community Service, and developing a Criminal Justice Strategy. The Offender Management Strategy should also be progressed first.

19. *Mental Health Out of Hours Access*

There is also an acute need for this service, but it is slightly less urgent than the primary service and an overarching mental health strategy.

20. *Alderney Social Care*

As was the case last year, this was felt to be a medium priority.

21. *Neuro-rehabilitation*

HSSD has appointed a neuro-physical psychologist but other members of a multi disciplinary team are required. This could reduce the amount of money spent off-island.

Medium priorities

22. *Obesity Strategy – Part 2*

See above

23. *Kinship Care*

This is alternative to foster care in an attempt to reduce the number of foster carers needed, although it was considered to be of lower importance than other consequences of the new Children and Young People's legislation.

24. *Colorectal Screening*

This has previously been allocated some funding. However, there were recruitment and implementation problems. HSSD are also preparing a cancer strategy. There may be merit in deferring this initiative until another year a) to await consideration of the full cancer strategy and b) because the previous implementation problems may still occur in 2010/2011.

25. *Restorative Justice Development Officer*

This is fundamental to the Restorative Justice Strategy which will feed into the Criminal Justice Strategy. However, it is a lower priority for the Home Department compared to the other initiatives in this report.

26. *Drug and Alcohol Strategy*

This was a high priority initiative last year. However, the Strategy was allocated £50,000 in the 2009 SSP process. Whilst the Strategy is still approximately £60,000 short of its ideal levels, it is sustainable in 2010 and 2011 at current funding levels (if appropriately adjusted for inflation).

27. *Criminal Injuries Compensation Scheme*

This should not be dismissed but it is not presently one of the Home Department's highest priorities.

28. *Ambulance Paramedics*

This is a legacy issue that will be kept under review. It is a difficult time for the States to find additional funding for existing services.

Other projects

The remaining projects underway are either still at the research stage, could be deferred until 2012 or do not require any new general revenue funding. It was noted at the SPG staff level meeting that the development of the skills strategy is likely to be submitted for inclusion in the Fiscal and Economic Plan. The issue of Adult Guidance, which is being funded temporarily by the Education Department, was also raised but it was suggested that this should be reviewed alongside the skills strategy.

7. Interrelationships with other Policy Plans and Island Resource Plans

There are significant relationships between the Social Policy Plan and the Fiscal and Economic Plan, not least because maintaining a strong economy is essential to ensure that States finances remain as healthy as possible in order to progress other States of Guernsey objectives and fund public services. The States financial position and fiscal and economic policy therefore has a strong influence on how much of, and how far, the Social Policy Plan can be progressed. In addition, as acknowledged earlier in this report, the Social Security Department has not returned to the States with follow-up proposals for ensuring the sustainability of the social insurance fund as it is awaiting involvement in the wider deliberations of the Policy Council's Fiscal and Economic Steering Group concerning the future development of the economic strategy and taxation regime.

The Social Security Department's review of benefits is highlighted in the Fiscal and Economic Plan as important for ensuring that disincentives to working are removed from the tax/benefits system. Other areas of overlap between the two plans include childcare and assisting people into employment, e.g. through the development of a skills strategy, and the fact that the future development of the economic and taxation regime has the potential to affect the economic and social well-being of some Islanders.

In the energy policy the work-streams on home energy advice and energy efficiency grants could impact on fuel poverty.

Last year's Social Policy Plan highlighted inter-relationships between on the Social Policy Plan and the Population Strategy. In particular, the Older People's Strategy and supported accommodation will require sufficient health and social care workers. Depending on the outcome of the preschool/childcare research there may also be increased demand for staff in these areas.

Finally, with respect to land use, several of the departments represented on the Social Policy Group have been involved in discussions with the Strategic Land Use Planning Group as part of their Guernsey Tomorrow consultation and the review of the Strategic and Corporate Plan in order to ensure that the proposals contained in the Social Policy Plan are taken into consideration as part of the review.

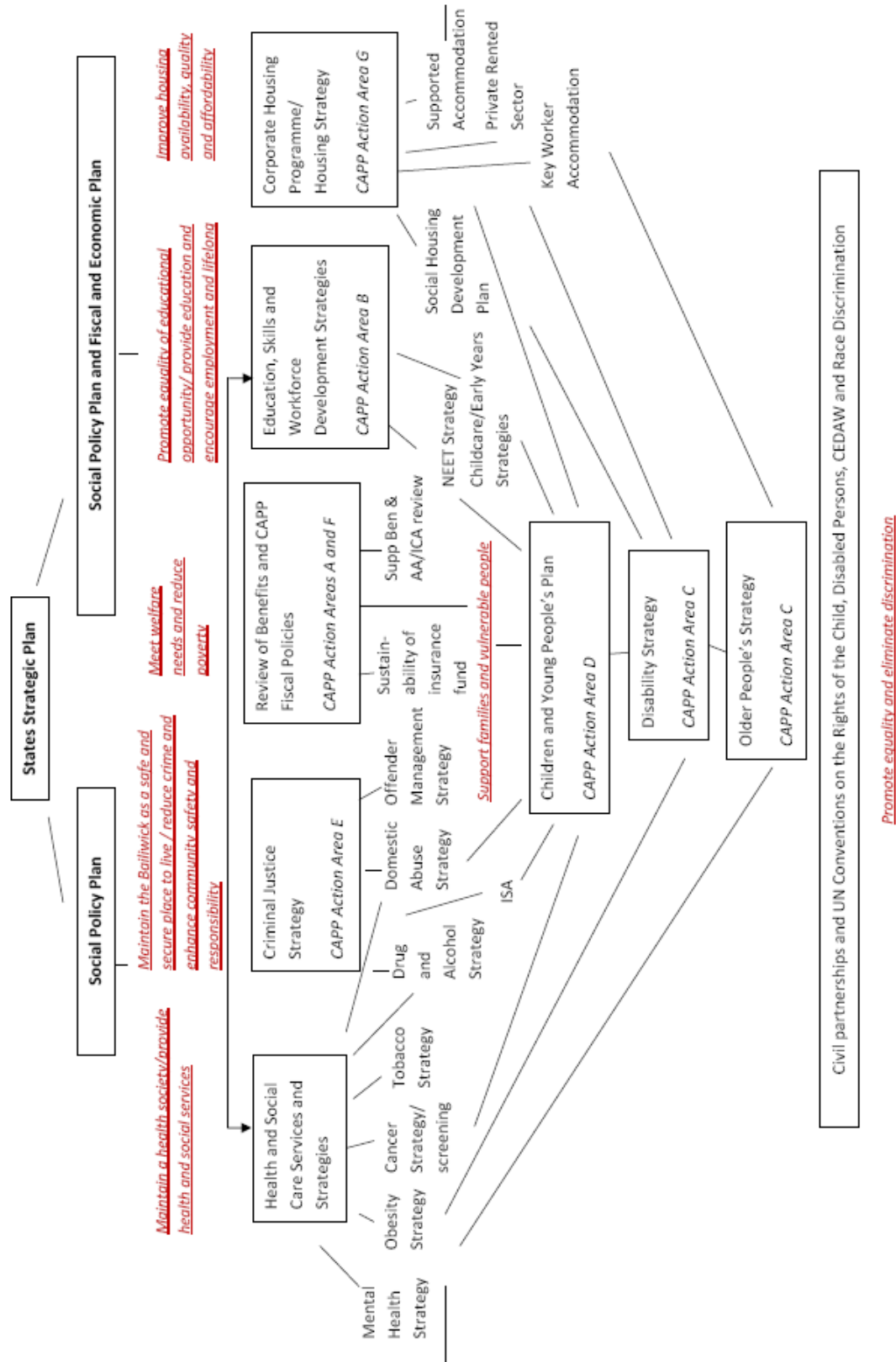
8. Conclusions and Recommendations

This report has set out the progress made against the 2009 social policy plan and explains what the departments represented on the social policy group would like to achieve in future years if further funding were available. Given the current financial position, the Social Policy Group has also attempted to prioritise those social policy developments that the group feels are of greatest importance for 2011. Given the current financial position, it is unlikely that all the projects given in this plan can be progressed next year. What projects are actually progressed in 2011 will be dependent on the outcome of the SSP prioritisation process and the resolutions made during the SSP States debate.

For the reasons set out in this report the States of Deliberation is recommended to:

- Insert the word equality into the fourth social policy objective so it reads “Promote, and remove barriers to, *equality*, social inclusion and social justice.”
- Include “*Promote awareness of entitlement to services and benefits and explain departmental processes and rights of appeal to service users*” in the social policy objectives as set out in section 3 of this plan.
- Rescind its previous resolution to repeat the Survey of Guernsey Living Standards.
- Agree to extend the Domestic Abuse Strategy until the end of 2014 so that an evaluation of the strategy can be carried in 2013 to be reported back to the States ahead of the 2014 prioritisation process.
- Agree that the research into a disability strategy and disability discrimination legislation should include researching and reporting to the States on all aspects of the UN Convention on the Rights of Persons with Disabilities, with a view to recommending whether an extension of the Convention to Guernsey should be requested.

Appendix 1 (overleaf): Diagrammatic representation of the main initiatives and strategies in the Social Policy Plan and how they link to the social policy objectives and areas of work



Appendix 2: Links between the Corporate Anti-Poverty Programme and the initiatives contained in the social policy plan

Action Area A: Tax and Benefit Measures

At the start of the Corporate Anti-Poverty Programme the Social Security Department increased the single pension. The Department has completed an initial review of higher family allowance with Income Tax claw-back, which has now been superseded by the review of supplementary benefit. The Health and Social Services Department has been researching health inequalities and leading a review of what health and social services are charged for, the level of charges, and how to ensure that those suffering from relative poverty can afford to access these services. SSD has carried out a review of attendance and invalid care allowance and is currently out to consultation with respect to the review.

Action Area B: Education and Employment Services

Adult guidance service has been established. Various programmes and back to work initiatives are now in place (see previous CAPP updates and section 5, item 4 of this report). Involving disaffected young people in Education will continue to be reviewed as part of the NEET strategy. Higher Education Funding was debated by the States in the autumn of 2007 and the autumn of 2008. The Commerce and Employment Department is developing a skills strategy and a workforce development programme. A financial literacy programme is in place through the Citizen's Advice Bureau. Childcare and family friendly employment practices are/have also been investigated. Supported employment schemes are also being investigated as part of the Disability Strategy. The developing skills strategy and workforce development plan, plus the NEET strategy and the disability strategy will therefore continue much of this action area.

Action Area C: Services for Older People and People with a Disability

These work streams are now being progressed through the Older People's Strategy and the Disability Strategy.

Action Area D: Service for Families with Children and Young People

Childcare is currently being researched by the Social Policy Group. Most of the other initiatives have either already been addressed as part of the new Children's Law or will be included in the forthcoming Children and Young People's Plan.

Action Area E: Crime Reduction Initiatives

This action area is now superseded by the Criminal Justice Strategy, the Drug and Alcohol Strategy, the Offender Management Programme and the Children and Young People's Plan.

Action Area F: Fiscal and Legislative Measures

In May 2007 Credit Unions, equity release schemes and fuel and energy costs were removed from the corporate anti-poverty programme. A minimum wage should be in place later this year.

Action Area G: Corporate Housing Programme

A report on the progress of the Corporate Housing Programme was submitted to the States for debate in May 2010.

Appendix 3: Members of the Social Policy Group July 2009-May 2010:

Deputy Hunter Adam, Minister, Health and Social Services Department (Chair)
 Deputy Carol Steere, Minister, Education Department (Deputy Chair)
 Deputy Mark Dorey, Minister, Social Security Department
 Deputy Geoff Mahy, Minister, Home Department
 Deputy Charles Parkinson, Minister, Treasury and Resources Department
 Deputy Gloria Dudley Owen, Housing Department
 Deputy Rob Sillars, Commerce and Employment Department
 Deputy Andy Le Lievre
 Deputy Jenny Tasker

Also Attending:

Reg Avery, Director of Client Services, Treasury and Resources Department (until March 2010)
 Stephen Bridgman, Director of Public Health (from March 2010)
 Michelle Herpe, Assistant Chief Accountant, Treasury and Resources Department (from April 2010)
 Sarah Harvey, Social Policy Co-ordinator, Policy Council
 Wayne Hassall, Director of Policy, Commerce and Employment Department
 David Hughes, Chief Officer, Health and Social Services Department (until February 2010)
 Mark Cooke, Chief Officer, Health and Social Services Department (from February, 2010)
 Stephen Langford, Chief Officer, Housing Department
 Derek Neale, Chief Officer, Education Department / Alan Brown, Deputy Director, Education Department / Alun Williams, Lifelong Learning Manager, Education Department
 Malcolm Nutley, Chief Officer, Social Security Department
 Paul Veron, Head of Policy and Research, Policy Council
 Paul Whitfield, Chief Officer, Home Department

Appendix 4: Acronyms used in the report

CBT	Cognitive Behavioural Therapy
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women
CHP	Corporate Housing Programme
CJ	Criminal Justice
CJWG	Criminal Justice Working Group
DD	Disability Discrimination
EDP	Education Development Plan
GBP	Government Business Plan
HSSD	Health and Social Services Department
ISA	Independent Safeguarding Authority
NEET	Not in Education, Employment or Training
SPG	Social Policy Group
SSD	Social Security Department

ENVIRONMENTAL PLAN: 2010 UPDATE

Introduction and Background

The Environmental Plan was prepared with a view to setting the direction for environmental policy and actions over a 20 to 25 year time frame. It provides the direction and framework under which an environment that is sustainable, biologically diverse and protective of Guernsey's traditional culture and values can be delivered. The Plan provides a structure for supporting and embracing the wise use of the resources around us and sits alongside the Social and Economic Plans. Effective delivery of the Environmental Plan will ensure that Guernsey's environment thrives whilst supporting and contributing to the Island's social and economic health.

The Plan sets out high level objectives and commitments the delivery of which will be achieved through Action Plans. Those Action Plans will be more detailed in their focus. The Action Plans, as opposed to the Environmental Plan, will be updated and developed on a regular basis.

Environmental Policy Objectives

The "Challenges", "Vision", "Commitments", "Priorities" and "Outcomes" set out in the 2009 plan have not changed and, as envisaged during the drafting of the Plan, continue to remain valid at least over the short and medium term. These elements of the Policy are defined as:

Challenges addressed by the Plan

The challenges that the Island faces, and which the Plan must ultimately address, are stated in the Plan as:

- Managing energy demand and the Island's carbon footprint
- Population growth and constraints
- Solid waste management
- Land use competition
- Maintaining sustainable practices
- Liquid waste management
- Climate change impacts in particular coastal defence
- Biodiversity and in particular threats to the nature of the Island's countryside including the coastal and marine environments

These challenges do not stand in isolation. Economic and social policies need to demonstrate how they contribute to a sustainable environment whilst environmental policies must support sustainable economic growth and social wellbeing.

Long Term Vision for Guernsey's Environment

The long term vision set out in the plan is stated as:

Our natural and built environment will be recognised as:

- Unique and central to every aspect of life
- An equal partner to our economic development
- Essential to our health and social wellbeing
- A fragile resource
- Demanding of sustainable and wise use

Consideration of our environment will be core to all policy decisions and actions. Environmental Policy will be equal, not subservient, to economic and social policy. The quality of our environment will be protected and enhanced. The Island will respond in an environmentally sustainable way to local issues and existing and emerging global challenges.

We are committed to:

- A government that leads the community by good example
- Living within our environmental means
- Ensuring environmental issues are considered in all policy decisions and that all policy decisions take due account of environmental issues
- Providing factual timely and accurate information in order to enable people to take informed decisions
- Working with partners

Our priorities are (in no particular order):

- To reduce our carbon footprint and adapt to climate change
- To protect our biodiversity and countryside
- To maintain our unique identity and heritage
- To improve the management of our solid and liquid waste
- To conserve energy use and switch to cleaner fuels
- To promote sustainable practices
- To review our land use policies
- To address the issues associated with our changing population

Outcomes

The Plan through themed chapters addresses the challenges and commitments set out above and establishes a list of desired outcomes. These outcomes are the real substance of the Plan they are listed as:

1	The States of Guernsey will provide clear leadership through education, information and action on environmental issues and challenges.
2	The States will demonstrate delivery of its environmental priorities.
3	Guernsey's environment in 2030 will be at least as healthy as it is in 2008.
4	Environmental considerations will be integrated into all policies, programmes

	and service delivery.
5	Reputable evidence will be available and used to inform the decisions ultimately taken.
6	Education about environmental issues and impacts will have been provided and quality information will be readily available.
7	Individuals will understand, and take informed decisions about, the way they interact with the environment.
8	Stakeholders' roles and responsibilities will be understood leading to co-operative delivery of outcomes.
9	There will be enhanced readiness in the Island to respond positively to [climate change] impacts, consequently reducing adverse effects of impacts.
10	The Island's contribution to green house gases will be reduced through leadership and engaging active community participation.
11	The amount of waste generated will be minimised.
12	Water resources will be effectively managed.
13	Guernsey's use of energy will be more sustainable.
14	Guernsey will be more self sufficient.
15	Our biodiversity will be healthier.
16	Specific species and habitats requiring targeted action will have been identified and supported.
17	Our farming and countryside heritage will have retained its distinctive character.
18	Our built environment will be of high quality, reflecting our local distinctiveness and supporting our communities.
19	Our buildings will embrace high environmental quality standards.
20	Our unique identity will be protected and recognition given to the importance of our traditional architecture. Extreme care and sympathy will be exercised towards our culture and heritage in the application of modern architecture and developments.
21	Our heritage will retain its distinctive character.
22	There will be a reduction in air pollution.
23	There will be improved ground water quality.
24	Solid and liquid waste disposal will accord with environmentally acceptable methods.

25	Emergency plans will be in place to deal with major incidents.
26	The risks associated with radon and electromagnetic radiation will be disseminated.

Achieving those outcomes, i.e delivery of the plan, is achieved through Action Plans revised and developed approximately annually.

Progress

Progress on actions contained in the first action plan are summarised in the table below.

i)	Co-ordinate the implementation of the subordinate policies outlined in Headline Policy 1 (Reduce overall energy usage and minimise wastage) of the States' Energy Policy.
Progress	<p>The proposal to deliver this work stream centres around the delivery of the Energy Advice Service under the energy Policy submissions but the £250,000 funding requested (over a 3 year period) has not been forthcoming. The Environment Department is piloting (as an investigation/experiment) the home energy doctor element of the Energy Advice Service and has launched the business energy efficiency module of the Keep Guernsey Green Award.</p> <p>An alternative funding proposal for an Energy Advice Service has been suggested as part of the energy policy update and as part of the proposed 2010 Action Plan.</p>
ii)	Investigate the probable effects of sea-level rises on coastal defences – localised flood studies
Progress	The funding required to undertake these flood studies has not been forthcoming. Whilst the work needs to be done a delay of a year or so cannot be considered to be critical. Nevertheless, the Environment Department is funding the first phase of these studies from unspent revenue balances.
iii)	Departments to identify probable impacts of climate change within their mandated areas of responsibility (taking into account latest UK Government climate change projections), and the potential actions to be taken to address these effects.
Progress	The EPWG is co-ordinating this work. It has corresponded with all departments to explore their understanding of climate change impacts within their respective mandates and functions. The group has examined climate projections under various scenarios and will be facilitating a projections/risk analysis workshop to better inform the development of adaptation strategies.
iv)	Identify and consider the life-cycle issues of waste management in Guernsey.

Progress	The Environment Department and Public Services Department have commenced discussions on a revision of the waste management plan. In the absence of funding it will not be possible to examine in detail the life cycles costs/environmental costs of various waste streams but a review of the waste management plan will enable consideration to be given to the current disposal mechanisms, that consideration being carried out within the constraints /direction of the existing States resolutions.
v)	Having due regard to social acceptability identify best practical environmental options in respect of waste management practices.
Progress	The Environment Department and Public Services Department have commenced discussions on a revision of the waste management plan. A review of the waste management plan will enable consideration to be given to the current disposal mechanisms that consideration being carried out within the constraints /direction of the existing States resolutions and by adopting the Best Practical Environmental Option approach in accordance with the waste legislation.
vi)	Investigate the practicality and desirability of establishing policies and incentives to promote grey water recycling.
Progress	Both the Public Services Department and the Environment Department have considered this issue from the water protection and building standards perspectives. A working group has been set up to investigate how compliance with the developing building regulations including the requirement for sustainable homes can be delivered in the Guernsey context without compromising water safety.
vii)	Investigate the practicality and desirability of incentivising an increase in local food production on Guernsey.
Progress	This work stream links with work stream 15 and 16. The EPWG will discuss how this can be taken forward with SLPG and the Commerce and Employment Department.
viii)	Reduce traffic pollution by encouraging cleaner emissions and supporting reduced use of motor vehicles
Progress	The Environment Department has examined vehicle emission taxation systems and has undertaken a public consultation exercise the results of which are currently under review. The department continues to improve bus provision.
ix)	Undertake a full island habitats survey and identify key habitat changes since the 1999 Survey.
Progress	The Environment Department has commissioned this study which is being carried out during 2010.

x)	Identify requirements in order to progress extending the UK's signatory to the United Nations Convention on Biological Diversity, to Guernsey.
Progress	Analysis of past correspondence suggests that the Island has previously refrained from seeking extension of the UK's signatory to the convention due to legislative gaps (the inadequacies of the old planning regime and the absence of specific species and habitats protection legislation) and concerns over the costs resulting from convention obligations. The Environment Department is currently seeking to identify the exact legislative provisions that are required and is seeking to obtain a degree of clarification on the costs issue.
xi)	Identify legislative and policy mechanisms for the generation of a Marine Spatial Plan delivering the sustainable eco system approach
Progress	This is a very significant piece of work. The devolved Administrations of the UK are grappling with this issue and committing very extensive resources to it. As such it would be naive to expect a simple and swift solution. The EPWG will liaise with SLPG and the GREC to explore the best way of moving forward with this complex and extensive work stream.
xii)	Review the structure of the Island's spatial planning policies and specifically the desirability and practicality of maintaining the UAP/RAP divide.
Progress	This work stream sits properly with the SLPG. The EPWG will liaise with SLPG to establish when, within its agenda, it may be able to take this forward
xiii)	Develop positive planning guidance generally and specifically in respect of listed buildings and conservation areas.
Progress	The Environment Department has accepted this as a high priority work stream. However, for reasons outside of its control, the conservation and design team within the Department is currently seriously under resourced and the Communications Officer which was to assist in these areas has not yet been appointed as a result of difficulties in appointing a person with the necessary expertise and housing status. The Department is doing all it can to resolve these issues but in the interim it is not possible to move forward with this work stream.
xiv)	Review policies for the determination of listed buildings.
Progress	The Environment Department has accepted this as a high priority work stream. However, for reasons outside of its control, the conservation and design team within the Department is currently seriously under resourced and the Communications Officer which was to assist in these areas has not yet been appointed as a result of difficulties in appointing a person with the necessary expertise and housing status. The EPWG understands that the Department is doing all it can to resolve these

	issues but in the interim it is not possible to move forward with this work stream
xv)	Review planning policies concerning the use of dilapidated sites, principally those left from the agricultural and horticultural industry.
Progress	This work stream links with work stream 7 and 16. The EPWG will discuss how this can be taken forward with SLPG and the Commerce and Employment Department
xvi)	Review the practicality and desirability of enhancing policies and support mechanisms to protect Guernsey's rural culture with specific reference to traditional agricultural practices and dairy farming.
Progress	This work stream links with work stream 7 and 16. The EPWG will discuss how this can be taken forward with SLPG and the Commerce and Employment Department. The EPG is also aware that the Policy Council is in the process of establishing a Working Group to undertake a comprehensive review of the dairy industry and to report back to the States (in compliance with the Le Lievre amendment of October 2008 – during the debate on milk distribution). It is, therefore, eminently sensible to await developments in this review before progressing this particular work stream

Context

As set out in the 2009 plan, it is not expected that the context, under which annual action plans are set to support the outcomes identified in the Environmental Plan, will change rapidly or significantly at least in the medium term. The drivers for 2010 and beyond remain as stated in Chapter 2 of the Plan and as summarised in the Objectives section above (Challenges addressed by the Plan).

The actions listed for 2010 are, therefore, the ongoing working streams from 2009 as listed in the table above. But, in addition, the Environmental Policy Working Group has identified the following additional actions to be commenced during 2010. These actions are consistent with the incremental delivery of the Plan outcomes as envisaged in the Plan.

Plan Outcome	2010 Action
The States of Guernsey will provide clear leadership through education, information and action on environmental issues and challenges	Set up an information hub –a link on the States web site – providing a central resource for environmental information. This could include the environmental implications and issues as set out in States reports. (see below). This action constitutes a joint new service development bid with the Energy Policy Working Group's proposed Energy Advisory Service.

Environmental considerations will be integrated into all policies, programmes and service delivery	Monitor all States Reports for environmental consequences and to refer such policies to EPWG for consideration.
Reputable evidence will be available and used to inform the decisions ultimately taken	The new waste strategy will be formulated using the Best Practical Environmental Option approach.
Education about environmental issues and impacts will have been provided and quality information will be readily available	Set up an information hub –a link on the States web site – providing a central resource for environmental information. This could include the environmental implications and issues as set out in States reports.
Individuals will understand, and take informed decisions about, the way they interact with the environment	A revised new service development bid is being jointly submitted with the Energy Policy Working Group to set up an Energy Advice Service.
There will be enhanced readiness in the Island to respond positively to [climate change] impacts, consequently reducing adverse effects of impacts	The Environment Department will fund the flood studies recommended under the Coastal Defence Strategy. The EPWG will Facilitate a projections/risk analysis workshop to better inform the development of adaptation strategies within departments
Guernsey's use of energy will be more sustainable	A revised new service development bid is being jointly submitted with the Energy Policy Working Group to set up an Energy Advice Service.
Our farming and countryside heritage will have retained its distinctive character	Pending Guernsey Tomorrow outputs.
Our buildings will embrace high environmental quality standards	The Environment Department will commence a review of Building Regulations.
There will be a reduction in air pollution	A report will be submitted to the States recommending commencement of the Air pollution part of the Control Of Pollution (Guernsey) Law.
There will be improved ground water quality	A report will be submitted to the States recommending commencement of the Water pollution part of the Control Of Pollution (Guernsey) Law.

APPENDIX 3

Population Management

In the States Strategic Plan 2009 - 2013, the Policy Council provided an update on the work of its sub-group, the Population Policy Group, to establish a new legal and administrative framework for the management of the population in Guernsey. Since that time, a number of areas of that development work have progressed.

The proposals which are being developed are set in the context of the Island's future population challenges and will seek to provide a robust and sustainable mechanism that is responsive to changes in the Island's demographic, economic, environmental and social circumstances over time. The Population Policy Group has defined five key objectives which its proposals will seek to achieve.

The new regime will need to be:

- 1 Legally robust and designed to meet the Island's domestic and international obligations.
- 2 Capable of operating within the context of the policies and priorities identified in the States Strategic Plan and flexible enough to enable the States to respond quickly to any changes in them.
- 3 Supported by an efficient and flexible administrative process that supports objectives of maintaining Guernsey as an attractive place to live, to work and to do business. The process must not deter people from using it and it should avoid being unnecessarily complex and bureaucratic.
- 4 Capable of providing regular population statistics. This will allow the monitoring of changes in the population level and the extent to which the new regime is effective in managing changes in the population. Informed decisions can then be made on what policies need to be adjusted to take account of changes in the population.
- 5 Transparent with well publicised policies, procedures and rules. The public need to be able to understand how and why decisions are being made.

The Group has developed its proposals over the last year to the point where, at the time of writing, a public consultation exercise is being planned which will be launched later this year. The consultation process sets out draft proposals, including various options which could be considered as part of a future population management regime.

The consultation process will last for 12 weeks. The feedback obtained will then be analysed and taken into account as the Population Policy Group prepares final proposals which will then be brought forward to the States at the earliest opportunity.

Energy Policy

Introduction

The Policy Council's Energy Policy was noted by the States in June 2008 (Billet d'État VII, 2008). The Energy Policy sets out three headline policies for Guernsey:

- Headline Policy 1
Reduce overall energy usage and minimise waste.
- Headline Policy 2
Ensure a diverse and robust energy supply, which is sufficient for Guernsey's needs.
- Headline Policy 3
Switch progressively to clean renewable energy sources to achieve a long-term reduction of carbon dioxide emissions of 80% from 1990 levels by 2050.

In order to achieve these three headline policies, the Energy Policy set out more than 30 individual workstreams, with associated lead Departments responsible for their action. These workstreams are all monitored by the Policy Council's Energy Policy Group and are set out in full in the Energy Policy Report (Billet d'État, VIII, 2008) which can be viewed at: www.gov.gg/ccm/policy-and-hr/billets--resolutions/2008/billet---viii-2008-june.en

Key Areas of Progress Made

An update on the progress made since the States noted the Energy Policy Report in June 2008 was published in the States Strategic Plan 2009 – 2013, debated by the States in October 2009. The below points highlight key areas of progress made since this last update.

In addition to these key areas, a table has been put together listing every workstream in the Energy Policy and the progress that has been made to date in relation to each. This can be viewed at www.gov.gg/energy-policy

- Energy Efficiency in the Public Sector
In order to raise energy efficiency standards, the Corporate Property Plan included a rolling programme of energy audits throughout the States' estate together with commitments to encourage energy conservation measures. In addition to this, an Energy Code has been incorporated into the Financial Transformation Programme property workstream on energy review, which will stimulate energy saving initiatives. This workstream also proposed low cost/no cost energy saving initiatives with funding from the Financial Transformation Programme savings fund.
- Energy Efficient Public Procurement Policy
The States Rules for Financial and Resource Management, agreed by the States in November 2009, included a requirement for Departments to consider the

environmental and sustainability impact in their procurement activities. This will be further expanded in the Procurement Directives throughout the States.

- Review of Building Regulations

The Environment Department commenced work in May 2009 on developing regulations for condensing boilers. Further developments in the UK are being monitored for adoption locally. A full review of the building regulations has been set as a priority in the Environment Department's 2010 Operational Plan.

- Introduction of Electric/Hybrid Public Transport

The Environment Department purchased an electric van to investigate the feasibility of electric transport. The Department also presented a Report to the States on public transport, referring to further investigations into an electric hybrid public transport fleet. However, the proposals for a full review of the operation and contract procurement of the bus fleet were rejected. This work stream is now being taken forward through a Financial Transformation Programme workstream.

- Emissions Tax

The Environment Department published a Green Paper in Autumn 2009 on the feasibility of introducing a sliding emissions tax on first registered vehicles and a subsidy for zero emission vehicles. The Department has since evaluated the consultation responses and will be liaising with the Treasury and Resources Department and Energy Policy Group in the very near future.

- Electricity Volume Discounting

At the request of the Commerce and Employment Department, the Office of Utility Regulation produced a report on the economic justification for differential prices based on volume consumption in relation to the pricing of electricity in Guernsey. After consideration of this report the Energy Policy Group agreed that it would be beneficial for this issue to be further considered by the Office of Utility Regulation against the background of the next electricity price review. The Office of Utility Regulation will provide a report on this following its research.

- Low-Carbon Emission Electricity Importation

As part of the next electricity price review, the Office of Utility Regulation, in liaison with Guernsey Electricity Limited, has been requested to review the implications of favouring low-carbon power generation in order to maximise the importation of low emission electricity through the existing cable, until macro renewable energy comes on stream.

- Generation of Energy from Waste Products

Guernsey Electricity Limited's views have been sought on the potential for the provision of district heating for Leale's Yard Mixed Use Redevelopment Area, using waste heat from the power station. Guernsey Electricity Limited advised that this initiative was unlikely to be successful as it no longer consistently

produced waste heat and the economics of laying the necessary pipe would require the developer to have a significant heat demand for a long period. In addition, it was anticipated that developers would be reluctant to commit to long-term contracts due to their increasing tendency to design for low energy requirements within buildings.

- Local Food Consumption and Production

In conjunction with Guernsey Tomorrow, encouragement in the production and consumption of local food products is now being pursued. Considerable interest has been shown in the formation of the Guernsey Smallholders Association, and the Guernsey Growers Association has produced a logo to encourage the purchase of locally produced vegetables.

- Micro-Generation Income Tax Exemption

Amendments have been made to the relevant sections of the Income Tax Law in order to exempt income derived from micro-generation of electricity from Income Tax. Provisions have been included in the Income Tax (Guernsey)(Amendment) Law, 2009.

- Peak Oil

“Peak Oil” refers to the point in time when the maximum rate of global petroleum extraction is reached, after which the rate of production goes into decline. A briefing paper on “peak oil” monitoring was circulated to all States’ Members for their information, which concluded that due to a lack of a specific definition as to what constitutes “oil supply”, uncertainty as to future developments in extraction technology, problems of estimating the productivity of individual wells, and the unpredictability of the global energy market, it is difficult to predict when “peak oil” will be reached. However, a general consensus is developing that it will be before the year 2030 and that the sooner measures are taken to reduce dependence on the consumption of oil-based energy the less traumatic the consequences of reaching “peak oil” will be. The Commerce and Employment Department is now researching the feasibility of a risk assessment study of “peak oil” in an attempt to mitigate the adverse effects of “peak oil” being reached.

- Off-Setting Carbon Emissions

The Environment Department has produced a report on viable options (including international forestation) that would enable Guernsey to offset carbon emissions. The Energy Policy Group concluded that the funding of carbon offsetting was a secondary priority to on-island energy saving and clean energy projects. The Group considers that Guernsey can make its most significant contribution in tackling climate change through the future generation and exportation of energy from macro-renewable sources. Should the Group decide to introduce carbon offsetting in the future, it is likely that the Energy Policy Group would recommend that funds be made available through existing UK accredited offsetting providers.

- Guernsey Renewable Energy Commission

Three key areas are being progressed by the shadow Guernsey Renewable Energy Commission:

1. The preparation of a Regional Environmental Assessment to look strategically at the effects renewable energy will have on the environment.
2. The establishment of the Renewable Energy Law including a licensing and application process.
3. Work on attracting renewable energy developers and investigating feed in tariffs along with other incentives.

Before the Commission can be appointed under the Renewable Energy Law, the States will need to agree a renewable energy policy. The policy will need to address issues such as, how much renewable energy is required, who the end user will be (domestic or export), and if it is domestic, how the increase in electricity tariffs will be funded. The needs of the less well-off will also need to be addressed. The renewable energy policy will dictate the directions of the Guernsey Renewable Energy Commission when it is formally established.

Conclusion

The Energy Policy has progressed actively in a number of workstreams, however there are still a number of workstreams that have significant work to be done in order for them to progress to, or near, completion. The limited financial and staff resources available to undertake these workstreams are the key limiting factors.

Due to these limited resources, the Energy Policy Group has focused on the promotion of energy conservation measures in the home and the development of macro-renewable energy generation. The Energy Policy Group believes that this joint focus will prove the most productive achievement in meeting the Energy Policy's three headline policies.

Work will commence more comprehensively on the other workstreams as and when resources are available or, if not, will be evaluated when the Energy Policy is formally reviewed in 2013.

Strategic Land Use

The current Strategic Land Use Plan (SLUP) is a statutory document which was prepared under the terms of the former planning law as the Strategic and Corporate Plan. It remains in force under the terms of the new law (The Land Planning and Development (Guernsey) Law, 2005), until formally revised by the States but it is no longer designated as the 'Strategic and Corporate Plan'. The purpose of the SLUP is to provide guidance to the Environment Department to ensure that the land planning system is responsive to the Island's economic and social and environmental needs.

The plan is currently undergoing a complete review informed by a major public consultation process under the 'Guernsey Tomorrow' banner. A full summary of the Guernsey Tomorrow initiative is to be published before the States Strategic Plan debate.

At the time of writing, the Strategic Land Planning Group is intending to submit a report to the September States meeting to provide an opportunity for consideration and debate of possible options for the future direction of strategic land use planning. The Strategic Land Planning Group will listen to the points raised by States members in the debate and will take these into account in developing a preferred strategy. Following the debate the Strategic Land Planning Group intends to organise a series of workshops with groups of States members to help it develop that strategy in greater detail. The work on the preferred strategy will form the basis for a revised Strategic Land Use Plan, which will be presented to the States for its approval in early 2011.

Once the new SLUP has been adopted by the States, the Environment Department will, in turn, proceed with the review of the Urban and Rural Plans to meet the new strategic agenda. These plans may be replaced with a different form of development plan as one of the main objectives of the SLUP review is to consider whether or not policies based on an 'urban/rural split' (which directs the majority of new development to the urban area), remains a valid guiding principle for the next 10 to 15 years. Earlier this year, the States approved interim amendments to both the Urban and Rural Area Plans to ensure that the development plans remain sufficiently robust and flexible to meet the island's current development requirements. Although the new planning law, introduced in 2009, gives a standard 10 year life to all current and future Development Plans, it is understood that the Environment Minister will be clarifying the Department's intentions with the States at the earliest opportunity.

The SLUP in its present form may be viewed on the States website. It forms part of the 2007 Government Business Plan report in Billet d'Etat XVIII, 2007.

Island Infrastructure Plan

Part 1

Introduction

As noted by the States as part of the 2009 States Strategic Plan a group of chief and senior officers led by the Chief Officer of the Public Services Department has been working to the Ministers of the Public Services, Commerce & Employment and Environment Departments and the States Strategic Plan Group on the development of an Island Infrastructure Plan, the first steps being the definition of the scope of such a plan and an audit of its components.

Set out here is a broad description of such a plan together with a list of detailed infrastructure elements. It is anticipated that a formal plan will be developed during the course of the next twelve months for inclusion in the Strategic Plan Report submitted to the States in 2011.

Island Infrastructure

The Island infrastructure includes those facilities which are generally, but not exclusively, publicly funded and which are required in order to serve a community's developmental and operational needs. This includes such things as roads, water and sewerage systems, ports and so on. A comprehensive Infrastructure Plan will also include social and environmental infrastructure – such as strategic school and hospital services.

Without a plan designed to ensure that our infrastructure is appropriately maintained or developed the various social, fiscal and environmental plans will not be delivered.

The Plan, when developed, will recognise that:

- Infrastructure is expensive to build, operate and maintain.
- Is typically long-lived and delivers benefits across generations.
- While the principal focus of the States Strategic Plan is on the next five years, the Infrastructure Plan will need to look forward twenty years or further.
- It covers all aspects of the infrastructure including physical built assets, technological assets and natural heritage.
- It will attempt to bring together investment already planned, or identify investment that is required, in a co-ordinated plan with priorities for action.
- It will be a living document that will change over time in response to the challenges and opportunities that develop.

Prime purpose of the Plan

Infrastructure investment and delivery is currently dispersed between various States Departments and the private sector. The prime purpose of the Plan is to facilitate new infrastructure investment by the States and the private sector over the next five to twenty years in a co-ordinated way, and to improve the management, use and value for money of Guernsey's existing infrastructure assets. In the absence of such a Plan, particularly during times of financial restraint, it is difficult, if not impossible, to identify those investments which do not deliver immediate returns but without which the wider Strategic Plans of the States will not succeed.

The Plan incorporates four broad strategies:

1. **Strategic co-ordination** – achieved through drawing together infrastructure considerations resulting from the States Strategic Plans, Departmental Operational Plans and by engaging with States Departments and the private sector.
2. **Efficiency** – to inform policy and enhance debate on options for more efficient and competitive infrastructure systems. By way of example, this may require the promotion and/or use of measures to manage peak demands and congestion in water, energy and transport systems and to encourage shared and multiple use of assets through co-location by agencies and so on.

3. **Sustainability** – to facilitate sustainable development through sound planning and use of infrastructure assets. In this respect effective governance arrangements for asset management and associated service delivery are critical, and will need to be examined.
4. **Land planning and capital prioritisation** – to inform capital prioritisation and land planning processes by considering the Island’s infrastructure issues over much longer planning horizons and viewing them against land use constraints and capital prioritisation plans, thus facilitating a simple gap analysis and assisting informed debate and policy making.

Planning horizon

While incorporated within the States Strategic Plan, the Infrastructure Plan (due to the long lived nature of assets) provides an overview of infrastructure issues beyond 2014. While over the next four years Guernsey’s population is expected to remain relatively constant, it is recognised that the profile will change in time and the needs and expectations of the rising proportion of older people in the population will create new and additional demands on Guernsey’s society that will need to be reflected by the Infrastructure Plan.

The Plan will also have to be flexible enough to have regard to technological developments and long term changes in global markets which will result in structural changes to our industries. In addition the growing scarcity of some valuable resources world-wide, competing demands for land and the forecasted impacts of climate change will drive alternative and sustainable responses to the challenges we will face in future.

The role of the States

Compared to many Western European and developed OECD countries, the Government of Guernsey plays a far greater role in the provision of infrastructure assets and services e.g. electricity, post, water and waste water etc. The States are expected to continue to play a central role in the development of the Island’s economic infrastructure and despite certain developments within the Third Sector, the social infrastructure will continue to be delivered primarily by the States.

Private sector infrastructure providers are driven largely by commercial interests and seek to maximise returns to their shareholders, whereas the States’ prime concerns are to be responsive to community needs and to maximise public returns. Any successful infrastructure plan will need to address the role of the States as facilitator, co-ordinator and regulator of private infrastructure providers.

In addition to long term planning the States will need to recognise that existing infrastructure will, from time to time, face a range of potential natural, and other, hazards or threats. Consequently continued risk assessment and the development of plans to mitigate disasters or respond to emergencies and recover rapidly will need to be maintained.

There will need to be a close relationship between the objectives of the other plans taken forward by the States (e.g. their economic ambitions), to ensure that these are not thwarted by infrastructure related barriers to achieving success.

The States new Capital Prioritisation Programme represents a marked shift from the previous “first come, first served system” and represents an important step towards effective sustainable infrastructure planning. This fundamental change highlights a new culture of managing across, rather than within, Departments, and the advent of portfolio structures should better support corporate outcomes for the States in future.

Figure 1 below diagrammatically outlines the process which the States have chosen to adopt as part of their Capital Prioritisation Process. This rigorous assessment process for prioritising strategic infrastructure proposals will support the infrastructure planning and delivery framework. Decisions between competing project priorities are the responsibility of the States, and they will need to be resolved on the basis of evidence based decision making.

Progress in implementing the Plan will be monitored closely. Additionally, the Plan will be revised to incorporate new priorities as they emerge.

Part 2

Infrastructure Elements

This part of the report describes the various elements of the Island’s Infrastructure including both Social and Physical Infrastructure. For each element there is a description followed by notes on how it is provided whether by the public or public sector or any combination and finally a brief look at future challenges.

Water

The potable water supply system involves the collection, storage, treatment and distribution facilities to deliver a reliable supply of high quality drinking water in sufficient quantities that satisfy normal daily demand at the lowest cost, consistent with meeting a high level of customer service and confidence

On the basis of the ongoing modernisation of the water supply system, the self funding, semi-independent trading nature of Guernsey Water and the long term access to additional storage at Les Vardes, no significant change to the strategy for potable water is required in the foreseeable future.

Energy

Guernsey’s Energy infrastructure is provided by both the public and private sector. Guernsey Electricity Limited is wholly owned by the States of Guernsey and has a monopoly in the generation, conveyance and supply markets and is subject to

independent scrutiny by the Office of Utility Regulation. The key States' objectives in this area are to ensure the secure provision of affordable and reliable electricity. The States wish to see marine renewable generation adding to the island's generation portfolio to complement the existing generation and import options through the Channel Island Electricity Grid. The States expect renewable generation to be provided by both the public and private sectors.

The gas and liquid fuel markets in contrast comprise private sector companies which are driven by the need to deliver returns to their shareholders. The private sector is responsible for the timely investment in this infrastructure, but the States has a role for ensuring that the legislative and institutional framework for these markets addresses any potential market failures and protects consumers' interests. The States must also consider the need to balance commercial interests against the strategic needs of the islands communities. The States currently has Memoranda of Understanding with the fuel importers regarding the monitoring of fuel supplies on the island.

The States took the unusual step in December 2008 of purchasing two tanker ships to ensure security of supply of liquid fuel to the Bailiwick to take into account the unique characteristics of St Sampsons Harbour.

Information Communications & Technology

The States of Guernsey owns Guernsey Post, the universal service provider in the Bailiwick and has liberalised the telecommunications market where there are now 8 licensed operators. Both sectors are subject to independent regulation by the Office of Utility Regulation. The undoubted economic advantages of Guernsey as an island can only be maintained if its information and communications technology infrastructure allow it to connect to the world at a reasonable cost. It is the States' role to encourage and establish a climate where the private sector can provide robust, quality services and create certainty and dependability as a secure backdrop to business either directly through its ownership of Guernsey Post or through providing the right environment for the private sector to invest in its infrastructure.

Solid Waste

Solid waste management is largely carried out at 3 sites: Mont Cuet (landfill); La Fontaine Vinery (waste segregation and recycling); and Longue Hougue (land reclamation). The purpose of these facilities is to safeguard the health of the community by ensuring that waste generated is managed and disposed of in a lawful manner with minimal environmental impact. The private sector also plays a key role in waste diversion through recycling.

All waste activities by the States are carried out in accordance with the Waste Disposal Plan, which is reviewed and updated periodically.

Until early in 2010 the Island had been planning to procure a new solution for the treatment and disposal of residual waste in the form of an integrated materials recovery

facility and an Energy from Waste plant, as Mont Cuet has a very limited life span and no further quarries have been identified as suitable for landfill. In any event, landfill is widely recognised as an environmentally unacceptable form of waste disposal, which is another important driver to seek a different solution for waste disposal. However, in February 2010 the States decided to withdraw from contract negotiations with the Preferred Bidder, Suez Environment, and instead directed the Public Services Department to return to the States as soon as practicable with a revised strategy for the disposal of solid waste.

The Public Services Department is now working closely with the Environment Department to produce a revised Waste Disposal Plan and it is anticipated that the States will be asked to approve the new plan in late 2011.

Liquid Waste

The sewerage network comprises pipework and pumping stations which facilitate the transfer of waste water to the Island's main pumping station at Bellegreve, where it undergoes preliminary treatment before being pumped out to sea by way of a long sea outfall. 75% of properties are connected to the public sewer and 25% rely on periodic collections by sewage tankers.

The sewerage infrastructure is an essential requirement to safeguard human health and is of particular importance in a densely populated Island, which relies to a large extent on surface water for its potable water supplies. The storage of untreated sewage in pits is far from ideal with the attendant pollution risks to groundwater and bathing waters.

In 2000 the States agreed a target to connect 95% of all properties to the network by 2020. At current funding levels this will not be achieved. In addition, the States has agreed to improve the facilities for the treatment of sewage prior to its discharge to sea, but this again is dependent on adequate funding.

From 2011 a waste water charge commences which should enable the waste water business to trade in a similar way to the potable water business. Steps are being taken to merge the management of both elements of the water cycle and in due course to assess the merits of commercialising the business.

Coastal Defences

Coastal Defences consist of sand dunes, shingle banks, soft and hard cliffs, granite outcrops as well as manmade structures including granite boulder, rock armouring, reinforced concrete military defences and stone built walls and piers. As well as providing a defence against sea levels the coastal structures provide a varied habitat making a significant contribution to Guernsey's biodiversity and giving the island a unique coastal landscape and heritage.

The 2007 Royal Haskoning strategy for managing this infrastructure has identified 3 key risk areas but before engineering/management solutions can be designed detailed

flood studies in these areas are required. Ongoing routine annual maintenance is considered sustainable over the next 5 years during which time the longer term strategy and management solutions should be confirmed.

Dairy

The dairy industry requires an appropriate level of support infrastructure. This is currently delivered through a range of financial and operational support mechanisms including technical advice, farm management planning, provision and management of the dairy and the provision of a slaughterhouse and cattle incinerator. Of considerable concern at this time is the condition of the slaughtering facility which requires significant upgrading or replacement in the next two years if it is to meet all the required modern hygiene standards.

Ports

The island has two commercial ports; St. Sampson and St Peter Port Harbours. These provide vital berths and facilities for the import and export of freight, passengers, commercial and private vehicles. They also have marinas for pleasure vessels and support a number of marine related businesses.

The facilities include 2 ro-ro berths, 2 deepwater berths for lift-on lift-off goods (typically containerised), drying and always afloat berths for smaller vessels, drying berths for bulk material and fuel ships, slip ways and careening areas. There is also equipment to service these berths, such as cranes and ro-ro ramps and facilities for passengers, customs and immigration and the storage of incoming and outgoing goods.

There has been recent capital expenditure on the New Jetty and further expenditure is planned on replacement cranes and berth refurbishment at St. Peter Port Harbour. A Future Harbour Requirements study is also underway and security of supply of Energy may require consideration of an always afloat fuel berth at St. Sampson.

Airport

The airport currently provides a 1463m runway. A project is currently underway to rehabilitate the time expired runway, taxiways and apron. This includes improvements to compliance in regard to Runway End Safety Areas (RESAs), runway and taxiway profiles and apron slopes. The airport is used by commercial airlines, freight companies, post and newspaper flights and general aviation.

The new terminal at the airport has increased the opportunities for income but generally the relatively low traffic levels do not currently produce sufficient income to meet the airport's capital, operating and maintenance costs.

Following the completion of the pavement rehabilitation project there is unlikely to be a requirement for any significant capital expenditure in the medium term. The challenges

are likely to revolve around the funding of the airport and the maintenance and development of the route network from the Island.

Roads

There are approximately 300 miles of public roads in Guernsey, ranging from main arterial routes that are heavily used on a daily basis to minor lanes used only infrequently.

The purpose of the roads network is to facilitate the passage of people and goods around the Island as easily as possible. Given the spread of residential and commercial property the roads network is extensive and plays a key role in the Island's social and economic well-being. Roads have to be maintained to a standard that enables easy movement around the Island, particularly on the main arterial routes.

It is not anticipated that there will be any significant changes in respect of roads in the immediate future. However, the current level of investment is insufficient to keep all the roads in good condition in the medium to long term. Looking forward, the Island has four main options:

- (i) spend more to maintain roads to a good standard,
- (ii) accept a lower standard of road
- (iii) reduce the number of roads maintained
- (iv) reduce road wear by limiting traffic and trench work (eg cable and pipe repair).

Public Transport, Garaging and Carparks

There is a need to consider Public Transport, parking and garaging for vehicles. This will include bus termini, bus stops, garages, public car parks and on street parking all of which are related to the effective utilisation of the road network.

Open Spaces

Guernsey has numerous open spaces ranging from the natural, such as the South Coast cliffs, through common land to the more formally managed parks and gardens.

The whole of the south coast cliff area is designated a 'Site of Nature Conservation Importance' supporting a rich biodiversity. The cliff and coastal paths provide high quality recreational walking all year round and safe routes of access to bays. The parks and gardens have a strong aesthetic value as well as providing for leisure activities and a number of annual shows and other similar events.

Management routines conform with the policies of the Environmental Plan in respect of natural heritage and biodiversity. Revenue and Capital spend is sustainable over the planning horizon.

Public Administration Accommodation

The efficient operation of public administration requires appropriate facilities and accommodation in order to deliver those services effectively.

The Treasury & Resources Department is responsible for the States property portfolio, both owned and leased in, which includes some ‘specialist’ public administration facilities in addition to residential and office properties. The Royal Court, Police Station, Prison, Hospital, schools etc are all vital facilities for our public administration and are examples of public administration services that require ‘specialist’ facilities. These are not readily available from existing private developments because their specialist nature makes the speculative development of such properties unattractive in an island context.

Consequently, there is a need for the States to maintain a portfolio of properties from which the many services associated with public administration can be delivered. As business processes develop with the advancements in technology the need for, and type of, public administration accommodation also changes.

Museums Service

Museums are provided by both the Private and Public Sector. Private museums are principally associated with the Occupation. The public sector comprises Guernsey Museum & Art Gallery in Candie Gardens, Castle Cornet and its five museum galleries, Fort Grey Shipwreck Museum and the Guernsey Telephone Museum. It also maintains a number of museum store/workshops where the large reserve collections are held, principally the ones at St John Street. The Museums are a component of the visitor economy and also play a role in Education and in maintaining the islands’ cultural identity.

Historic Sites

Responsibility for the care of the majority of Historic Sites in States ownership (400) is split between the Environment, Treasury & Resources and Culture & Leisure (C&L) Departments. C&L care for approximately 80 sites ranging from Dêhus dolmen and Fort Hommet to the Town War Memorial, all of which can be visited by the public. This is assisted by interpretation boards, publications and web support. Treasury cares for historic sites which play a role in the economy or administration of the island such as the Royal Court. Environment has responsibility for sites principally as part of larger land holdings. Historic sites have an amenity value, play a part in the visitor economy and have an iconic role in the promotion of the islands.

Policing Facilities

Headquarters for Guernsey Police operations including forensic examination facilities, a custody suite and garaging of police vehicles. This facility is currently situated at Hospital Lane, St Peter Port but is not large enough for current policing requirements; in

particular the custody suite needs to be made larger which is not possible on the current site which is a listed building.

In the long term it would be more operationally effective and economic to co locate the Police Station, the Shadow Guernsey Border Agency (Customs and Immigration) Headquarters, Fire Station and possibly Ambulance and Rescue to a location near the centre of the Island.

Guernsey Prison

The Prison is located at Les Nicolles, St Sampsons and is the only Prison facility within the Bailiwick for the detention of convicted persons. Whilst it is not desirable for the Prison to be situated next to a large school it is not believed economically viable to consider its relocation in the foreseeable future.

Education

The Education Department provides a range of statutory and non-statutory education, training and support services.

The structure of education provision is broadly similar to that in England. The Department is responsible for approximately 9,000 pupils in two infant, one junior and eleven primary schools; an all age school in Alderney, three high schools, the Grammar School & Sixth Form Centre and the College of Further Education. The Department operates two special needs schools; a Centre for pupils with Social, Emotional and Behavioural difficulties and grant aids three Colleges.

The education infrastructure is as outlined in the three development programmes in Billet d'Etat VI 2002, 'A Site Development Plan for the Reorganisation of Secondary, Post-16 and Special Needs Education in the Bailiwick of Guernsey', as approved by the States. All three development programmes are kept under continuous review to ensure they represent value for money for the States and Bailiwick as a whole.

The proposed development of pre-school education is subject to a future decision of the States.

For further details refer to the States Strategic Plan – Education Department Operational Plan Summary.

Health and Social Services

The Health and Social Services Department (HSSD) provides a range of statutory and non-statutory health and social care services across the Bailiwick.

The Department is structured differently to health and social services in the UK in that, in the Bailiwick, we have integrated health and social care services. These are provided by a range of private organisations (Medical Specialist Group, Primary Care companies,

Guernsey Physiotherapy Group and St John Ambulance and Rescue Service) as well as the main government department HSSD. Within HSSD there are, at present, over 50 separate individual sites or locations and many more in the private sector.

The major sites for services provision are Princess Elizabeth Hospital for acute medical and surgical care and care for older people with mental health problems, Castel Hospital for acute inpatient and outpatient mental health, King Edward VII Hospital and Duchess of Kent House for long term care for older people, Swissville and Perruque House for children's social services and Bell House for child and adolescent mental health services. Out-patient clinics are provided by the MSG at Alexandra House. Community services are provided from some of the above locations and also from Lukis House and the Castel Hospital. The HSSD operates a number of homes in the community accommodating people with a range of disabilities.

The HSSD's site development programme is well established, with the new clinical block being the most recent completed project. At the recent capital prioritisation debate (Billet No. IX and XXIV, 2009) the next elements of the site development were prioritised, which are the replacement of Oberlands House (residential accommodation for 12 people with a disability) with two six bedded units of accommodation and the replacement of the adult mental health services, centralising on the Princess Elizabeth Hospital site.

The Department's development programme continues to be under constant review and the Department is, in conjunction with States Property Services, embarking on a strategic review of all of its estates infrastructure to ensure that it represents value for money and affords the most suitable accommodation for the services provided.

Housing

Composition of Guernsey's housing stock

It is estimated that there are approximately 24,000 units of residential accommodation in Guernsey. The majority of that accommodation (74%) is owner-occupied. Social rental housing – managed by either the States Housing Department or the Guernsey Housing Association (GHA) - accounts for about 10% of the Island's housing stock. The remaining 16% of units are rented from private landlords.

In addition, in recent years, a form of shared equity has been introduced to Guernsey via the partial ownership scheme administered by the GHA. The number of properties in this scheme is currently less than 100, but this number is planned to increase in future years.

The States Housing Strategy and the Corporate Housing Programme

The States Corporate Housing Programme¹ (CHP) provides a practical framework for implementing the States Housing Strategy through coordinated action by States'

¹ *'The Development of a Housing Strategy and Corporate Housing Programme'* (Billet d'État II, February 2003).

departments, non-governmental organisations, voluntary groups and the private sector.

The CHP is split into six Action Areas, each of which cut across multiple departmental mandates.

Identification of future housing needs

Independent expert surveys of the Island's housing requirements are carried out at intervals of not less than 5 years. These are used to monitor the effectiveness of the CHP and to plan future building programmes. The most recent Housing Needs Survey was conducted in 2006².

Historically, there have been difficulties in obtaining accurate, reliable and timely housing-related data. However, means have now been found of reliably capturing data on: the number of residential properties in the Island; the number of new builds and completions; the number of bedrooms in each property; and the number of empty properties. This data will be stored in a Housing Corporate Information System currently under development, with the ultimate objective being to publish a quarterly bulletin on housing statistics.

Recreation Facilities

There are facilities in Guernsey for sports and leisure activities including golf, football, hockey, athletics, rugby, archery, badminton, tennis, volleyball, squash, swimming, indoor and outdoor bowls, table tennis, cycling, softball, snooker, pool, keep fit, sailing, surfing, motorsport and shooting. These facilities are provided by both the private and public sector with some sports relying entirely on private facilities whilst others use at least some proportion of public facilities.

Leisure facilities within the control of the States include Beau Sejour Leisure Centre and 4 outdoor sports areas. Beau Sejour provides the island's only public multi-use leisure Centre and includes facilities for sport, health and fitness, entertainment and other leisure time pursuits. The outdoor sports areas include 5 football pitches, netball and tennis all weather courts, a 400m synthetic athletics track, 2 bowling greens, one softball diamond, a cycle circuit, play areas and a skateboard arena. Associated with these facilities are the Footes Lane grandstand and changing facilities other grounds. The States also provides the open air seawater pools at La Vallette and the Fort Le Marchant Rifle Range.

Alderney

Departments such as Education, Health and Social Services, Home and Public Services have responsibility for some elements of infrastructure in Alderney. This includes the School, Hospital, Police Station, Airport and Breakwater. The Hospital and Police Station have both recently been refurbished. The Airport currently operates at a

² '2006 Survey of Guernsey's Housing Needs' (Billet d'État XXV, December 2007).

substantial annual loss but provides a vital connection to the Island. The Breakwater has been the subject of a number of States Reports over the past 17 years, two of which sought to provide long term protection to Alderney Harbour. Neither of these proposals was supported by the States of Deliberation. Solely maintaining the superstructure of the existing breakwater is not a viable long term solution.

**APPENDIX 4 – DEPARTMENTAL AND COMMITTEE OPERATIONAL PLAN
SUMMARIES**

(plus parliamentary Committee Business Plan Summaries)

Policy Council

1. What we do

External Affairs

- Develop and implement strategies designed to maintain, defend and enhance Guernsey's standing within the global community.
- Build relationships with authorities in the Crown Dependencies, UK, EU, US and relevant supranational bodies. This includes proactive contact programmes with key individuals.
- Advise on the appropriate application of international conventions and treaties.
- Provide States hospitality to visiting persons and organisations.

Administration

Policy and Research

- Prepare and maintain the States Strategic Plan and its associated monitoring report: Sustainable Guernsey.
- Coordinate and lead the development, implementation and monitoring of; and undertake research and advise the Policy Council on:
 - Fiscal and Economic Policy
 - Social Policy
 - Environmental Policy
 - Energy Policy
 - Population Policy.
- Develop, direct and manage the publication of official statistics, publications and forecasts and provide associated analysis.
- Provide a corporate perspective and commentary for all States Reports.

Government Business

- Co-ordinate the processing of States business including preparation of the Agenda for meetings of the States of Deliberation.
- Provide support to bodies 'sponsored by' the Policy Council including the Overseas Aid Commission, Planning Inquiries and special States Committees.
- Oversee the Island Archives Service, the 'non-statutory' Legal Aid Service, the independent Planning Appeals Panel and liaise with the Douzaines and the Guernsey Douzaine Council.

Policy Council Human Resources Unit (PCHRU)

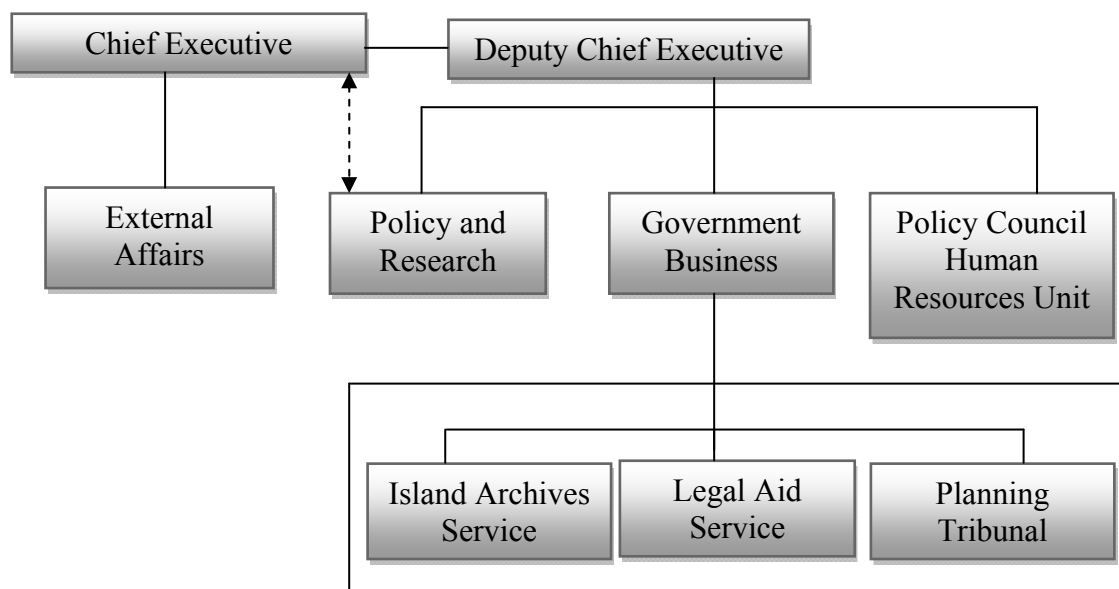
- Provide professional guidance to Departments and individual members of staff on personnel issues and develop and promote best HR practices with a view to:
 - Meeting the immediate and future resourcing needs of the business.
 - Supporting leadership and personal development.
 - Improving individual and organisational performance.
 - Supporting the delivery of change programmes.
 - Implementing efficient and effective HR systems and processes and administration.

Supporting activities executed by the PCHRU for Civil Servants specifically:

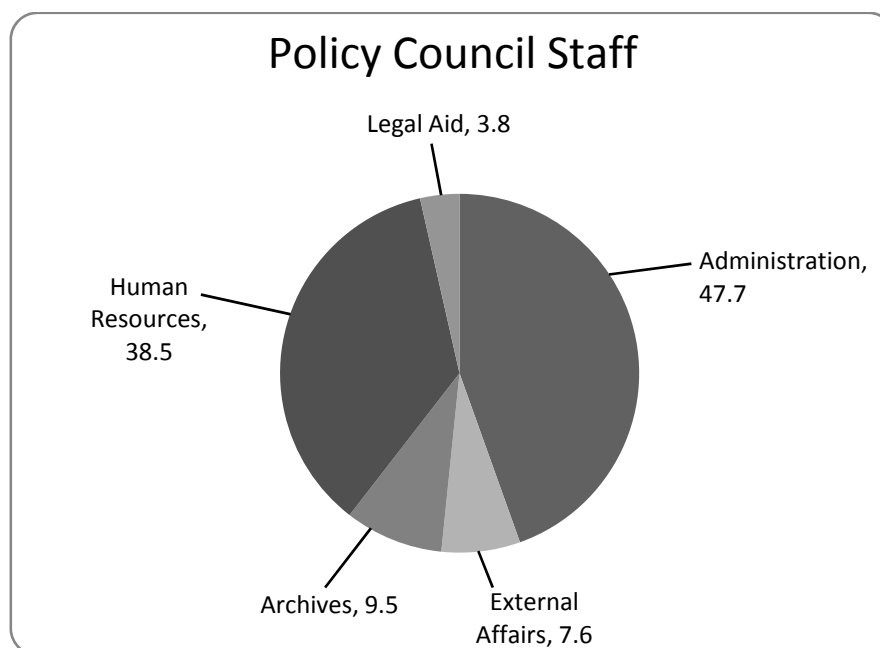
- Development and ownership of HR Policies and procedures for Civil Servants.
- Identify and implement opportunities for common policies and procedures across all States staff groups.
- Lead and manage the corporate learning and development policy for Civil Servants.
- Promote the Civil Service including advertising, promotional strategy, attendance at careers events and school talks.
- Manage and coordinate the Graduate Officer, Trainee Accountant and Trainee Executive Schemes and administer job evaluation process for Civil Servants.

2. Who we are

The organisation chart below shows the staffing structure of the Policy Council.



The Policy Council has 52.42 full time equivalent established staff (as of 1st April 2010) and is allocated as follows:



3. Policy Council objectives

External Affairs

The long term objective is to sustain Guernsey's ability to manage its domestic affairs and articulate Guernsey identity as extensively as possible.

Policy and Research

- States Strategic Plan
 - Develop the States Strategic Plan through to maturity; and
 - Develop systems to enable the successful delivery of the States Strategic Plan
- Fiscal and Economic Policy
 - To develop, through the Fiscal and Economic Policy Group, fiscal and economic strategy.
 - To manage the review of the corporate tax regime.
 - To direct the work of the Fiscal Policy Panel and manage the publication of its annual report.
 - To direct, develop and manage the publication of official States economic, statistics, publications and forecasts and provide associated analysis.
- Social Policy
 - Deliver the Domestic Abuse Strategy and the Drug and Alcohol Strategy
 - Enable Guernsey to ratify the UN Convention on the Elimination of all forms of Discrimination Against Women (CEDAW)
 - Research to underpin childcare initiatives, disability strategy and civil partnerships

- Environmental Policy
 - Coordinate the implementation and monitoring of Energy Policy initiatives aimed at reducing the Island's contribution to greenhouse gas emissions
 - Commission research into the probable effects of sea-level rises
 - Coordinate the identification by all States Departments of the probable impacts of climate change within their mandated areas of responsibility
- Energy Policy
 - Oversee the implementation and monitoring of the Energy Policy, particularly workstreams on energy conservation and macro-renewable electricity generation. Add website address.
- Population Policy
 - To oversee the development, implementation and monitoring of a new population management regime
- Research initiatives
 - Developing data analysis to better monitor the outcomes of the policies contained within the States Strategic Plan.

Policy Council Human Resources Unit

- Support the organization in all areas of HR in order to:
 - meet the immediate and future resourcing needs of the business
 - support leadership and personal development
 - Improving individual and organisational performance
 - Supporting the delivery of change programmes
 - Implementing efficient and effective HR systems and processes and administration
- Implement revised HR functional structure as an output of the Financial Transformation Programme.
- SAP HR - full roll out of the IT based HR information system will improve ready access to key information that will lead to better management of staff and improved value for money. Successful implementation of key elements of SAP HR are essential to the implementation of the efficiencies referred to above.
- Develop and implement a structured leadership development programme for Civil Servants to ensure that the organization maximises the talent available.
- Strive for standardization and simplification of HR policies across the organization.

4. Financial transformation programme

The FTP is the result of recommendations made during the 2008/09 Fundamental Spending Review (FSR) of organisation spending, which identified 107 Summary Opportunity Reports (SORs) that should be pursued further by the organisation as part of a coherent and cohesive programme. The programme is planned for 5 years and will deliver £31 million savings.

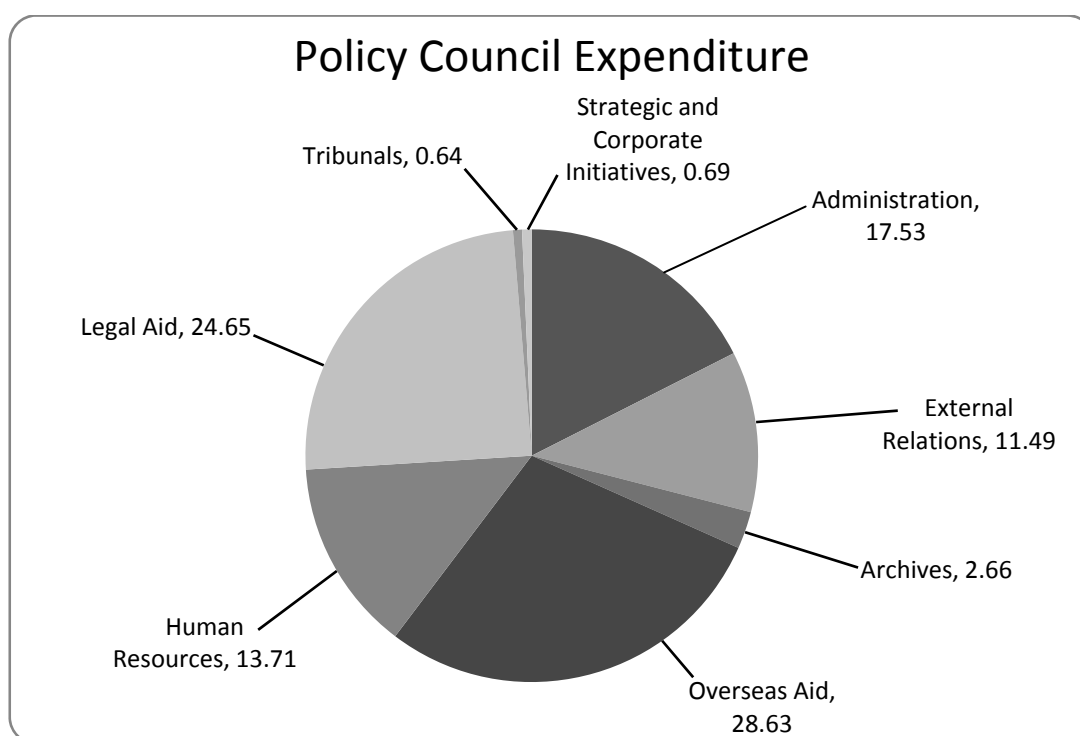
To manage overall delivery of the FTP and the SORs within it, the programme has been divided into seven thematic workstreams, each of which is responsible for delivering a set of relevant SORs in the areas of:

- Value for Money
- Procurement
- IT
- HR
- Financial Management
- Property
- Grants & Subsidies.

The FTP is owned by the Policy Council with accountability for operational delivery resting with the Transformation Executive which consist of the CEO, DCE, Chief Officer T&R, Chief Accountant and Head HR & OD.

5. How we spend public money

Total expenditure in 2009 was £8,727,339 and was allocated as follows:



6. How we monitor, or would like to monitor, and review our performance

External Affairs

The continued success of the Island's economy, and in particular the financial services sector, is regarded as a direct performance indicator for the activities undertaken by the team.

Administration

Policy and Research

- Ensuring enquiries to the Research Section are responded to within 24 hours
- Ensuring publications and internal reports are delivered on time (against deadlines)
- Assessing comments and feedback received and incorporating improvements

Government Business

The performance of the team is currently judged in terms of meeting the timetables of its client groups including the deadlines for the publication of Billets d'Etat.

Policy Council Human Resources Unit

The PCHRU collects data from across the public service through the Human Capital Audit and its regular Employee Surveys. Key Performance Indicators for human resources include data on recruitment and retention, equal opportunities, staff training and qualifications, staff satisfaction and exit interview process and on the number of complaints, grievances, disciplinary cases (and their handling), sickness absence cases, counselling cases and complaints under the Equal Opportunities and Diversity Policy and the Dignity at Work Policy.

Commerce & Employment Department

1. What we do

The Commerce and Employment Department is mandated to create a dynamic and diversified economy through the promotion and development of commerce and industry that is sustainable and operates in accordance with the strategic, economic, social and environment policies of the States and through effective working relationships with industries and businesses on the Island. This work is carried out across six principal Business Units as described below and in the Department's 2010 Business Plan. <http://www.gov.gg/ccm/commerce-and-employment/commerce-and-employment-2010-business-plan.en>

Economic Development Unit – responsible for the development and implementation of the Department's wide-ranging, policy agenda, undertaking strategic research and analysis to develop new policy, legislation and other measures to achieve strategic and corporate economic objectives.

Client Services Unit – is involved in inspecting, licensing, educating and encouraging the uptake of best practice in a number of specialist areas the detail of which can be found within the Department's 2010 Business Plan.

- **Agriculture and Rural Environment Service**
- **Field and Support Services**
- **Guernsey Dairy**
- **Plant Protection and Laboratory Services**
- **Sea Fisheries**
- **Health and Safety Executive**
- **Employment Relations Service**
- **Trading Standards Service**

Finance Sector Development Unit - is responsible for the strategic development of the finance sector, the detail of which can be found within the Department's 2010 Business Plan (<http://www.gov.gg/ccm/commerce-and-employment/commerce-and-employment-2010-business-plan.en>).

The Department also has responsibility for the **Company Registry** (<http://www.guernseyregistry.com/ccm/portal/>) and **Intellectual Property Office** (<http://ipo.guernseyregistry.com/ccm/portal/>) and full details of their activities are contained in the Department's 2010 Business Plan.

Marketing and Tourism Unit - provides advertising, promotion and public relations initiatives to support the visitor economy in order to attract new visitors to the Island and to maximise the benefit of the sector. Activities comprise Trade & Media Marketing, Independent Travel Marketing and Print Production and Communications.

Director of Civil Aviation – to conduct the regulatory functions to assure a high standard of civil aviation safety in the Bailiwick whilst ensuring Bailiwick complies with the 1944 Chicago Convention. Also responsible for carrying out a similar role for Jersey.

Resources Unit - responsible for the effective management of the human, financial and physical resources entrusted to the Department and provides central support services across the Department across its various sites.

The Department provides the point of liaison between the States and the **Guernsey Financial Services Commission**. The Department and the GFSC have entered a protocol agreement, which provides the framework for the relationship. The Department scrutinises all legislation proposed by the GFSC, sponsors legislative proposals and advises the Policy Council and the States of Guernsey on GFSC proposals and initiatives.

The Office of Utility Regulation (“OUR”) has responsibility for the economic regulation of the telecoms, electricity and postal sectors and reports to the Department. The OUR is self-funded through licence fees.

The Department is in the process of establishing the **Guernsey Renewable Energy Commission** (“GREC”) as a licensing body for exploiting Guernsey’s natural resources. The Department is contributing £150,000 in 2010 towards the operations of the Shadow Commission with the intention that the independent body will also be self-financing.

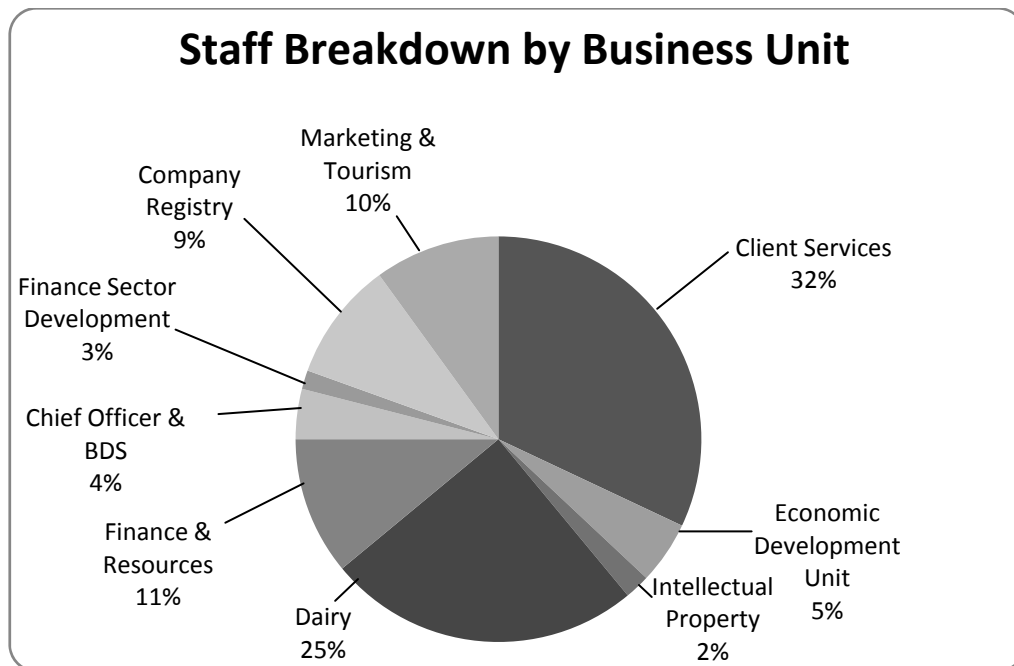
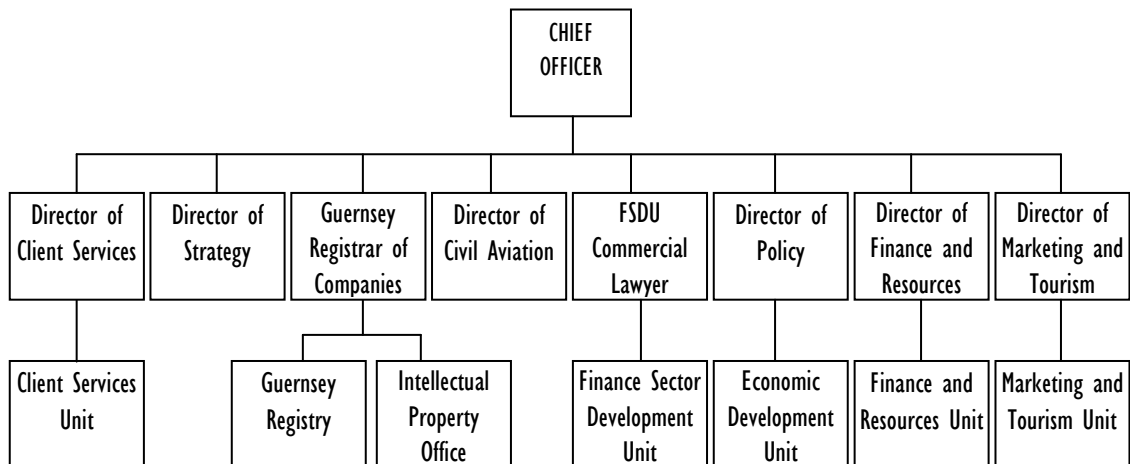
The **Guernsey Training Agency University Centre** exists to facilitate training across all sectors of the economy and is part-funded by the finance industry through the GFSC and part by the States through a grant from the Commerce and Employment Department. The GTA University Centre provides a further link between Commerce and Employment and the financial services industry.

The **Guernsey Enterprise Agency** was formed in 1992 to assist business start-ups. The principal service is a free consultation to anyone thinking of starting a business. Existing businesses can also benefit from the GEA’s free consultation service to help evaluate any opportunities or challenges they may be facing. The Agency is non-profit making and is financed by the States of Guernsey and a number of local organisations who want to see new businesses start and succeed in Guernsey.

GuernseyFinance lbg. The GuernseyFinance strategic objective is to ensure that the core competencies and values of Guernsey as an international finance centre are accepted and respected by the international finance community and that finance business flows are enhanced.

2. Who we are

The Commerce and Employment Department is made up of six principal Business Units as shown in the organisation chart below. There are a total of 138 staff spread amongst the various Business Units including 5 temporary contracts and 5 vacancies. The Department is proud to offer flexible working opportunities where possible and this total includes 27 part time staff. The Intellectual Property Office staff are now included in the figure shown for the Guernsey Company Registry.



3. Department objectives

The Department's objectives, in general, are designed to be responsive to the needs of the economy and to promote the well being of the people of Guernsey. The Department has two overriding long term objectives:

- To ensure that the Department's policies and organisation retains the flexibility to be able to react to the changing needs of the economy, and
- To continually improve communication with the Department's stakeholders.

A full list of the Department's Priorities for 2010 can be found within the Department's 2010 Business Plan. <http://www.gov.gg/ccm/commerce-and-employment/commerce-and-employment-2010-business-plan.en>.

The Department's activities concentrate on delivering the objectives set out in the States Fiscal and Economic Strategy.

The FSDU is focused on contributing towards continuing OECD Tier One Status and ensuring that the island has a dynamic and vibrant finance sector, the engine of our economy (full details of the FSDUs 2010 work programme are provided in the Department's Business Plan).

Economic Development, Marketing and Tourism and parts of Client Services all strive to contribute towards achieving the target of an average of 2% economic growth per annum (see Business Plan for full details of activities). Economic Development is working with St James Chambers and the OUR to develop the Island's competition regime which will represent a key part of the States anti-inflation strategy. The Department is working with a number of Departments and with the GTA University Centre to ensure the Island has a skilled flexible labour market and continues to enjoy low levels of unemployment. Through its Client Services Unit, the Department is supporting the primary industries to ensure we have a diversified and broadly balanced economy, again with the support of the Economic Development Unit and the development of the Bailiwick's Intellectual Property legislation regime.

The Department's contribution to the Island's Fiscal and Economic Strategy can also be regarded as its most significant contribution to Guernsey's **Social Policy Objectives**. It is recognised that the major cause of social exclusion is financial poverty. However, the most effective route out of financial poverty is also recognised to be via well paid and sustainable employment. Thus the Department's support for a robust and diverse economy provides opportunities for people to help themselves and become independent where possible. The Commerce and Employment Department's activities also provide opportunities for all who need or are available to find employment to do so.

The Department also works closely with the Education Department through its Lifelong Learning Advisory Committee and provides financial support for initiatives such as the annual Guernsey Careers Show. In addition, Commerce and Employment provides substantial funding annually to the GTA University Centre – the Department's support for the Education Department and the GTA both contribute to the upskilling of the workforce and the availability of equal educational opportunity.

In regard to **Environmental Policy Objectives**, in June 2008 the States Energy Policy report directed Commerce and Employment to establish a Renewable Energy Commission to licence renewable energy development in Guernsey. A Shadow Commission has been formed to prepare the required legislative and administrative framework. It is envisaged that by 2020 the island could benefit from electricity generated from renewable sources, which will significantly reduce the Island's carbon dioxide emissions.

The Department also developed a Guernsey Countryside Management Scheme in 2001 that was revised in 2009. As part of the Scheme, Commerce and Employment has developed farm biodiversity action plans with all dairy farmers in the Island. The plans have the potential to be extended to other farming enterprises and landowners. Commerce and Employment has worked collaboratively with the Guernsey Water on the development of a code of practice for the prevention of nitrate pollution of water supplies.

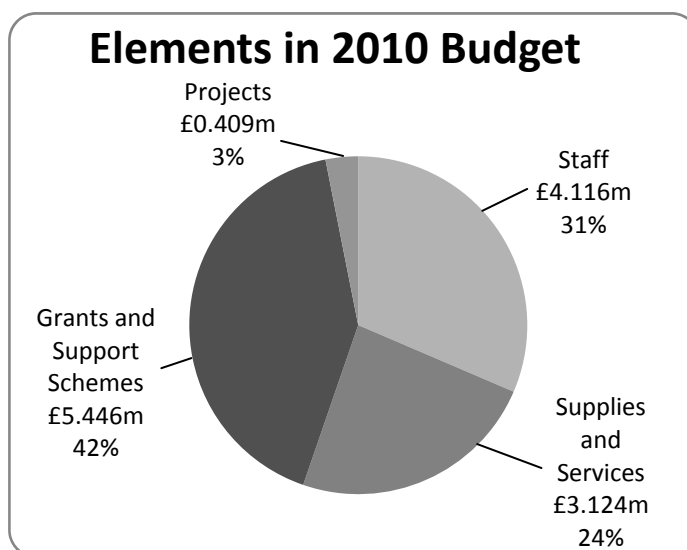
4. How we spend public money

The general revenue financial accounts of the Department set out in detail its budget in the format that complies with that required for the published States accounts. In order to get a high level understanding of the allocation of the Department's resources to various activities it is necessary to recast those budgets.

The Dairy is a self funding trading body and is not included in this analysis. The Commerce and Employment Department has ultimate responsibility for the Guernsey Registry, which includes both the Company Registry and the Intellectual Property Office. However, the net revenues generated from the trading operations of the Guernsey Registry are not included in the Commerce and Employment revenue budgets. The net revenues generated are accounted for separately and transferred and form part of the overall States of Guernsey General Revenue. The recast breaks down the total 2010 general revenue budget of £13.1m into a number of 'elements'.

The largest proportion, 42% or £5.446m of expenditure is on Grants and Support Schemes, which involve the payments of grants or subsidies for the

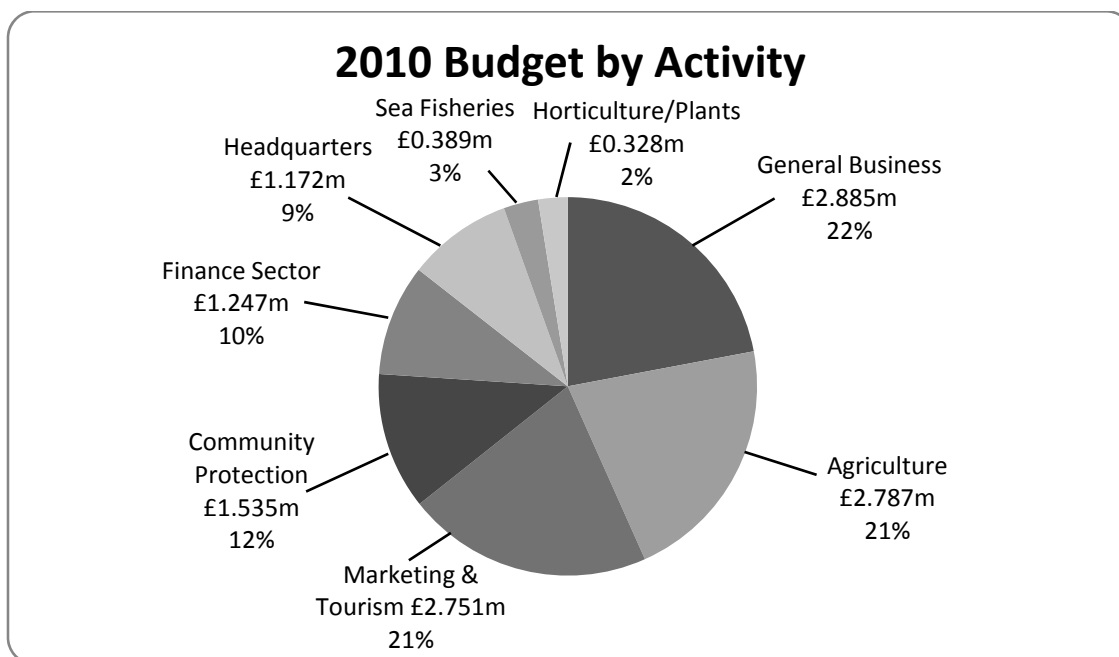
"outsourced" provision of services or support to an economic sector or activity. They include the Dairy Farm Management scheme (£2,025K), Guernsey Finance grant (£800K), Air Route Financial Concessions (£741k), Route Development Grants (£500k), Guernsey Training Agency (£445k), Events Group Grant (£225k) Guernsey Renewable Energy Commission (£150K) together with various other grants and support schemes each valued below £100k totalling £560k.



Staff costs account for 31%, £4.116m of expenditure. Non staff costs on supplies and services account for 24%, £3.124m of expenditure. The combined cost of “service delivery” accounts for 55% of total expenditure.

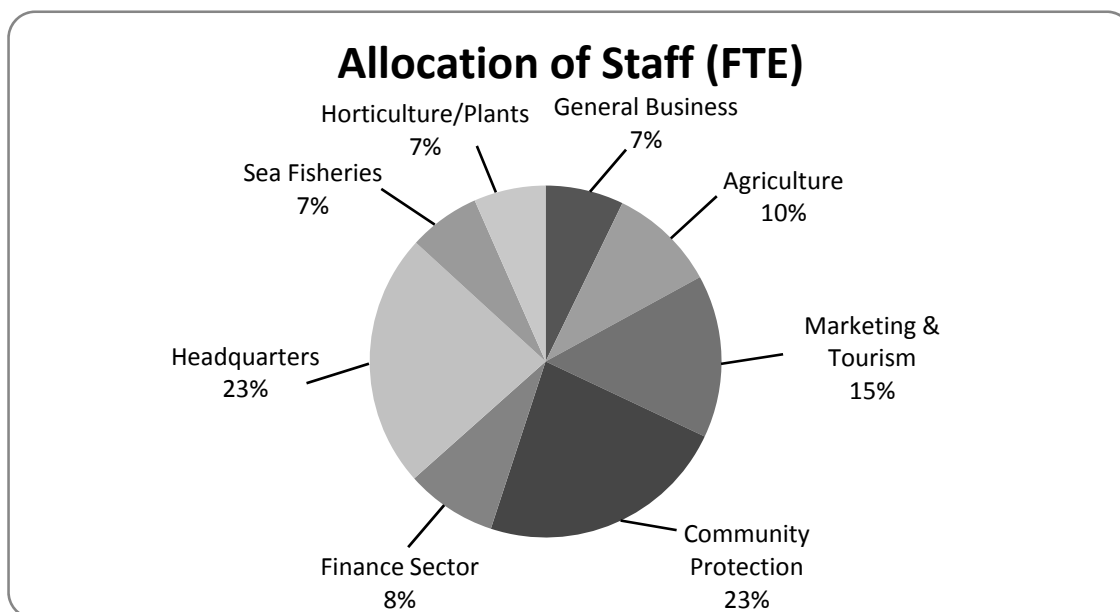
Projects are elements of expenditure which are one-off and have a limited duration, these account for 3%, £0.409m of expenditure.

The nature of the projects undertaken each year will vary according to C&E priorities and policies and in reaction to changing circumstances.



The recast also breaks down the total budget into “activities” which relate either to an economic sector or sectors, regulation for the protection of the community in general or the provision of support (Head Quarters) services across all the other activities and to the Board.

The chart below show the proportions of the Department’s total budget allocated to these activities and number of staff in Full Time Equivalents.



The Dairy funds from sales both its operational and capital expenditure. Turnover for 2010 is budgeted at £6.2m with £1.3m expended on the employment of 35 staff. Retained surplus for 2009 was £580,286.

The Guernsey Registry employs 18 staff (this figure includes 4 Intellectual Property staff and has a probable outturn of £6.8m income with expenses of £1.6m leaving a net income of £5.2m going to States central revenue.

5. Financial transformation programme

The Department will be assisting with and supporting the five cross-cutting workstreams within the Financial Transformation Programme (i.e. IT, Procurement, Property, HR and Finance). It will also be participating in waves 1 and 2 of the Value for Money Workstream through the Guernsey Registry and its funding of the GTA – University Centre. The Department will also be participating in the Grants and Subsidies Workstream (air route concessions).

6. How we monitor, or would like to monitor, and review our performance

The Department measures its performance in the following ways:

- **Budget performance** – Monthly reports are sent to budget holders for review and feedback on variances and any changes expected to the probable outturns. Access is available to the finance system (SAP) for real time reporting of financial information. Quarterly management accounts are produced for the Board with commentary on significant variances. The Department introduced SAP Procurement in 2009.
- **Business Planning** – The Department produces an annual Business Plan which is published on the States of Guernsey Government website. Internally it is reviewed at Chief Officer and Director level on a biannually basis and by the Board on request.

- **External Agency Monitoring** – The Department provides grant funding annually to the Guernsey Enterprise Agency, GTA University Centre and GuernseyFinance lbg. Service Level Agreements are in place with GF and GEA. In 2009, the Department directed Frontier Economics to undertake a Strategic Review of C&E's Investment in Upskilling Guernsey's Workforce and it is planned to submit proposals to the States of Guernsey in the 4th Quarter of 2010.
- **Performance Monitoring** – The Commerce and Employment Department has fully committed to the FTP and will be working to develop and build upon performance measurement and reporting systems within the Department.

Culture and Leisure Department

1. What we do

This summary is provided simply to provide a broad overview of the work of the Culture and Leisure Department and it is of necessity brief. It is supported by the Cultural Strategy and a wide range of supporting information which is posted on the Culture and Leisure section of the States of Guernsey government website at (www.gov.gg). Alternatively any document referred to in this summary is available in print or electronically upon request.

The following overarching statement of government aims was approved by the States in July 2009:

The government of Guernsey aims to improve the quality of life of Islanders and to secure our economic future while protecting the Island's natural environment, unique cultural identity and rich heritage.

It recognises that this requires:

- *Maintenance and enhancement of Guernsey's standing in the global community*
- *Wise long-term management of Island resources*
- *Co-ordinated and cost-effective delivery of public services*
- *Sustainable economic growth and effective public services without increasing the population to the detriment of our environment and way of life*
- *Improved awareness of the culture and identity of Guernsey*

The direction that is provided by the States Strategic Plan in guiding and informing the Cultural Strategy ensures a joined up approach for government. The Cultural Strategy informs the people of Guernsey and the States of the priorities and use of resources by the Culture and Leisure Department in pursuit of its aims and objectives in line with the direction given by the States Strategic Plan.

Through its own actions and its partnership with other key providers, the Department hopes that the Cultural Strategy will play its part in improving the quality of life in Guernsey.

The Cultural Strategy looks to achieve the following aims:

- **Guardian of Guernsey's cultural heritage**
- **An active, stronger society**
- **Guernsey as a unique cultural venue**
- **A wider range of opportunities for all.**

Guardian of Guernsey's cultural heritage

To ensure that the island community leaves a strong legacy to future generations its culture must be protected. This ranges from the care of historic sites and museum collections to preserving its language and those unique parts of everyday life that make Guernsey so special. Every opportunity should be taken to promote interest and pride in

the history and culture of Guernsey. However, the cultural identity of Guernsey is forever moving on; change is a fact of life, and should be embraced as an opportunity for expansion and development. The challenge is to ensure that change is balanced with the continued care and respect for cultural identity and historic environment.

An active, stronger society

The facilities and activities that improve the quality of life are varied, and include those that stimulate the mind as well as the body. There is an obvious link between healthy living, exercise, sport and quality of life but this is only one part of the jigsaw. An interest in the arts, heritage, reading, live music or simply socialising with friends often has just as big an impact on wellbeing as physical condition. An active society that is engaged in positive activities and interests with true community spirit and resolve builds a stronger and safer society.

Guernsey as a unique cultural venue

The economic performance of Guernsey as an Island has an effect on all who live and work here. The constant positive promotion of Guernsey to the outside world as a successful and high quality venue for sport, the arts and heritage is an important contributor to the future success of the Island, in terms of attracting future investment, tourism and employment opportunities. The success of islanders on the world's stages and in its sporting arenas reinforces that message.

A wider range of opportunities for all

Diverse formal and informal cultural opportunities should be available for all. These should be as accessible and inclusive as possible, irrespective of age, gender, financial situation or mobility. As well as working with other departments in providing facilities and activities and in being a source of information, the department also supports the work of the Museum Service, the Guernsey Sports and Arts Commissions and has developed and sustained a wide range of community events including Liberation Day and those under Floral, Sport, Arts, Good Food and Nautical Guernsey banners.

Investment in Culture

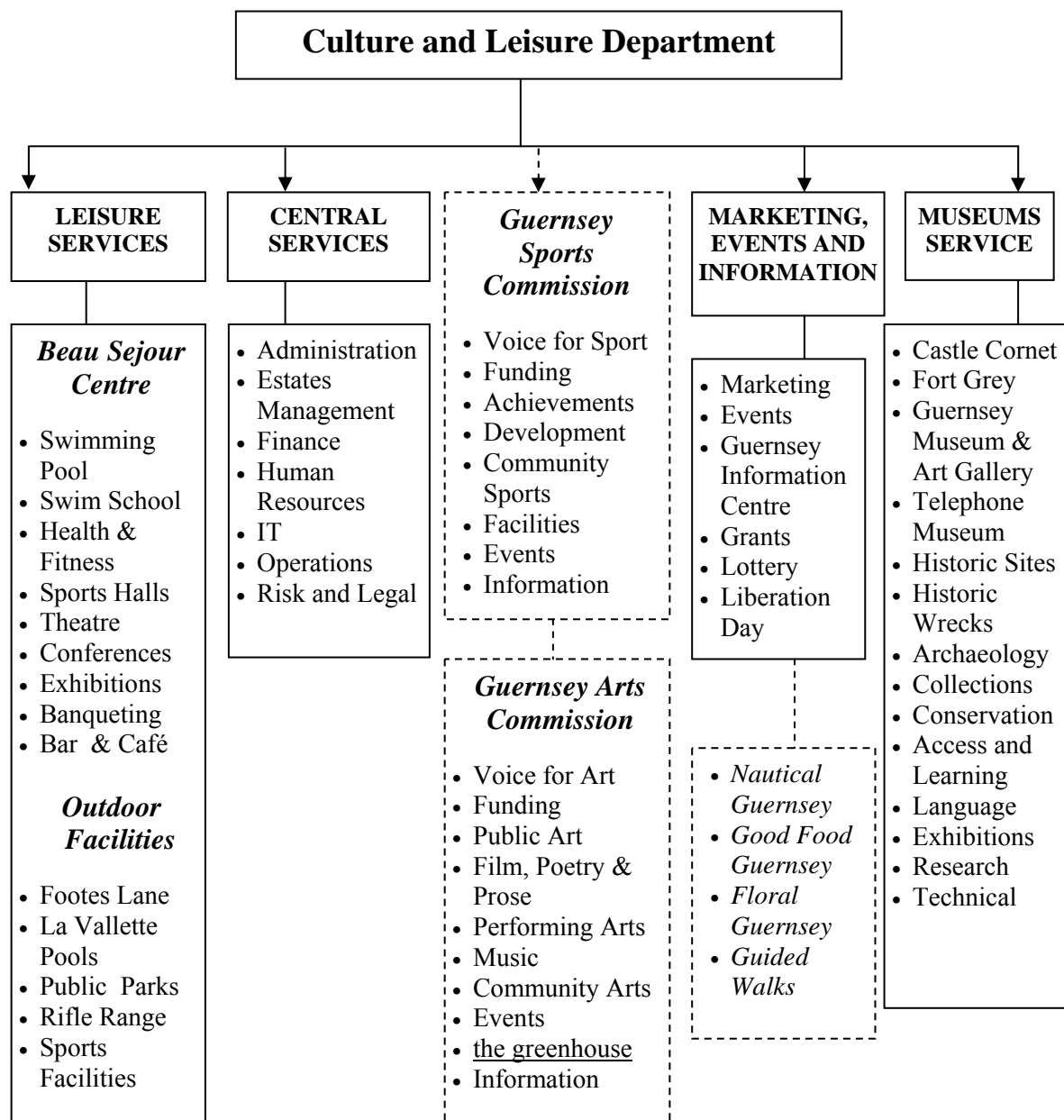
The Department will continue to ensure that public money is only invested where there is:

- A clear understanding of its use or purpose
- Strong sustainable partnerships with providers who deliver
- Wide access and inclusivity
- Creativity
- Open monitoring and review

Many of the aims, objectives and actions within the Cultural Strategy will be achieved from within existing resources. However, some will be reliant on partnerships and additional resources from sources other than the States of Guernsey.

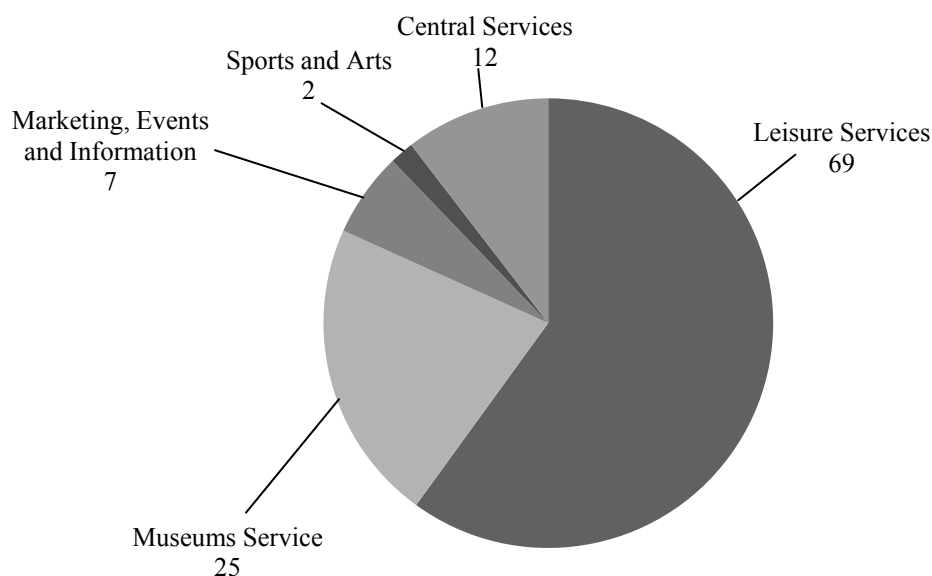
2. Who we are

The department is structured into four main sections with further links to its partner organisations. The areas of responsibility for these and the staff resources applied are shown in the following charts:



Note: The dotted line boxes are those organisations that receive grants from the Culture and Leisure Department and deliver services to the community on its behalf.

Full Time Staff Numbers 2010 : 115



3. Longer term objectives

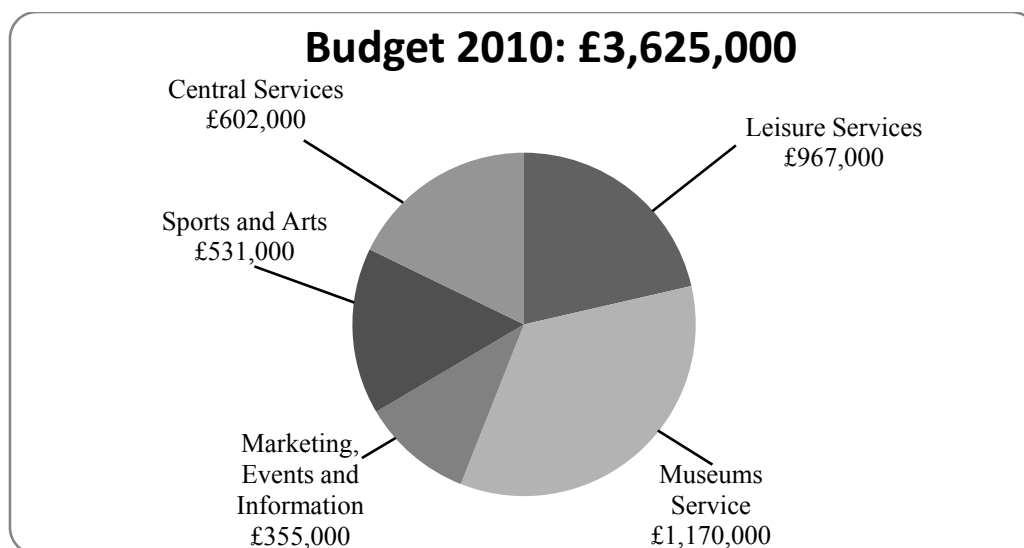
AIM: Guardian of Guernsey's cultural heritage			
Objectives	Partners	Timescale	Actions
Ensure that the Island's museum and art collections are protected	Treasury and Resources Environment Department	2010-2014	<ul style="list-style-type: none"> New store for Museum collections in place Registration of objects to national standard Redisplay of permanent exhibitions completed
Improve the use, protection and interpretation of historic sites and buildings	Independent museums, National Trust, Environment Department	2010-2014	<ul style="list-style-type: none"> Historic Sites Interpretation Plan completed Sites of archaeological sensitivity protected before development Advice provided on historic sites and buildings
Protect the Bailiwick's marine archaeological artefacts	Guernsey Maritime Trust, Mary Rose Trust	2010-2014	<ul style="list-style-type: none"> Responsibilities fulfilled under the Wreck and Salvage Law Roman Wreck stored or displayed in Guernsey Nautical Archaeology Research and Emergency Plans updated

AIM: An active stronger society			
Objectives	Partners	Timescale	Actions
Support local groups in the preservation and development of D'Guernesiais	D'Guernesiais Groups, Education Dept, Eisteddfod	2010- 2014	<ul style="list-style-type: none"> • Strategy updated • More students of all ages • Increased events & activities for speakers • New edition of dictionary printed
Provide sufficient quality facilities and activities for the needs of the local community	Education Dept Clubs and Organisations	2010-2014	<ul style="list-style-type: none"> • Facilities maintained to appropriate standard • Education Department sites used for community activities • Improvements to facilities sustainable • Facilities first choice for major events
Ensure facilities and activities match up to the expectations of users	User Groups Quest VAQAS HSE ISPAL	2010-2014	<ul style="list-style-type: none"> • Regular consultation to ensure supply meets demand • Facilities and activities comply with guidelines • Users cared for in a safe and secure environment • Well trained and motivated staff • Visitor expectations met and learning and enjoyment encouraged • Facilities and activities are as accessible as possible • Wide public access to Museum collections via display and interpretation • Effective audience development • Additional exhibition space
Build partnerships to support the provision of facilities and activities	Sports Commission Arts Commission Clubs and Organisations	2010-2014	<ul style="list-style-type: none"> • Supporting and working with partners in order that resources can be shared • Continued improvement in the provision of opportunities
Support multi-cultural events within the local community	Minority Groups, Youth Service, X-Treme Sports Association	2010-2014	<ul style="list-style-type: none"> • Increased number of multi-cultural events • Positive media coverage

AIM: Guernsey as a unique cultural venue			
Objectives	Partners	Timescale	Actions
Support the youth of Guernsey in cultural activities to maintain a positive image and improve access and participation	Youth Service, Sports Commission, Arts Commission Guernsey X-Treme, Sports Association	2010-2014	<ul style="list-style-type: none"> • Skate park developed • Increased engagement with young people • Decreased anti-social behaviour • Improved range of activities available for young people
Support arts events through the Guernsey Arts Commission	Guernsey Arts Commission, Local arts groups	2010-2014	<ul style="list-style-type: none"> • Support for a range of events in place • Increased levels of sponsorship available
Supports sports events through the Guernsey Sports Commission	Guernsey Sports Commission, Local sports groups	2010-2014	<ul style="list-style-type: none"> • Support for events provided • Calendar of events in place • Increased levels of sponsorship available
Support attendance at the Commonwealth Games	Commonwealth Games Association	2010 and 2014 Games	<ul style="list-style-type: none"> • Continued support for the Games and the Island team sent to participate
Support attendance at the Island Games	Island Games Association	2011 and 2013 Games	<ul style="list-style-type: none"> • Continued support for the Games and the Island team sent to participate
Support for artists through the Guernsey Arts Commission	Guernsey Arts Commission	2010-2014	<ul style="list-style-type: none"> • Exhibition programme in place at <u>the greenhouse</u> • Financial support provided
Support for sports persons through the Guernsey Sports Commission	Guernsey Sports Commission	2010-2014	<ul style="list-style-type: none"> • Support provided for Annual Sports Awards • Permanent exhibition for Guernsey Sporting Heroes • Financial support provided
Support events that illustrate Guernsey's cultural heritage and its traditions	Local cultural groups, Professional Event Organisers	2010-2014	<ul style="list-style-type: none"> • Encouragement for Guernsey's heritage and language in events • Support for Liberation Day • Special events promoted at Castle Cornet

AIM: A wider range of opportunities for all			
Objectives	Partners	Timescale	Actions
Provide information to visitors so that the Bailiwick's cultural identity and rich heritage is promoted		2010-2014	<ul style="list-style-type: none"> • Information meets the needs of visitors • Maximised footfall through the Information Centre • Improvements to the Dept's web presence • Improvements to marketing of heritage and culture
Ensure provision is for all	Clubs and Organisations Individual users Guernsey Disability Alliance	2010-2014	<ul style="list-style-type: none"> • Responsive to local needs • Regular consultation with the local community • Costs charged are appropriate • Facilities and activities accessible
Build partnerships to support the provision of facilities and activities	Sports Commission Arts Commission Clubs and Organisations	2010-2014	<ul style="list-style-type: none"> • Supporting and working with partners in order that resources can be shared • Continued improvement in the provision of opportunities
Support multi-cultural events within the local community	Minority Groups, Youth Service, X-Treme Sports Association	2010-2014	<ul style="list-style-type: none"> • Increased number of multi-cultural events • Positive media coverage
Support the youth of Guernsey in cultural activities that maintain a positive image and improve access and participation	Youth Service, Sports Commission, Arts Commission Guernsey X-Treme, Sports Association	2010-2014	<ul style="list-style-type: none"> • Skate park developed • Increased engagement with young people • Decreased anti-social behaviour • Improved range of activities available for young people

4. How we spend public money



5. Financial transformation programme (FTP)

The department is contributing to all of the workstreams of the States wide FTP, most specifically to the review of the subsidy of Beau Sejour Centre.

6. How we monitor

The Culture and Leisure Department regularly monitors and reviews its performance varying from simple qualitative and quantitative analysis to more rigorous inspection and accreditation by outside independent bodies. It also consults regularly with the users of its services and facilities in order to improve what it offers. In order to ensure that high standards of services and facilities are properly maintained, the Department regularly has its performance and accreditation reviewed by a number of independent quality assurance schemes. These currently include:

QUEST - a sports facilities/services accreditation that assesses Beau Sejour Leisure Centre. The Centre maintained its 'Highly Commended' grading in April 2009, which puts it in the top ten per cent of leisure centres in the UK.

MLA (Museums and Libraries Association) - the Guernsey Museum & Art Gallery currently has Registered Status with the MLA.

VAQAS (Visitor Attraction Quality Assurance Scheme) - an accreditation which measures the experience that a visitor would have in terms of service, facilities and the general quality of the visit. Guernsey Museum, Castle Cornet and Fort Grey are all currently VAQAS accredited.

A range of Key Performance Indicators have been developed and are being continually improved upon. All of these are available on the website at www.gov.gg or on request. A small selection are shown below:

<u>Culture and Leisure Department</u> 2010 Key Performance Indicator (KPI)	2008	2009	2010 Target
Department Recovery Rate (Income as a % of Costs)	55%	53%	53%
Salaries and Wages as a % of Department Costs	62%	61%	63%
Premises costs as a % of Department Costs	15%	15%	16%
Utilities Costs as a % of Department Costs	7%	6%	7%
Museums Service budget (as a % of Culture and Leisure budget)	32%	31%	32%
Museums Service Recovery rate (Income as a % of expenditure)	31%	30%	31%
Leisure Services budget (as a % of Culture and Leisure budget)	26%	27%	27%
Beau Sejour - Recovery Rate (Income as a % of expenditure)	81%	80%	80%

Education Department

1. What we do

The Education Department provides a range of statutory and non-statutory education, training and support services.

The structure of education provision is broadly similar to that in England. The Department is responsible for approximately 9,000 pupils in two infant, one junior and 11 primary schools; an all age school in Alderney, three high schools, the Grammar School & Sixth Form Centre and the College of Further Education. The Department operates two special needs schools; a Centre for pupils with Social, Emotional and Behavioural difficulties and grant aids three Colleges.

The responsibility of the Education Department is:

“To consolidate and develop best value policies for education and lifelong learning which promote equality of educational opportunity and which are directed to ensure the best quality of education is obtained for the individual and for the community as a whole.”

Implicit in the political context of achieving best value is the Education Department’s aim to help build a **competitive economy** and **inclusive society** by:

- **creating opportunities** for everyone to develop their learning
- **releasing potential** in people to make the most of themselves
- **achieving excellence** in standards of education and skills.

Education has a wide-ranging contribution to make to the well-being of the Island’s community. The Education Department will work with others to support the provision of Lifelong Learning facilities which give people the ongoing opportunity to improve and update their education and skills.

Objectives of the Education Department

In order to achieve its aim, the Education Department has identified three overarching objectives. They are to:

- give children an excellent start in education so that they have a better foundation for future learning
- enable all pupils to develop and equip themselves with the skills, knowledge and personal qualities needed for life and work
- encourage and enable young people and adults to learn, improve their skills and enrich their lives.

Further Information

Information about the Education Department, its mandate, range of services and its full Operational Plan 2009-2014 can be found on the website www.education.gg

2. Who we are

The Chief Officer of the Education Department is the Director of Education. The Department is organised into two main divisions:

1. Education
2. Resources.

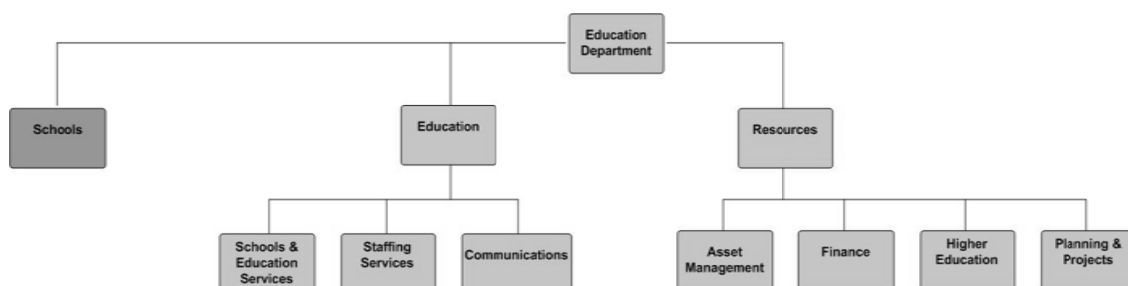
The Education Division is headed by the Deputy Director (Education) and is split into three sections

1. Schools and Education Services headed by an Assistant Director
2. Staffing Services headed by the Head of Staffing Services
3. Communications headed by the Communications Manager.

The Resources Division is headed by the Deputy Director (Resources) and is split into four sections

1. Asset Management headed by an Assistant Director
2. Planning and Projects headed by an Assistant Director
3. Finance headed by the Finance Manager
4. Higher Education and Legal headed by the Higher Education and Legal Manager.

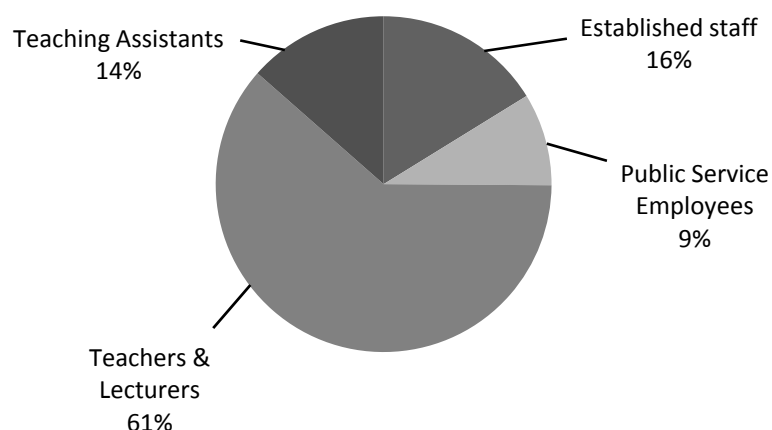
The organisation of the Department can be summarised in the following diagram:



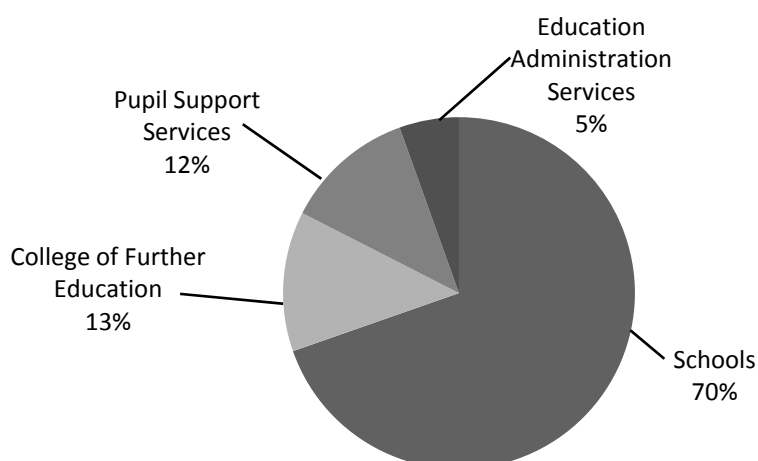
The Director of Education, two Deputy Directors, three Assistant Directors, Head of Staffing Services, Communications Manager and Finance Manager form the Senior Management team of the Department whose role is to define, coordinate and monitor the work streams identified to achieve the policy objectives of the Department.

The Department employs more than 1,000 staff. The following diagrams show how these staff are deployed. There has been little change since 2009.

Education Department staff(FTE) by staff group 2010 (as of 1st April 2010, including Alderney)



Education Department Staff (FTE) by Service Area (including Alderney)



A full break down of the divisional and sectional roles and responsibilities and an organisation chart is included in the Education Department's full Operational Plan 2009-2013 which can be found on the Department's website www.education.gg.

3. Department objectives (for the period to 2014)

The Education Board has prioritised its objectives to 2012. Members have resolved to submit States Reports to the Assembly before the elections in 2012 on

- Higher Education Funding
- The introduction of Nursery Education.

In addition to these key objectives, the Department will continue to strive to achieve unbeatable services efficiently delivered. Within its existing resources, the Department will work to:

- Continue to achieve excellence in standards of education and skills
- Continue maximising learning opportunities for all
- Increase participation in lifelong learning
- Produce a revised Education (Guernsey) Law
- Continue to plan for Programmes 1, 2 and 3 of the Education Development Plan (EDP). The policy objectives of the programmes are as follows:
 - EDP1 – to provide equality of opportunity within the secondary, Post-16 and special needs education sectors. Outstanding projects include the redevelopment of Les Beaucamps High School, La Mare de Carteret High School and Primary School and the development of a new College of Further Education on a single site
 - EDP2 - to rationalise, renovate and improve the educational facilities in the rest of the Education estate including the primary schools, Grammar School and Department office.
 - EDP3 - to achieve a sustainable system for the development, funding and accountability of non-States schools including the Colleges and voluntary schools
- Continue, with the developing use of ICT, to extend and improve learning
- Continue workforce reform and maximising the deployment of human resources
- Plan for the introduction of pre-school provision in partnership
- Continue to review and plan strategies for the ongoing future affordability of higher education
- Continue to provide community resources within the Education estate
- Continue to maintain the fabric of the built environment
- Endeavour to reduce the consumption of utilities across its estate.

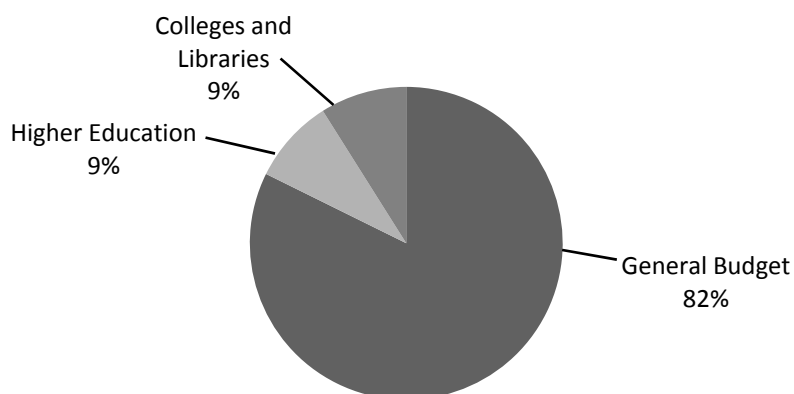
These objectives will specifically contribute to many of the States Corporate Objectives, Fiscal and Economic Objectives, Social Policy Objectives and Environmental Policy Objectives, particularly:

- Maintenance and enhancement of Guernsey's standing in the global community
- Continuing full employment
- Skilled, flexible labour market
- Foster an inclusive and caring society which support communities, families and individuals
- Assist people to help themselves and become independent where possible, by encouraging personal responsibility
- Promote active and engaged citizenship
- Promote, and remove barriers to, social inclusion and social justice
- Promote equality of educational opportunity
- Encourage all who need, or are able, to work to find employment
- Reduce our carbon footprint and adapt to climate change
- Conserve energy and switch to cleaner fuels.

4. How we spend public money

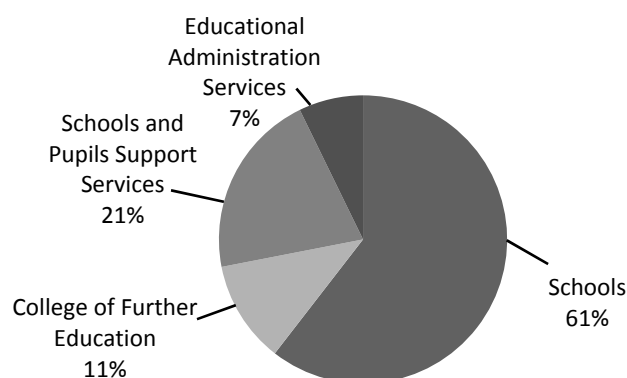
The Education Budget comprises three separate cash budgets and there is no virement between them: the General Budget, Colleges and Libraries, and the Higher and Advanced Education Budget.

Education Department Revenue Budget 2010 Published figure £74,300,000



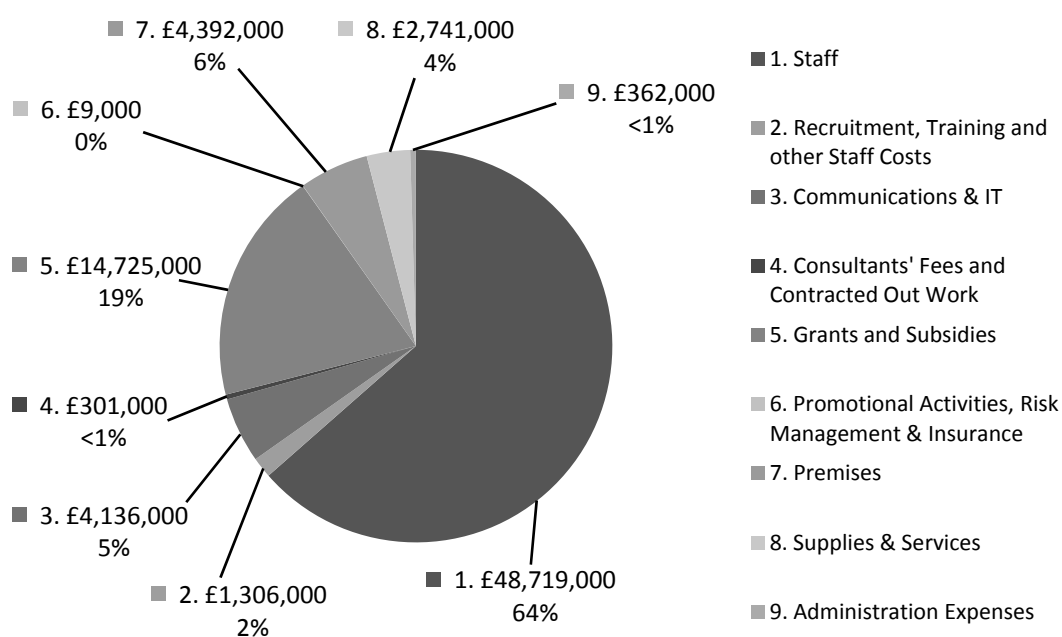
The General Budget is the largest of the three cash limits. 93% of the expenditure from this budget is spent on the schools, both directly and indirectly through pupil support services, and the College of Further Education. The remainder of the General Budget is allocated to Educational Administration Services which includes recruitment, relocation and accommodation costs for teachers, the Department offices, salaries, cleaning, maintenance, telephony etc.

**Education Department General Budget 2010 - Net Expenditure by Service Area
(Total Estimates £61,150,000)**



Almost 80% of the Education General Budget relates to staff costs, with teachers' pay being the most significant constituent. In schools, more than 90% of the budget is dedicated to staff costs.

**Education Department Revenue Budget 2010 Gross Expenditure
by Category (£76,691,000 minus operating income of £1,211,000 and non-
recurrent expenditure of £1,180,000)**



5. Financial transformation programme

The Education Board does not have responsibility for policy proposals or issues put forward in the FTP. There is only one Education Department specific work stream planned for commencement in May of 2010, ED_24 Review Supply Teacher Policy, the department's staff have been involved to a greater or lesser degree in numerous cross departmental workstreams; Finance; Value for Money; Property and Asset Management; IT; Procurement and HR (a full list is included in the Education Department's full Operational Plan available at www.education.gg).

Involvement has ranged from one-to-one interviews with Tribal consultants; attending workshops; accompanying consultants on site visits; data collection submissions, to name but a few. The Department immediately recognised the need to co-ordinate and correctly field the requests being submitted by the individual work streams. Subsequently any requests from the workstreams are directed through the Deputy Director (Resources) and are monitored by the Risk Manager in order to ensure the success of the programme; namely timely submission of data requests, appropriate staff involvement and availability which in turn should help to minimise any risk of disruption to service delivery. By adopting a co-ordinated approach to the programme the Department is in a position to be alerted should a sub-department be unduly burdened with several workstream demands in addition to fulfilling their mandated duties. The said approach has highlighted duplication of information requests from different workstreams and as such the department is in a position to communicate this back to the workstream co-ordinators.

6. How we monitor and review our performance

The Department monitors its performance in the following ways:

Benchmarking against national examination statistics	Schools and Services Validated Self Evaluation (VSSE) processes
Benchmarking against national Ofsted data	Student tracking against national standards: Alis, Yellis and MidYis data
Student destinations	Labour market information
Parental satisfaction surveys (part of VSSE process)	Audit reports
Post Implementation Reviews	School Improvement Plans
Complaints log	Performance Management Reviews
Scrutiny Committee reports	Public Accounts Committee reports
Recruitment and Retention data analysis	Employee Surveys on staff satisfaction
Exclusions trend analysis	Staff sickness absence analysis

Staff training and qualification analysis	SAP analysis
Human Capital Audit data	Financial trend data analysis
Pupil attendance analysis	Monthly financial reports
Project Board meetings for ICT and Construction projects	Benchmarking against the national ICT mark
Pupil Teacher ratios trend analysis	

Environment Department

1. What we do

The key services provided by the Environment Department are set out below. Further information, copies of documents and guidance notes etc. can be found on the Environment Section of the States of Guernsey web site.

Environmental Protection

- Develop environmental policy, actions and initiatives and co-ordinate their practical implementation including: - Environmental Strategy, Waste Policy, Climate Change adaptation and mitigation strategies, Environmental Quality Standards, Sustainability and Biodiversity.
- The Director of Environmental Health and Pollution regulation now reports to the Board on Environmental Pollution law matters.

Traffic and Transport Services

- Maintain the vehicle and driver registration databases in accordance with existing States Legislation and Departmental policies and review such legislation and policies in accordance with ongoing advancements in vehicle and driving licence standards.
- Development and implementation of traffic policy to ensure the safe and efficient movement of people and goods around the Island, including driving test standards, traffic management and road safety.
- Regulation and Licensing of public transport services.
- Co-ordination of Road-works.

Planning Division

- Determination of planning applications in accordance with the provisions of the Land Planning & Development Law, its related ordinances and the statutory Plans (Strategic and Corporate Plan, Urban Area Plan and Rural Area Plan).
- Prepare statutory Development Plans and Briefs.
- Provide advice on matters relating to the conservation and enhancement of the natural and manmade environment/ heritage.
- Administration, processing and determination of applications in accordance with requirements of the Land Planning & Development Law and current Building Regulations.
- Reports to the Royal Court on the adequacy and operation of premises licensed as Salle Publiques (public buildings).

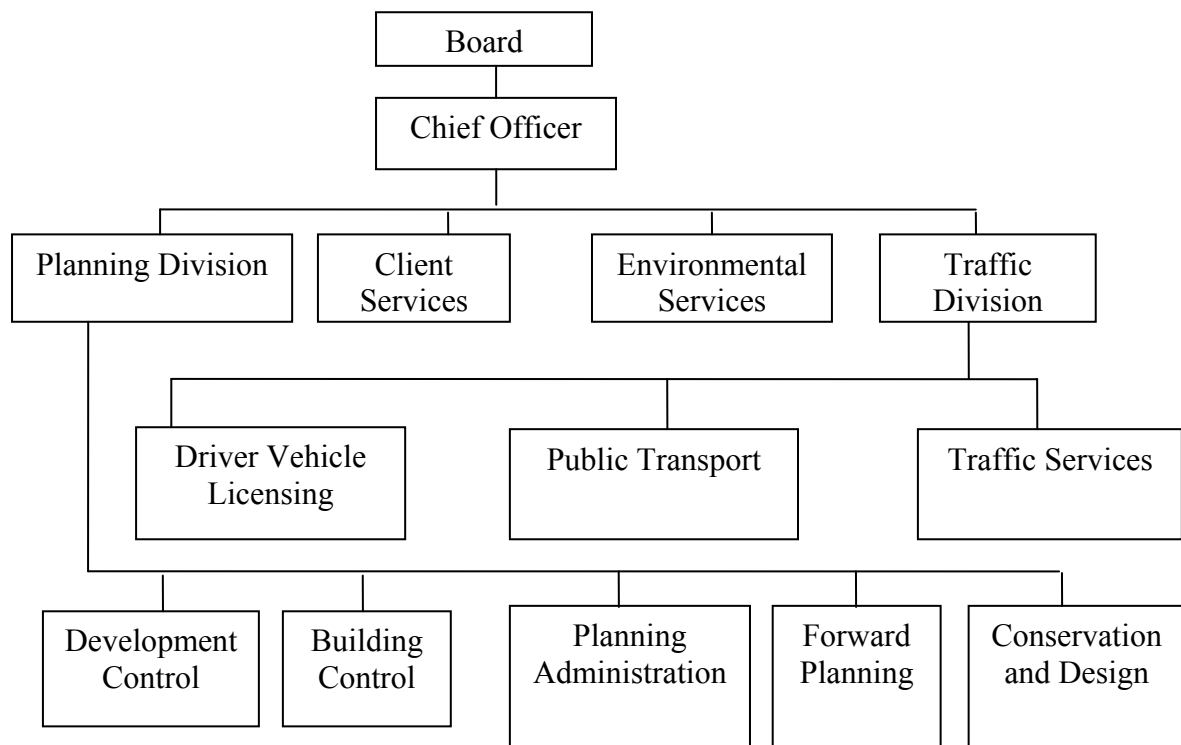
Environmental Services

- Manage, conserve and enhance the land under the Department's administration, provide arboricultural advice, provide environmental monitoring services, initiate and deliver schemes engaging the public in environmental initiatives including the provision of information and advice, Biodiversity Monitoring and Protection and Energy Conservation programmes.

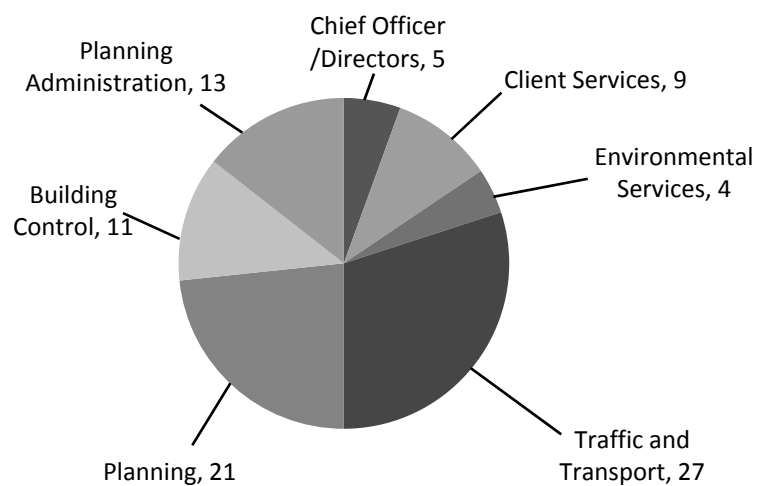
Client Services

- Facilitate front and back office services for the Department's customers, clients, staff and other stakeholders including: Financial reporting and control, Human Resources, ITC, Risk management, Insurance, Health and Safety, Data Protection, Governance, and Project Management.

2. Who we are



Establishment Breakdown by Business Unit



3. Department Objectives

The following list represents those areas the Department intends to develop within existing resources. By necessity the information is provided in brief at a relatively high level and does not address the day to day workloads and associated developments.

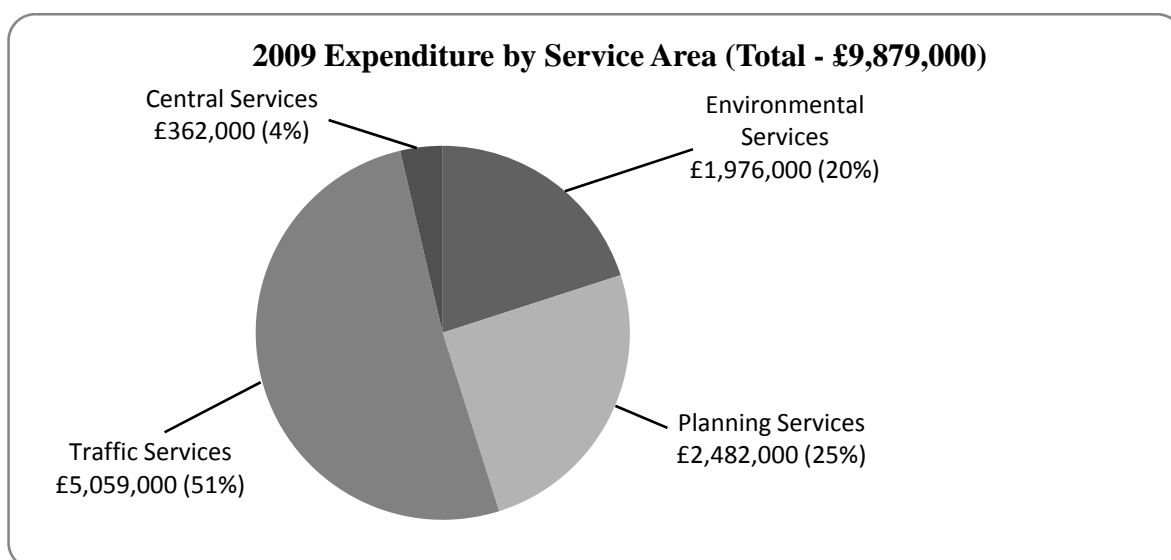
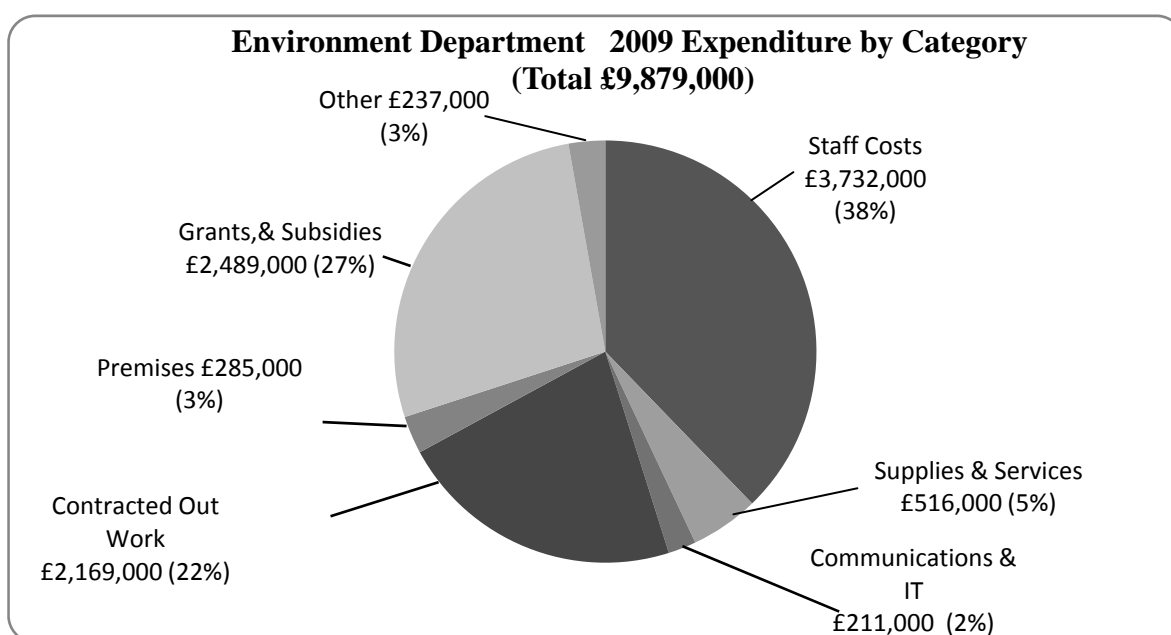
- Revise Building Regulations and produce information sheets and technical guidance notes. This will raise the minimum building standards especially in the fields of energy efficiency and sustainable build thus supporting the Environmental Policy objectives on climate change and energy conservation.
- Revise Salle Publique and Public Building legislation and review of all existing public buildings with a view to issuing new certificates. This supports the Social Policy objective of a safe and secure environment.
- Investigate, design and implement a system of open planning meetings to improve transparency of decision making. This supports the Social Policy of engaged citizenship.
- Implementation of a communication plan providing further guidance for stakeholders and the public, including engagement with key stakeholders, on the planning process to improve understanding of and engagement with the planning system and to promote efficiency and effectiveness of processes and timeliness of response. This supports the Social Policy objective of active and engaged citizenship.
- Support the Policy Council staff to review the Strategic Land use Plan. This conforms with the wise long-term management of Island resources objective.
- Complete phase one of the review of listed buildings. This conforms with the wise long-term management of Island resources objective.
- Commence the review of the Development (RAP and UAP) plans including the integration of States Strategic Plans and survey and monitoring preparatory work in order to assess the effectiveness of existing policy and the drivers for change. This conforms with the wise long-term management of Island resources objective.
- Enhancing internal working relationships within planning and building control thus integrating knowledge and expertise especially in the areas of historic building matters, conservation and architectural and urban design. This conforms with the co-ordinated and cost effective delivery of public services objective.
- Carry out a review of the effectiveness of the new planning legislation identifying any areas for improvement. This conforms with the co-ordinated and cost effective delivery of public services objective.
- Design and implement mechanisms for measuring and assuring quality of outcome of planning decisions, including relating to the level of detail assessed for smaller developments, to help us meet and, if possible, exceed our service delivery targets within existing resources. This conforms with the co-ordinated and cost effective delivery of public services objective.

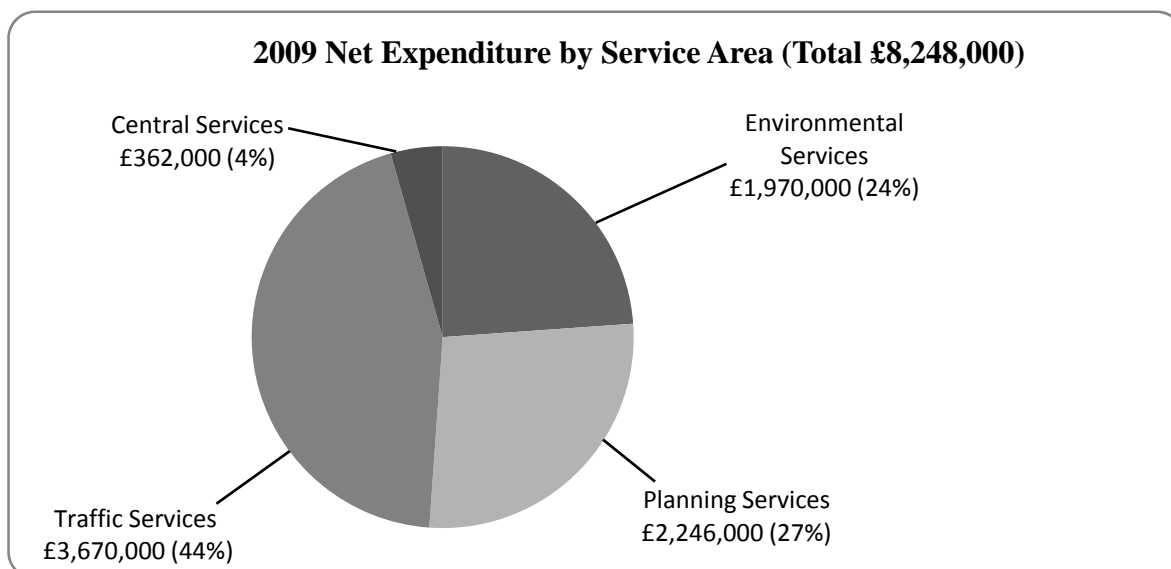
- Commission & complete an Island habitat survey. This supports the Environmental Policy objective to protect our biodiversity
- Investigate extending the UK's signatory to the Biodiversity convention. This supports the Environmental Policy objective to protect our biodiversity.
- Prepare and execute a strategy to design, procure and commission a refurbished children's play area in Saumarez Park. This supports the Social Policy of a healthy society.
- Progress the Island's coastal defence strategy by commissioning detailed flood studies. This conforms with the wise long-term management of Island resources objective.
- Further develop the Department's Land and Asset Register including review of operational policies for the use of land under the Department's control. This supports the Environmental policy objective to protect our biodiversity and conforms with the wise long-term management of Island resources objective.
- Review the option of installing Belisha Beacons and commence a three-year programme to light all of the Island's existing zebra crossings. This accords with the Social Policy of a safe and secure environment.
- Improve access for the disabled community in St. Peter Port, including the provision of dropped kerbs and additional disabled parking. This supports the Social Policy of removing barriers to social inclusion.
- Introduce an extended residents' parking scheme with the aim of reducing unnecessary vehicle use. This supports the Environmental Policy to conserve energy.
- Review utilisation of the road network including, reporting on the appropriateness of the Island's existing speed limits policy, the standardisation of signing around schools, the provision of one-way streets, heavy goods vehicle activity and its regulation in the Island and a review of the Island's roads hierarchy. This accords with the Social Policy of a safe and secure environment.
- Enhance driving test standards including the location and development of an off-road driving test manoeuvring area, the introduction of a Register for Driving Instructors, enhanced theory tests incorporating hazard perception testing and the introduction of Compulsory Bike Training quality assurance checks. This accords with the Social Policy of a safe and secure environment.
- Review driver licensing provisions including driver age requirements, requirements for provisional licence holders and identity checks for all driving licence applicants. This accords with the Social Policy of a safe and secure environment.
- Continue to improve the frequency and hours of operation of scheduled bus services in accordance with the States resolutions pertaining to the Department's Road

Transport Strategy. This supports the Social Policy of removing barriers to social inclusion and the Environmental Policy to reduce our carbon footprint.

- Review the strategic and logistical requirements for the future development of the Island's scheduled and school bus service including consideration of the relocation of bus garaging and the replacement bus fleet. This conforms with the co-ordinated and cost effective delivery of public services objective.

4. How we spend public money





5. Financial transformation programme

The fundamental spending review saving opportunity report ENV3 refers to the shortfall (subsidy) between bus fare income and service costs. This Savings Opportunity Report has been brought forward under the transformation programme value for money work stream and involves a complete review of service provision, contract structure and fare basis. The work is scheduled to be substantially completed during 2010.

6. How we monitor performance

The Environment Department captures an extensive range of data which can be used to develop key performance indicators. At present, for much of this data, the raw data is captured but not analysed in terms of time trends. However, some of the data is used in time series analysis, for example within the Sustainable Guernsey report to monitor performance against States corporate objectives. Data captured includes:

- Building Regulation applications: % of decisions issued within 5 and 8 weeks, by section and surveyor;
- Building Regulation applications: average timescale in working days - receipt to valid; valid to decision made by section and surveyor;
- Building Regulation applications: number of applications received and income received, income refunded due to refusal;
- Building Regulation appeals: number received;
- % Building Regulation applications invalid on receipt;
- % Building Regulation applications incorrect fee;
- Building Regulation applications refusal rate: % of decisions made;
- % of Building Regulation approvals commenced;
- Building Control surveyor case load, 6 monthly;
- Planning applications: % of decisions issued within 8 and 13 weeks;

- Planning applications: average timescale in working days - receipt to valid; decision made to decision issued;
- Planning applications: comparative benchmarking with Jersey of number received and % decisions issued within 13 weeks;
- Immunity certificates: % issued within target period of 5 working days;
- Planning applications: applications received, decisions made and income received;
- Immunity Certificates: applications received, decisions made and income received;
- Property searches: applications received, decisions made and income received;
- Planning appeals: % appeal documents passed to Appeal Panel within 10 working days from receipt;
- Planning appeals: % appeal statements prepared and passed to Appeal Panel within 21 days from receipt of appeal;
- Number of pre-application enquiries;
- % planning applications invalid on receipt;
- Planning application refusal rate: % of decisions made;
- % applications deferred for revision (as alternative to refusal);
- % of decisions delegated to officers;
- Board departures from officer recommendation: % of planning application decisions made;
- Planning appeals: number received; % appeals upheld Enforcement and compliance: % complaints investigated within 21 days;
- Enforcement and compliance: number of complaints received; number of enforcements registered; number of enforcement notices issued;
- Sea Water Quality;
- Biodiversity species counts (in association with biological records centre);
- Habitat percentage cover;
- Beach litter;
- Background radiation levels;
- Practical Driving Test results, including overall tests undertaken by period and pass/fail rates by category of licence, instructor and examiner;
- Theory Test results, including overall tests undertaken by period and pass/fail rates by category of licence;
- Compulsory Bike Training (CBT) bookings undertaken by category of licence;
- Road closure, parking suspension and road obstruction submissions, including analysis of approved/rejected requests by category and analysis of projects undertaken jointly by several contractors;
- Traffic permit requests/approvals by category of permit;
- Driving Licences issued by category of licence (including analysis of provisional/full licence applications) and cause (i.e. licence renewals, change of name or address, adding a licence category etc);
- Vehicle Registration statistics, including new registrations, exchange of ownerships, changes of name or address and exchanges of registration marks;
- Bus passenger statistics, including category of user (commuters, old age pensioners etc) route loadings by day and time of service and analysis of services operated at or above capacity and non-operated services;

- Customer complaints.

Services are, where appropriate, subjected to accreditation schemes or independent qualitative audit e.g. Driving Examiner, Parks and Gardens and safety audits. In addition, the Department operates the four eyes principle to ensure decisions in respect of applications are cross checked for conformance with statutory requirements and consistency with Department policy.

Health and Social Services Department

1. What we do

The political responsibilities of the HSSD have been defined as 'Promoting, protecting and improving the health of all, through the provision of hospital, community, social and public health services.' (See also www.gov.gg)

This responsibility is discharged by providing the following services:

Services for Children and Young People

- Social work services, including child protection and family support services
- Youth Justice service
- Fostering and adoption services
- Residential care (Garden Hill and Le Carrefour)
- Family Centres
- Health Visiting and School Nursing services
- Acute medical services, including Frossard Ward at the PEH
- Child and Adolescent Mental Health Services
- Midwifery service in hospital and community
- Children's dental and orthoptic services
- Speech & Language Therapy, Physiotherapy & Occupational Therapy
- Services for children with a disability, including child development and respite care services

Services for Adults

- Acute medical and surgical services and assessment and rehabilitation at the PEH
- A&E and outpatient services
- Theatres and sterile supplies
- Pharmacy, Radiology, Pathology and Dietetics
- Occupational Therapy, Physiotherapy & Speech & Language Therapy
- Psychology
- Social work
- Cancer services
- Prison healthcare
- Services for adults with a disability (learning, physical and sensory)
- Continuing care services (King Edward VII Hospital, La Corbinerie and Duchess of Kent House)
- District nursing and home care services
- Palliative care
- Tissue and viability, stoma care and pain control services
- Diabetic services
- St Julian's House (services for homeless people)
- Supported employment services
- Services in Alderney, including the Mignot Memorial Hospital
- Contracts with the Medical Specialist Group, Guernsey Physiotherapy Group, Primary Care and Housing 21

- Adult and older people's mental health services

Corporate Services

- Health Records
- Corporate governance, complaints and external accreditation
- Site development plan
- Legislation, litigation and insurance issues
- Internal and external communication
- Registering and inspecting care homes, nurseries, childminders and health and social care professionals
- Leading on health and safety and risk management issues
- Managing the fabric and estate of the Department
- Support services, including housekeeping/domestic, catering, transport, portering/security, reprographics, telephony and laundry and liaising with the chaplaincy

Human Resources

- Recruitment and selection
- Advising on terms and conditions of employment
- Interpretation/implementation of HR policies and procedures
- Advising on HR planning, succession planning, performance management, people management & industrial relations
- Employee involvement and participation
- Maintenance and allocation of staff accommodation
- Occupational Health Service
- The Institute of Health and Social Care Studies, which procures and delivers pre and post registration education and training.

Finance

- Accounts payable and accounts receivable
 - Management accounting (including budget preparation and variance analysis)
 - Financial systems support (SAP and others)
 - Internal and external audit liaison
 - **IM&T services for clinical and non-clinical services
 - **Service level agreements between the HSSD and UK NHS Trusts for off-island and on-island, including the local renal service and visiting consultant clinics
 - Negotiation and monitoring of the grant to the St John Ambulance and Rescue Service
 - **Commissioning off island placements.
 - **Equipment & product purchasing for capital, revenue and stock items
 - **Competitive tendering for a wide range of goods and services
 - **General Stores service
- **These areas have been temporarily transferred until December 2010

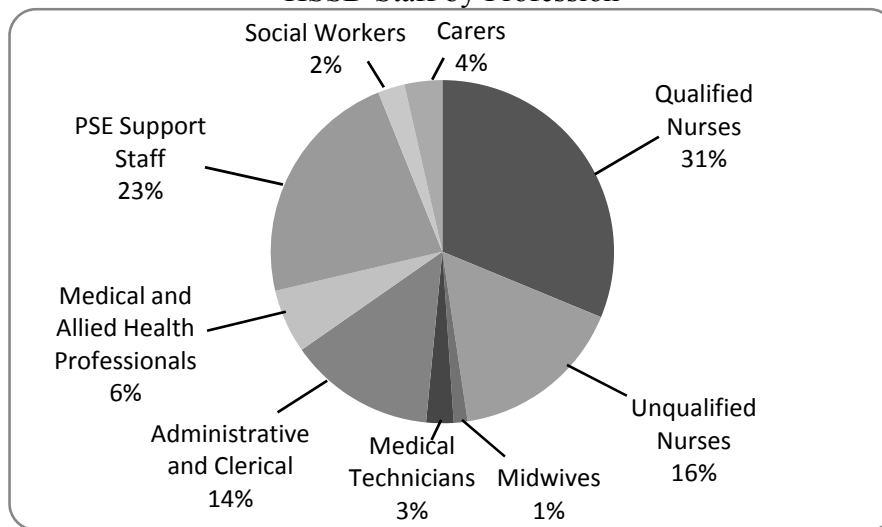
Public Health

- Environmental Health, Pollution Regulation and food safety

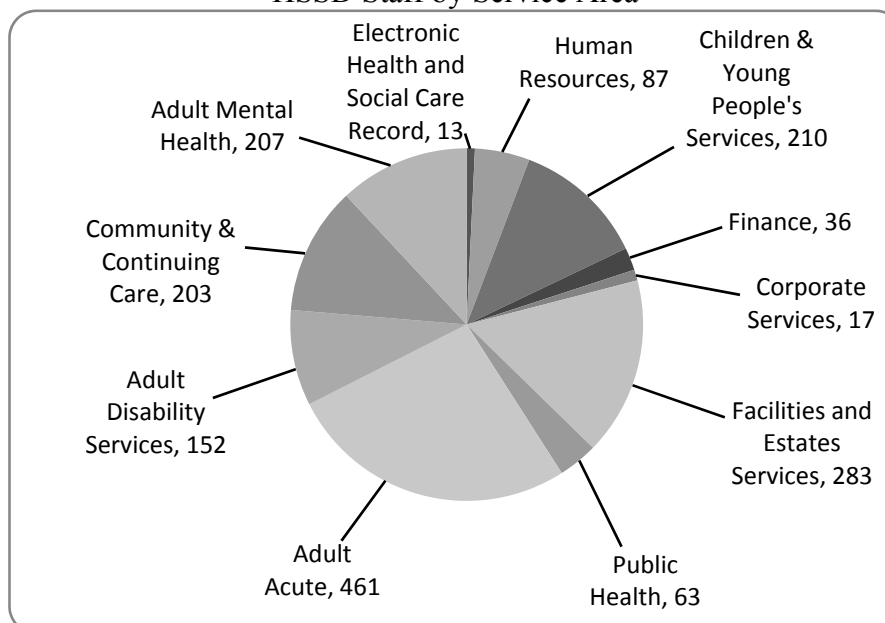
- Infectious disease control
- States Analyst's Laboratory
- Emergency planning and major incident response
- Health promotion and health education
- Agreements with services such as the Guernsey Adolescent Smoke-free Project, Guernsey Quitline and the Cardiac Action Group
- Clinical coding, healthcare information and health strategy
- Clinical governance, including audit and risk management

2. Who we are and where we work

HSSD Staff by Profession



HSSD Staff by Service Area



Our management structure

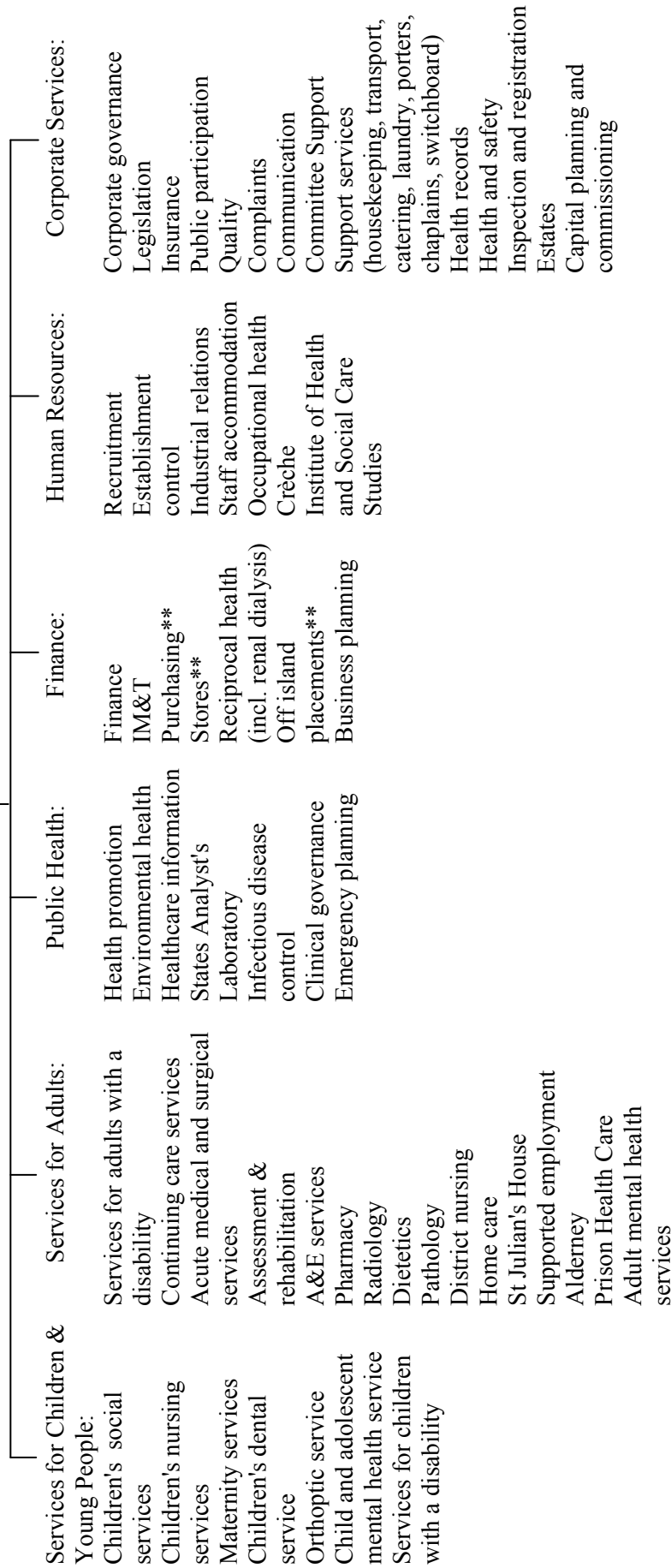
Health and Social Services Department

Chief Officer

EHSCR Project Manager:

Director of Older People's Housing, Care & Support
(Project post, jointly with Housing Department)

Personal Assistant:



**These areas have been temporarily transferred until December 2010

3. Longer term aims

The HSSD's overriding principle is to promote, protect and improve health and social wellbeing. The objectives listed below support this principle and they also support the States social policy objectives, and in particular 'Foster an inclusive and caring society which supports communities, families and individuals', 'Assist people to help themselves and become independent where possible, by encouraging personal responsibility', 'Promote active and engaged citizenship', 'Promote and remove barriers to social inclusion and social justice' and 'Maintain a healthy society and safeguard vulnerable people'.

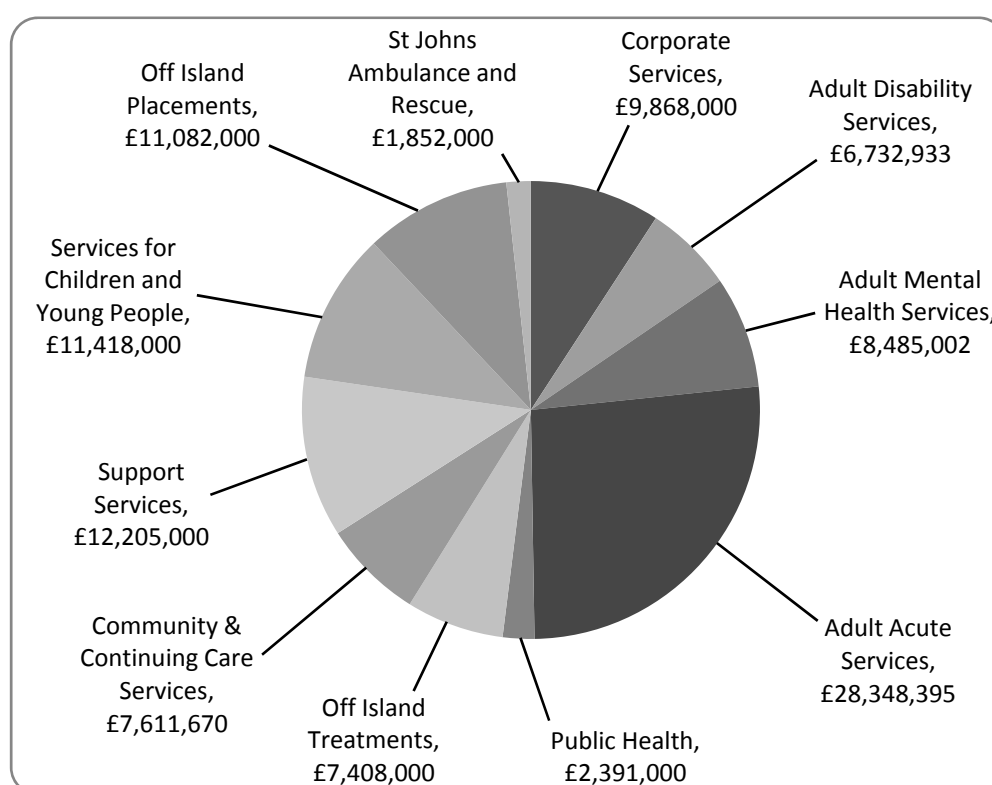
- Reduce the need for institutional care (hospitals, care homes etc)
- Development of health and well being promotion and prevention strategies, e.g.
 - Obesity
 - Alcohol/Drugs
 - Smoking
 - Screening
 - Mental Well being
 - Supported employment
 - Care and support for older people
- Further develop relationships with the third sector
- Keep abreast of developments (and costs) in medicine, technology and drugs
- Increase use of e-health, eg. further development of EHSCR and use of technology in service users' own homes
- Review and upgrade the environment in which services are delivered to improve privacy and dignity, health and safety and control of infection (site development plan)
- Development of systematic information and performance management systems in conjunction with the Financial Transformation Programme
- Improve recruitment, retention and development of staff
- Ensure the Children's Services Plan is fully implemented
- Fully engage with the Financial Transformation Programme to deliver cost effective, efficient, safe and sustainable services
- Determine the future model of health and social care provision in light of increasing professional specialisation, registration/revalidation requirements and sustainability

The following developments are planned to be delivered from within existing resources, for the period 2010 to 2014:

- Introduction of new standards for Early Years Service regulation
- Develop plans for, and construction of, homes for people with a disability to replace Oberlands House
- Review hospital admission and referral rights

- Develop plans for replacement mental health facilities (Castel Hospital)
- Improvements in multi-disciplinary working for families whose parents have mental health and/or substance misuse problems
- Undertake an energy survey
- Implementation of new mental health law
- Develop a community engagement strategy for HSSD
- Develop an integrated approach to change management

4. How we spend public money – analysis of 2009 expenditure



5. Financial transformation programme

The HSSD will be involved in the following areas to support the Financial Transformation Programme:

- Budget rebasing exercise
- Energy
- Property and Asset management
- Equipment management and procurement
- Off island placements
- Acute Off island treatments
- IM&T
- Value for money

6. How we monitor and review our performance

The HSSD monitors its performance in the following ways:

- Formal complaints, compliments and suggestions
- Service user surveys
- CHKS accreditation (external accreditation of health and social services provision)
- General Medical Council approval of medical professionals
- Utilisation reviews of our estate
- Clinical audit and incident reporting
- Outcomes (overall mortality, mortality from individual diseases, etc)
- Individual reviews of particular specialties and services
- Monthly financial reports, financial trend data analysis
- Recruitment and retention statistics and training needs analysis
- Records of training undertaken, grievances raised, disciplinary cases, sickness absence, counselling cases and concerns raised under the equal opportunities and bullying and harassment policies and trends.
- Staff surveys and exit interview reports
- Post implementation reviews for capital projects
- Scrutiny Committee reports
- Internal and external audit reports
- Public Accounts Committee reports
- Untoward incident and accident reporting
- Comprehensive risk register

Home Department

1. What we do

“The Home Department uses all available resources to build and protect a safe, just and tolerant society for all people of the Bailiwick.”

A comprehensive Operational Plan, Service’s Annual Reports and Performance Reviews can be found on the Home Department website at <http://www.gov.gg/ccm/navigation/home-department>

Central Services

Central Services provides non-operational support to the following specialised Services: Police, Customs, Probation Service, Fire & Rescue Service and the Prison. This support is provided in the following manner:

Service Support:

- ICT
- Finance
- HR
- Project Management

Additionally, Central Services also has responsibilities for the following areas:

- Emergency Planning
- Legislative functions
- Support for Independent Panels, including Parole, Panel of Prison Visitors, Police Complaints Commission, Independent Custody Visitors
- Broadcasting
- Liquor Licensing
- Gambling Control
- Preparation and administration of the Electoral Roll
- Drug and Alcohol Strategy
- Data Protection.

Customs and Immigration Service (Shadow Guernsey Border Agency)

The Shadow GBA brings together the various work previously carried out by the Customs and Excise, Immigration and Nationality Service with additional responsibilities for assigned cross border crime.

The GBA is structured to strengthen the Bailiwick’s protection against cross border crime, including Drug Trafficking, Financial and Economic Crime, People Trafficking, Identity Theft and Terrorism working with global partners whilst seeking to promote the free movement of people and goods. The Shadow GBA provides a border control which is intelligence led, gearing resources to risk and also works in close partnership with the Guernsey Police and discharges its other law enforcement, social, fiscal and wider economic responsibilities in an effective and efficient manner which seeks at all times to foster public cooperation. The Service operates in the following areas:

- Customs & Excise – freight control and revenue collection
- Immigration & Nationality – border controls and passport issuance
- Financial & Economic Crime – preventing and combating money laundering and the financing of terrorism
- Border Controls
- Drug Trafficking & Other Assigned Serious and Organised Crime.

Additionally, the GBA seeks to enhance effectiveness across Bailiwick law enforcement through the provision of specialist assistance to partner organisations such as the Police.

Further details of the Customs and Immigration Service/Shadow GBA and its published reports can be found at www.gov.gg/ccm/navigation/home-department/gba/

Fire & Rescue Service

The Fire & Rescue Service aims to focus on reducing the risks to make Guernsey and Herm a safer place in which to work, live and visit, by attending and dealing with fires and other emergency incidents when needed and promoting all aspects of fire safety through public information and education. The Service operates in the following areas;

- Prevention
- Protection
- Response.

Further details of Fire and Rescue Services can be found at www.gov.gg/ccm/navigation/home-department/fire-service

Guernsey Police

Guernsey Police Force has an overarching responsibility to uphold the law fairly and firmly: to prevent crime; to pursue and bring to justice those who break the law; to keep the peace; to protect, help and reassure the community: and to be seen to do all this with integrity, common sense and sound judgement. Police operations will centre on a developing “Neighbourhood Policing” strategy and by close collaboration with the Guernsey Border Agency. This strategy will be supported by:

- Dedicated Neighbourhood Police Team
- Operational Uniformed Response
- Crime Services
- Support Services
- Professional Standards
- Criminal Justice.

Details of Police activity in the Bailiwick can be found at www.guernsey.police.uk

Guernsey Prison Service

The Guernsey Prison Service serves the community by keeping in custody those committed by lawful authority, looking after them with humanity and helping them to lead law abiding and useful lives, in custody and after release. The functions of Guernsey Prison can be categorised as follows:

- Safety
- Respect
- Purposeful activity
- Resettlement
- Partnerships.

Further details can be found at <http://www.gov.gg/ccm/navigation/home-department/prison-service/>

Probation Service

The Probation Service helps to reduce crime and protect the public by: - providing the Courts with information and assessment of offenders to assist in sentencing decisions; supervising offenders on Court Orders, preparing prisoners for release and resettlement into the community and supervising post custodial licences and supervision orders. The Probation Services activities are as follows:

- Provide the Courts with quality assessment information
- Management of offenders in the community and in the Prison
- Preparation of prisoners for release and resettlement, in partnership with the Prison
- Provision of sentence planning and resettlement processes
- Supervision of post custodial licences and community supervision orders
- Provision of Community Service scheme
- Public protection through the Multi Agency Public Protection arrangements.

Further details can be found at <http://www.gov.gg/ccm/navigation/home-department/probation-service/>

Safeguarder Service

The Safeguarder Service is an independent service operated under Part XII of the Guernsey and Alderney Children's Law 2008. Line management is through the Chief Probation Officer to the Home Department. Safeguarders are appointed by the Courts to protect the interests of children involved in private law proceedings (separation, divorce) and public law proceedings (to act as guardians where protection and permanence is being considered). The Safeguarder Service's main responsibilities are:

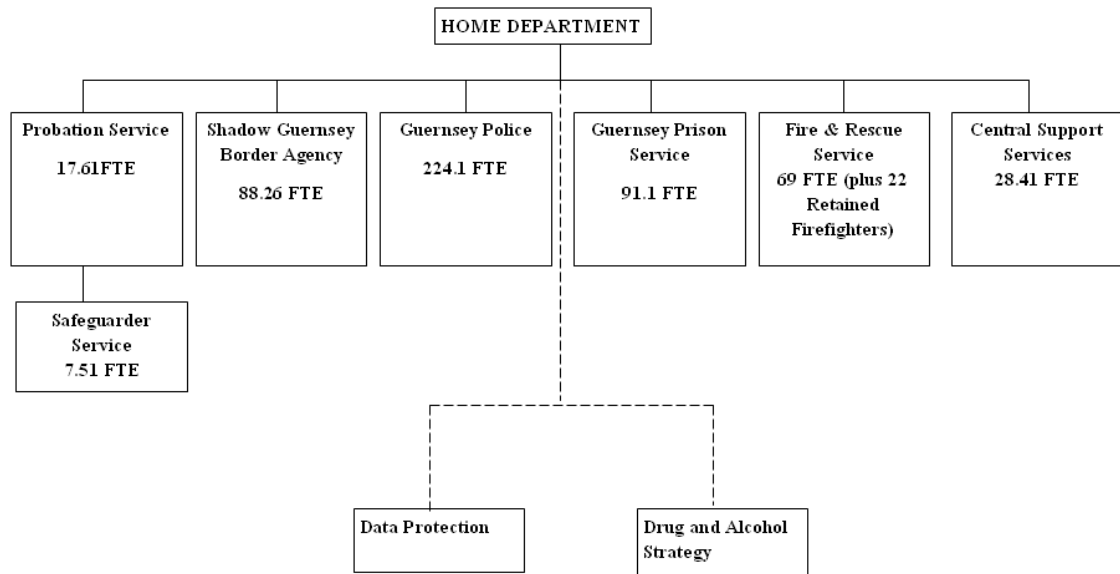
- Provide Court advisory services (safeguarder services) for children and families in private law proceedings
- Provide guardians for children and young people in Public Law proceedings
- Provide guardian and safeguarder services to the Convenor as requested
- Provide mediation services
- Supervise and monitor the supervised contact centre.

Drug & Alcohol Strategy

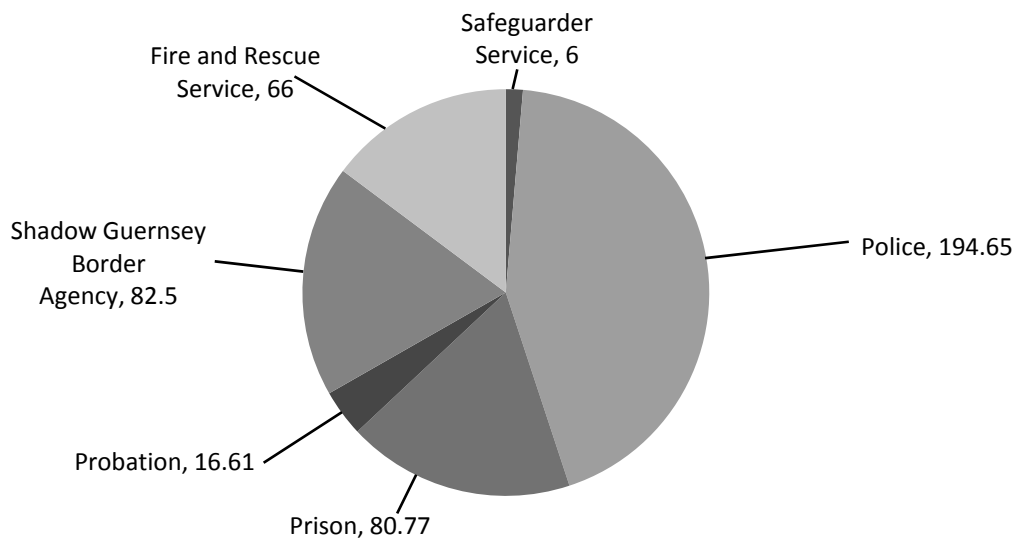
The Bailiwick Drug and Alcohol Strategy 2007–2011 takes a holistic approach and recognises that all areas of treatment, law enforcement and education are important to prevent high demand leading to increased supply and the resulting need for treatment. The main aim of the Strategy is *“to minimise the harm caused by drug and alcohol misuse by Bailiwick residents of all ages.”* The strategy has six pillars: -

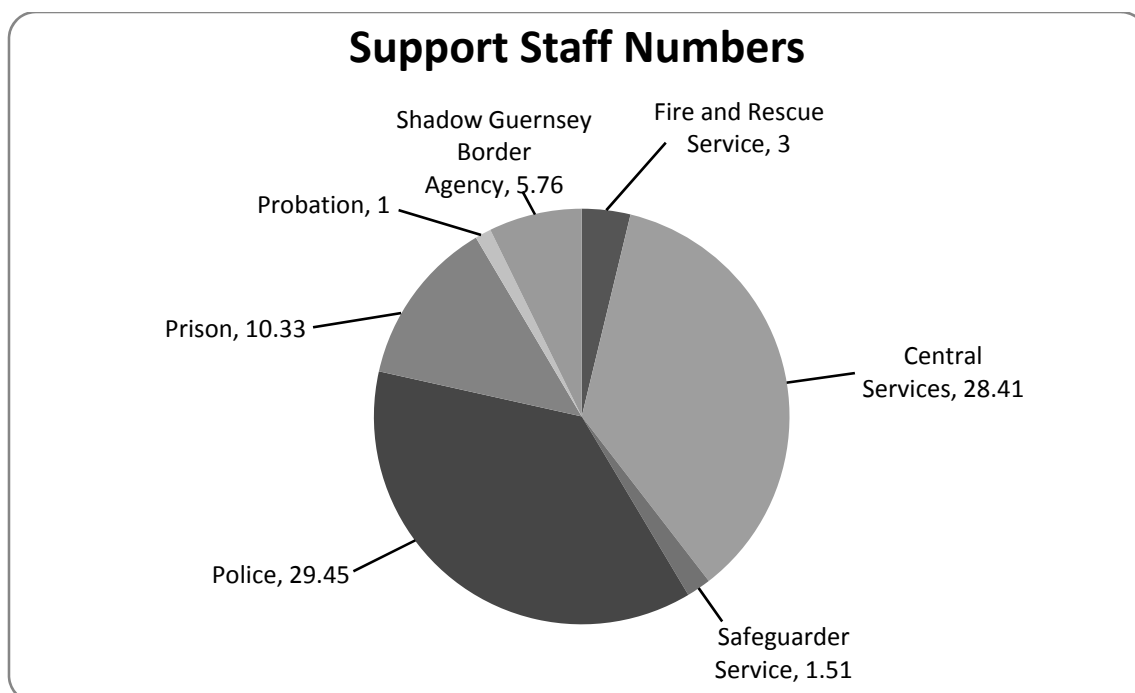
- Demand Reduction
- Young People and Families
- Treatment
- Criminal Justice, Law Enforcement and Supply Reduction
- Safe and Sensible Drinking
- Coordination and Monitoring

2. Who we are



Operational Staff Numbers



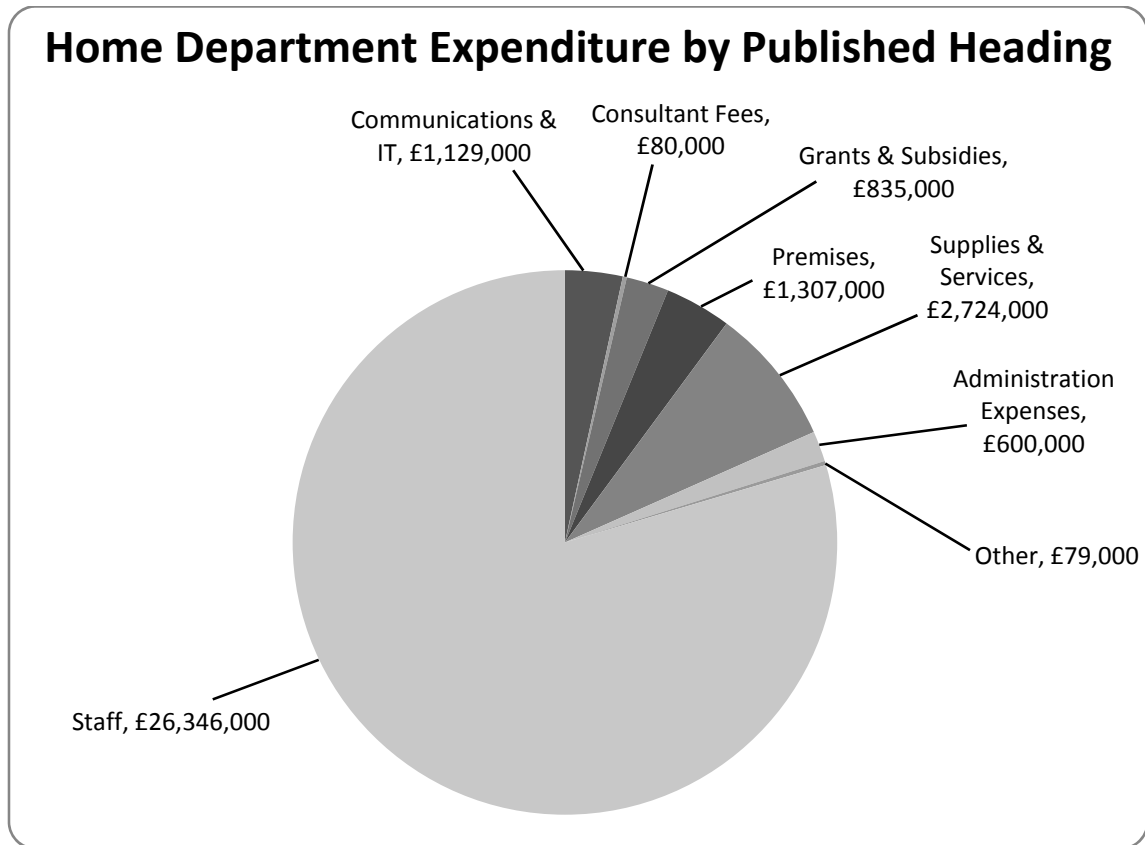


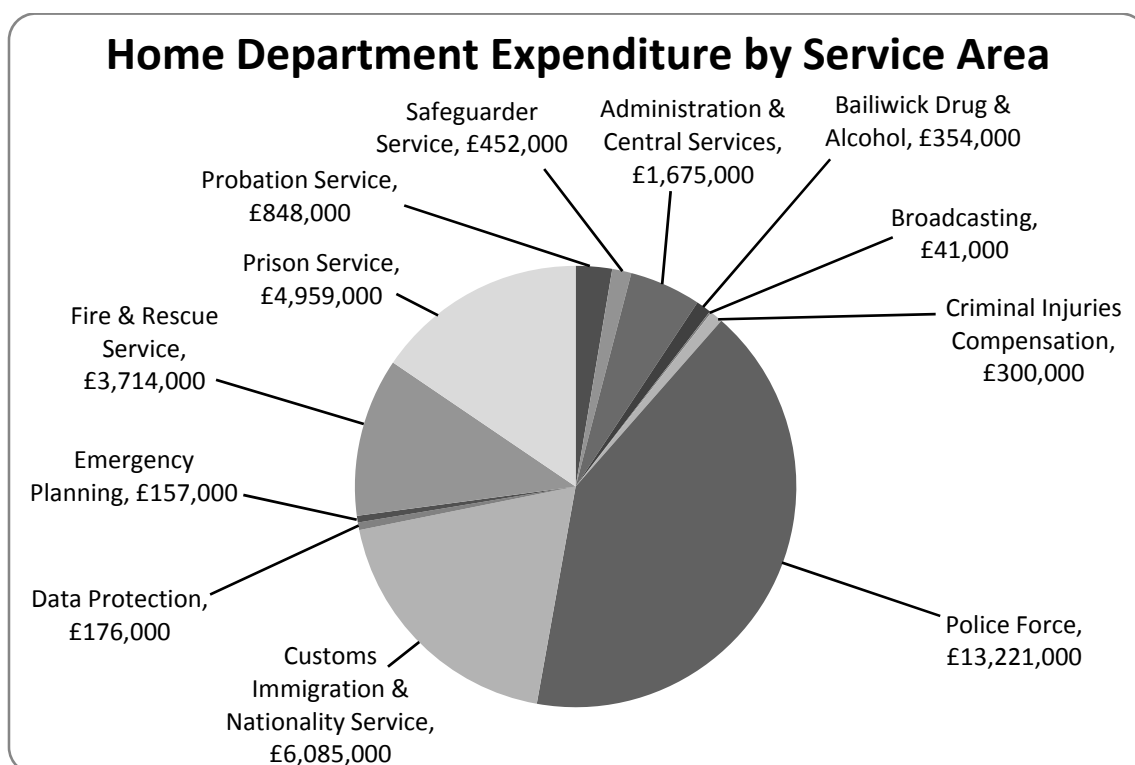
3. Departmental objectives – for the period to 2014

- Future of Law Enforcement (Billet XII) 2008 – (Social Policy Plan Appendix 2 – Maintain the Bailiwick as a safe and secure place to live)
 - Establish an independent Law Enforcement Commission
 - Revise Police and Customs Legislation
 - Move Customs and Immigration to Agency Status
- Criminal Justice Strategy - (Social Policy Plan Appendix 2 – Maintain the Bailiwick as a safe and secure place to live and to maintain a healthy society and safeguard vulnerable people)
 - Research, develop and implement a Criminal Justice Strategy and Community Safety Plan for the Bailiwick
 - Develop Sex Offender and Sexual Offences legislation
 - Developing Legislation and process to link with Independent Safeguarding Authority (protection of children and vulnerable adults)
- Implement recommendations from the 2009 Prison Service Review and Offender Management Review – (Social Policy Plan Appendix 2 – Maintain the Bailiwick as a safe and secure place to live and to maintain a healthy society and safeguard vulnerable people)

- Implement a revised structure for operation of the Electoral Roll prior to the 2012 election. (Social Policy Plan Appendix 2 – Promote active and engaged citizenship).

4. How we spend public money





5. Financial transformation programme

- Introduce a basic asset register across the Department in accordance with the Rules for Financial and Resource Management
- Developing a corporate performance management tool under the Value For Money work stream
- Rationalisation of Home Department accommodation and central Control Room project.

6. How we monitor or would like to monitor and review performance

Central Services

We currently monitor:

- Service Level Agreements with Operational Services
- Finance
- Staff numbers
- External correspondence
- Island Risk Register (Emergency Planning)

Improvements to be made in 2010:

- Legislation and Administration
- Develop a performance management tool
- Cost analysis with the Value For Money team
- ICT

Customs and Immigration

We currently monitor:

- Law Enforcement Activities
- Customs and Excise – including revenue collection
- Immigration & Nationality – including passport issuance

Improvements to be made in 2010:

The Home Department has issued a mandate for the Shadow GBA. A Business Plan is currently being developed around that mandate and includes key performance indicators at both strategic and divisional level

Fire and Rescue Service

We currently monitor:

- Incident response data

We review performance in the following ways:

- Best Value Performance Indicators
- Annual Benchmarking against other Fire Services
- Three yearly self review by way of the Integrated Risk Management Planning Process
- Regular external, professional body reviews

Guernsey Police

We currently monitor:

- A vast range of criminal and anti-social activity throughout the Bailiwick, much of which is published in the Guernsey Police Annual Report and the Policy Council Sustainable Guernsey annual document

Improvements to be made in 2010:

Guernsey Police are moving towards developing qualitative rather than quantitative measures of performance – primarily public satisfaction with the policing services provided, obtained by public survey

Guernsey Prison

We currently monitor:

- Administration
- Catering
- Human Resources
- Healthcare
- Residence (prisoner related)
- Security
- Faith
- Maintenance

Probation Service

We currently report on the following:

- Community Service Orders
- Community Supervision Orders
- Parole and other post custodial licences
- Prison Work Parties
- Multi Agency Public Protection cases
- Sentence planning within the Prison
- Number of reports written for the Courts and Parole Review Committee
- Restorative Justice statistics in respect of conferences carried out, cases undertaken and comments from those involved
- In 2010, work will be continuing with the Home Department to report on the effectiveness of different sentences

Safeguarder Service

We currently report on the following:

- Private Law cases
- Public Law cases
- Mediation
- Children's Convenor (including Child and Youth tribunal)

Drug & Alcohol Strategy

We currently monitor:

- Number of drug misuse database returns
- Number of agencies complying with database returns
- Development of outcome monitoring framework
- Number of staff attending training courses
- Service Level Agreements in place with all agencies receiving strategy funding.

Housing Department

1. What we do

The Housing Department is responsible for:

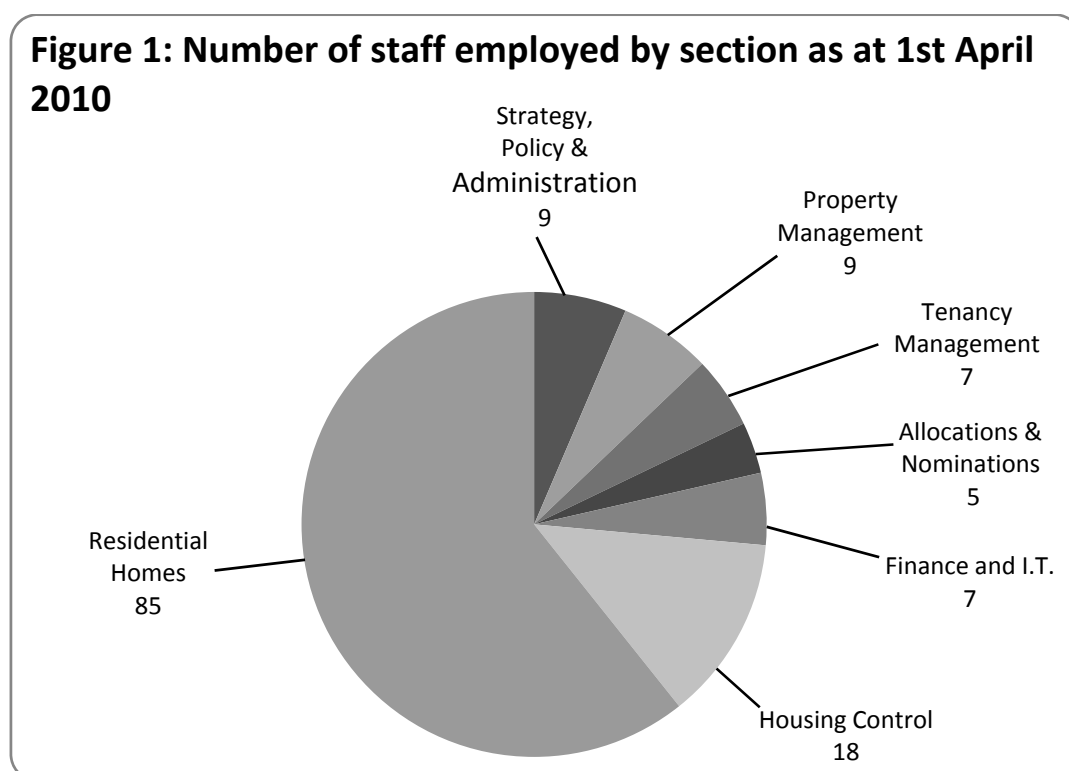
- The overall co-ordination and management of the Corporate Housing Programme, in fulfilment of the States Housing Strategy.
- The provision and management of social housing administered by the States. This includes:
 - (i) **Tenancy management** of 1,800 properties – rent setting, rent arrears management, operation and review of the Rent and Rebate Scheme, estate management and tenant consultation;
 - (ii) **Property Management** – day-to-day repairs, planned and programmed maintenance, refurbishment and modernisation of the social housing stock; and
 - (iii) **Allocations** – maintaining a waiting list, allocating tenancies (including nominations to housing associations) and carrying out Reviews of Tenancy in order to assist with the rationalisation of the States housing stock.
- Facilitating and supporting the development of non-governmental organisations to provide social rental and other forms of social housing to meet identified housing needs.
- The regulation and funding of housing associations and other non-governmental organisations providing social rental and other forms of housing to meet identified housing needs.
- Establishing initiatives to improve the affordability, availability and quality of the private rental sector without reducing its size. This includes administering the Rent Control Law and developing the role of the Guernsey Private Residential Landlords' Association.
- Controls on housing occupation through the administration of the Housing Control and Right to Work Laws.
- Managing Maison Maritaine and Longue Rue House residential homes.

Since the Department published its Operational Plan in 2009, the States has agreed to close the States Home Loans Scheme and the Home Improvement Loans Scheme to new borrowers. The Department will continue to administer all outstanding loans and to encourage borrowers to move to the commercial sector where this would be to their financial benefit.

2. Who we are

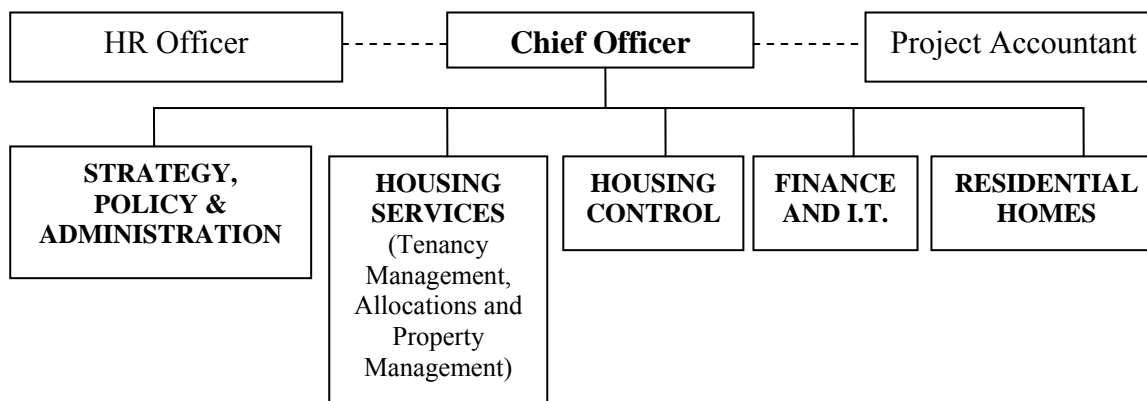
The Housing Department employs 64 Established Staff which equates to 61.35 full time equivalents (FTEs). This number is slightly increased when compared with 2009, due to the recruitment of three contract members of staff to cope with areas of exceptional workload in Property Management and Housing Control. Furthermore, there are 76 Public Sector Employees employed at the Department's two Residential Homes. Totalled together, they equate to 46.36 FTEs. These posts include care assistants, handymen/gardeners, domestic and catering staff.

Figure 1 below shows the number of staff employed by section.



In addition to the above, the Housing Department has a dedicated HR Officer for 2 days per week (0.40 FTE) and shares the resources of a Project Accountant with the Treasury and Resources Department (0.21 FTE).

The organisation of the Department can be summarised as follows:



2. Longer term objectives

In addition to the day-to-day operations at the core of the Housing Department's mandate, the following list is a summary of the long-term objectives and corporate initiatives that the Department will be taking forward during 2010, and beyond.

The majority of the initiatives described, where referenced * below, have the endorsement of the States through the **Corporate Housing Programme (CHP)** and/or are the subject of separate States Resolutions. Many of the workstreams are also included in the individual plans which accompany the States Strategic Plan.

The Housing Department last reported to the States on the CHP in May 2010¹. This report determined the future strategy for the CHP for 2010 onwards and the workstreams to be taken forward by the Housing Department and other 'lead' departments.

- Progress the Social Housing Development Programme for the period 2008 to 2012*
- Review of the Allocations Policy for social housing*
- Review the Rent and Rebate Scheme*
This is a joint initiative with the Social Security Department
- Identify detailed housing requirements for the next 5 years and report to the States*
- Prepare to carry out a Housing Needs Survey in 2011*
- Review social housing needs in preparation for a new development programme from 2013 onwards
- Develop and progress an integrated care and support strategy for older people*
This is a joint initiative with the Health and Social Services Department
- Continue to develop a Supported Housing Strategy*

¹ 'Corporate Housing Programme – Progress against the 2009 Action Plans and Future Strategy' (Billet d'État XI 2010)

- Review initiatives to improve the quality and affordability of private rented sector accommodation*
- Co-ordinate and take forward a “key worker” housing strategy*
This is a joint initiative with the Health and Social Services Department
- Review the introduction of service standards for processing Housing Control applications
- Complete the upgrade/replacement of computer systems for Housing Management and Housing Control
- Continue to implement initiatives with a focus on improving customer services
- Review and establish robust policies in respect of Data Protection
- Continue to ensure compliance with the Guernsey Care Home Standards at the Residential Homes.

These objectives specifically contribute to the achievement of many of the core values and strategic social policy objectives of the States Strategic Plan. The principal Social Policy objective that can be achieved by the workstreams outlined above is to:

- Improve housing availability, quality and affordability.

However, other core values and strategic social policy objectives being addressed through workstreams being taken forward by the Department, principally through the CHP, are as follows:

- Foster an inclusive and caring society which supports communities, families and individuals;
- Promote active and engaged citizenship;
- Promote, and remove barriers to, social inclusion and social justice;
- Meet welfare needs and reduce poverty; and
- Maintain a healthy society and safeguard vulnerable people.

Furthermore, the Housing Control Law administered by the Department is the principal means of fulfilling the States Population Policy, which is to maintain Guernsey’s population at approximately its current level.

The Housing Department also contributes to the work of the Policy Council in reviewing Guernsey's population management regime, as part of the development of an Island Resource Plan on Population Management.

4. How we spend public money

The Housing Department has a General Revenue account and a separate Corporate Housing Programme (CHP) Fund.

General Revenue income is used only to fund administration and staff costs in Housing Control and at the Residential Homes. It is currently derived from the following sources:

- (i) General Revenue allocations to fund the Residential Homes and Housing Control Section. These are capped at £1,488,000 and £272,000 respectively for 2010;
- (ii) Fees for the occupation of the Residential Homes, estimated at £805,000 in 2010; and
- (iii) Fees which are raised through charges for Housing Control applications. These are estimated at £600,000 for 2010.

Most of the Housing Department's expenditure is from the CHP Fund and relates to the delivery of both major housing projects and the day-to-day expenses of providing social housing.

In May 2010, the States agreed that the three constituent funds previously administered under the CHP Fund – the Housing Development and Loans Fund, the States Housing Fund and the States Housing Association Fund – could be subsumed into the CHP Fund to create a single funding entity.

Details of estimated income and expenditure for the CHP Fund for 2010 are shown in Figures 2 and 3 below. The sums in and out of the Fund will vary year on year depending on the timing of individual housing projects, the number of tenants receiving a rent rebate, etc.

The Housing Department has the financial resources available in the CHP Fund to take forward all of the CHP projects listed above over the next 5 years, **subject to the Department continuing to receive an annual allocation equivalent to the rent rebates granted to its tenants and paid to tenants of the Guernsey Housing Association.** This funding is necessary to provide the long-term certainty required to plan ahead effectively to meet the Island's housing needs on an ongoing basis.

Figure 2: Estimated income into the CHP Fund

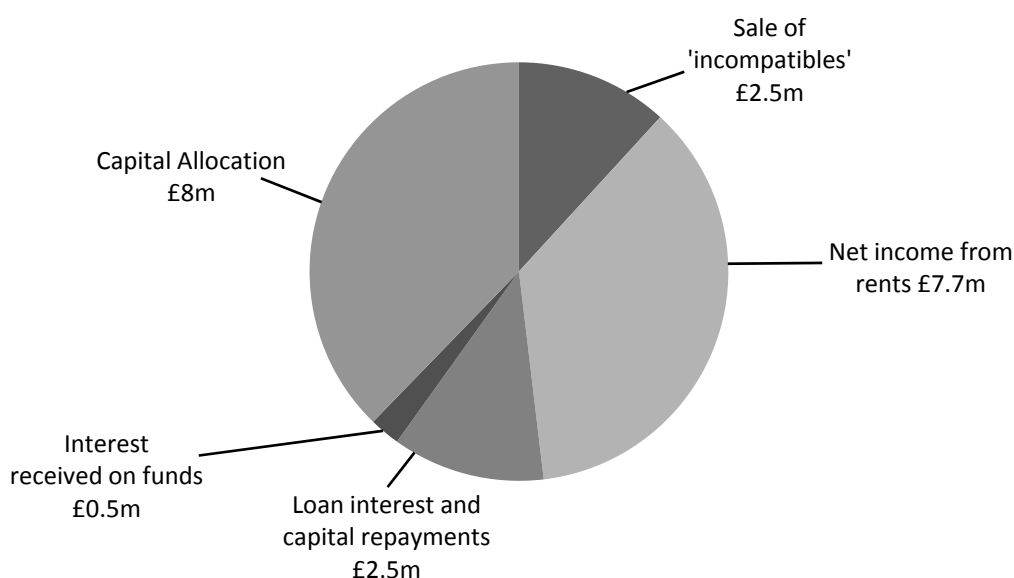
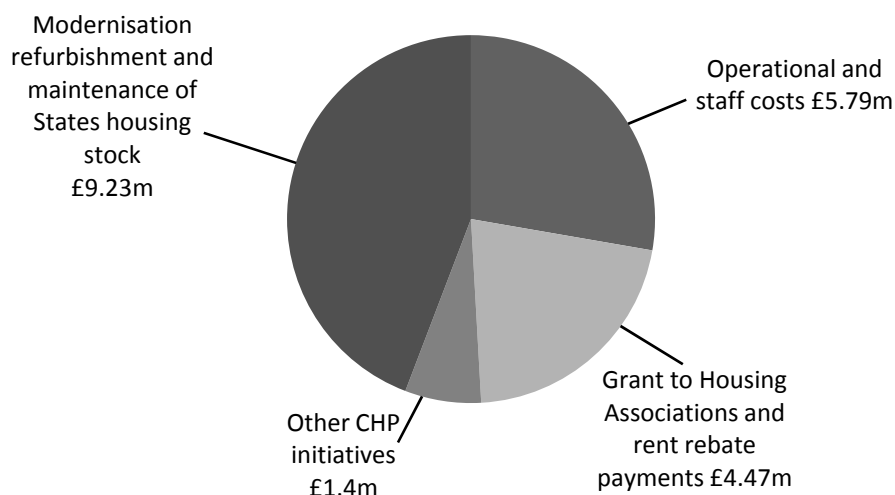


Figure 3: Estimated expenditure from the CHP Fund



5. Financial transformation programme

The Housing Department is fully supportive of the Financial Transformation Programme (FTP), but is not itself leading on any FTP initiatives at this stage.

6. How we monitor our performance

The following performance monitoring and review processes are in place:

- A Department Workplan is prepared annually that clearly sets out the intended workstreams during the year, including target dates and milestones that are expected to be achieved. The Workplan is reviewed quarterly by the board.
- A basket of reports on all key service areas is presented to the Housing board on a quarterly basis, in order for the board to monitor the performance of the Department. These include:
 - (i) Allocations and Waiting List* statistics.
 - (ii) Progress reports on the Modernisation Programme and other Property Management information (void properties, inspections made, jobs issued etc.)
 - (iii) Current and former tenant arrears.
 - (iv) States Home Loans' arrears.
 - (v) Annual Housing Control statistics.
 - (vi) Budgetary progress reports on both the Revenue account and CHP Fund.
 - (vii) Review of the Department's Complaints Register.

* Annual waiting list data for States housing is a Key Performance Indicator in the *Sustainable Guernsey* report.

- The introduction of a new computer system in Housing Control has provided a workflow management system, which monitors the processing time of all applications for Right to Work documents. With the IT project now in the very final stages of implementation, the system is able to produce statistics about performance based on the time taken for different types of applications to be processed. The system also includes an external workflow management system, thus enabling the Department to monitor the processing times of other States bodies when requests for information in support of applications are made.

As a consequence of these workflow management systems, the Department will now enter a period of service delivery review in order to ascertain whether the projected service standards can be maintained on a long-term basis and, therefore, published. Given that charges for some Housing Control applications were introduced in 2009, it is incumbent on the Department to ensure a high standard of service where a fee has been introduced.

- The new Housing Information Management System for Tenancy, Allocations and Property Management will also generate better statistics and produce a wide range of reports.
- Action Area F of the CHP focuses on the need to establish an authoritative system for collating information about housing in order to monitor and review the effectiveness of the CHP against strategic objectives.

In this regard, the Policy Council's Policy and Research Unit (P&RU) employs a full-time member of staff (paid for from CHP funds) who is tasked with developing methods of data collection and ongoing monitoring in respect of the local housing market. A Housing Corporate Information System is being developed by Digimap that will collect and store data on the number of residential properties, completions and new-builds, etc. The P&RU is also continuing to investigate how to obtain and record other housing-related data, with the ultimate objective of providing a quarterly bulletin on housing statistics.

Over time, effective monitoring will help to determine where the CHP has been successful and identify future priorities. This ongoing monitoring also provides useful information for the Housing section of the *Sustainable Guernsey* publication.

Further information:

More information about the Housing Department, its mandate and range of services can be found on the States of Guernsey website <http://www.gov.gg/ccm/navigation/housing/>

Public Services Department

1. What we do

The Public Services Department is responsible for the delivery of key services and for the provision of essential island infrastructure through seven business units:

- Waste Services
- Support Services
- Roads
- Guernsey Airports
- Guernsey Water
- Guernsey Harbours
- States Works

Further details can be obtained on the States of Guernsey website at <http://www.gov.gg/publicservices> which also contains links to the business units' individual websites.

Waste Services is responsible for providing the following services:

- Solid waste disposal, landfill and recycling
- Liquid waste disposal
- Land Drainage

Support Services is responsible for:

- Administrative, HR and Finance support
- Receiver of Wreck
- Alderney Breakwater

Roads

- Road resurfacing and repair

Guernsey Airports is responsible for the provision of:

- Airport infrastructure including runway, taxiways and aprons, technical aids and services for the movement and parking of commercial and private aircraft and vehicles
- Facilities and support services for the movement of passengers and freight
- Air Traffic Control including radar, aerodrome and ground movement control and flight briefing
- A Rescue and Fire Fighting Service
- A Meteorological Service essential to aviation (including Alderney Airport)
- Security Services in accordance with international requirements
- The daily operation of Alderney Airport

Guernsey Water is responsible for:

- Delivering a reliable supply of high quality drinking water sufficient to satisfy normal daily demand at the lowest cost
- Collecting precipitation and transferring it to storage reservoirs
- Ensuring the Catchment Area (where precipitation is collected) remains contamination-free
- Treating raw water at one of four water treatment plants so that it becomes high-quality drinking water and meets appropriate UK and EU standards

- Ensuring water transferred through over 400kms of pipework is kept at the highest possible quality

States Works

Provides municipal and maintenance services to the States of Guernsey and private clients, utilising the skills and expertise of the direct labour workforce and specialist vehicles and equipment. It provides a quality service to its clients and an emergency response service for the Island.

States Works contracts include:

- | | |
|---|--|
| ▪ Building projects | ▪ Street cleaning |
| ▪ Grounds maintenance | ▪ Beach cleaning |
| ▪ Horticultural services | ▪ Fleet vehicle repair and maintenance |
| ▪ Road construction and drainage | ▪ Sewage collection |
| ▪ Waste disposal and recycling services | ▪ Electrical and mechanical services |
| ▪ Refuse collection | |

Guernsey Harbours

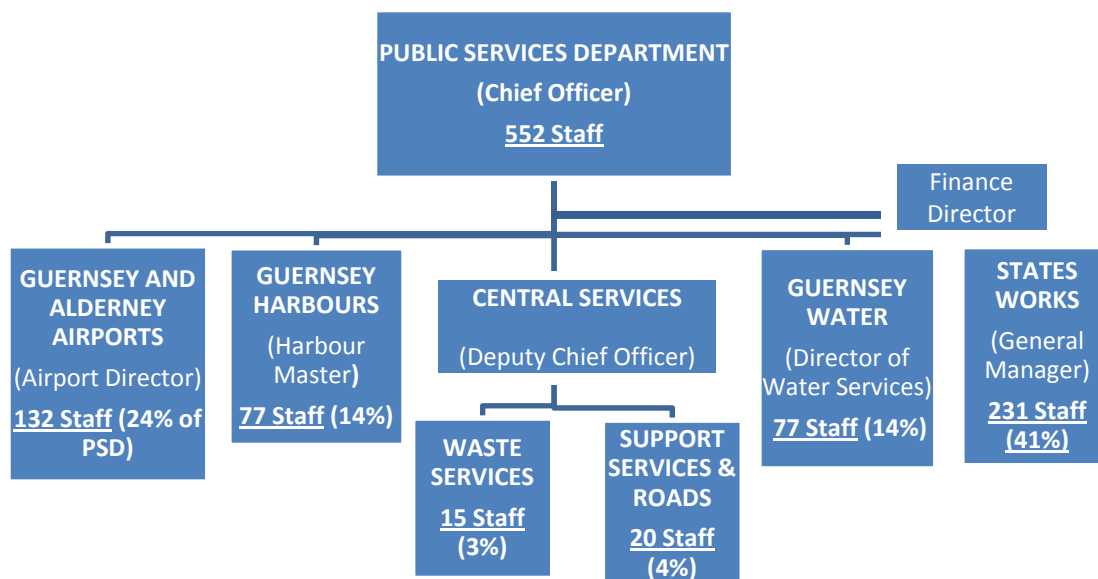
Operates and maintains the harbours and marinas of St Peter Port and St Sampson. Run with a commercial ethos, it generates revenues sufficient to meet all its capital expenditure requirements and provides the following services and facilities:

- | | |
|--|---|
| ▪ Search and Rescue co-ordination at sea | ▪ Co-ordination of nautical events |
| ▪ Local management of the RNLI | ▪ Co-ordination of cruise ship activity |
| ▪ Passenger and freight handling facilities | ▪ Maintenance of navigational marks |
| ▪ Moorings for the fishing fleet | ▪ Guernsey Registrar of British Ships |
| ▪ Regulation and licensing of fishing vessels. | ▪ Provision of berthing and marina facilities |

2. Who we are

Each business unit of the Public Services Department employs experienced craftspeople, technicians and professionals in a diverse range of disciplines associated with these services.

The Public Services Department employs around 550 staff split between Established Staff (35%) and Public Service Employees (65%).



For a more comprehensive view of the Department's management structure, please see www.gov.gg/publicservices

The Chief Officer, Deputy Chief Officer, Finance Director, Director of Water Services, General Manager of States Works, Harbour Master, and Airport Director form the Senior Management Team of the Department.

The PSD Board has delegated to the Senior Management Team responsibility for those decisions which can be taken by the executive officers and which are of a non-political nature. This enables the Board to focus on strategic decision-making and policy formation rather than operations or technical solutions.

3. Department objectives

The Department's main objectives for the period to 2014, which are likely to be achievable within existing resources, are listed below. They are purposely kept brief to provide an overview of the Department's objectives but detail is provided below each section on how they conform to the States Objectives contained in the States Strategic Plan (Billet XXVI October 2009).

Waste Services

- Continued improvement of the management of waste disposal & recycling facilities.
- Development of new and existing recycling and waste minimisation initiatives with the aim of extending the life of landfill sites.
- Implementation of the long-term liquid and solid waste disposal strategies.
- Extension of the foul water network to Creux Mahie and the diversion of flows to the Bellegreve outfall.
- Maintenance of the foul and surface water infrastructure.
- Upgrading of the foul sewer network.
- Installation of new inlet works to Bellegreve Pumping Station.
- Upgrading and extension of Red Lion outfall.
- Review of potential replacement for Bellegreve long-sea outfall.

These conform to the Environmental Policy Objective to manage Guernsey's solid and liquid waste, as contained in the States Strategic Plan. It also brings the co-ordinated and cost-effective delivery of public services required by the States Objectives.

Roads

- Rolling programme of road surface renewal.

This adheres to the Fiscal and Economic Objective for Guernsey to continue investment in modern key strategic infrastructure.

Support Services

- Reviewing the resources needed to deliver services to ensure that the optimum number of staff are employed with the appropriate skill levels.
- Considering ways in which service to the public can be improved for little or no cost.

This supports the States Objective of co-ordinated and cost-effective delivery of public services.

Guernsey Airport

- Review of Airport business model with a view to strengthening its trading position.
- Changing requirements for aviation legislation.
- Review the long term funding options for the Airport.
- Successful completion of the Pavements Rehabilitation Project.

- Replacement of the main radar installation.
- Introduction of “nose-in push-back” parking for aircraft to improve apron utilisation.

The upgrading of the Airport and maintenance of the airport runway fits in with the States Objective for the Department to ensure the co-ordinated and cost-effective delivery of public services and the States Objective to ensure sustainable economic growth and effective public services without increasing the population to the detriment of Guernsey’s environment and way of life. It also supports the Fiscal and Economic Objective for Guernsey to have modern key strategic infrastructure and maintains excellent transport links also support the economy and will assist in the aim to have average economic growth of 2% or more per annum.

Guernsey Harbours

- Update of long term harbours strategy and requirements.
- Review of the long term funding options for the Harbours.
- Completion of St. Peter Port Cranes Replacement Project.
- Maintenance of Harbour walls and breakwaters.
- Installation of floating pontoon at Inter Island Quay.
- Deliver proposals to develop the Careening Hard area of St. Peter Port.

All of Guernsey Harbour’s objectives are designed to maintain the Island’s current infrastructure and improve it where required. This fulfils the States Objective for the Department to ensure the co-ordinated and cost-effective delivery of public services. Guernsey Harbours also meets the same other States Objectives as Guernsey Airports.

Guernsey Water

- Rolling programme of raw and treated water main replacement.
- Redevelop water treatment plant at Kings Mills.
- Redevelopment of St Andrews Reservoir site and the centralisation of operational activities in new depot.
- Enhancement of Island pumping stations, including the upgrading of the Marais Stream pumping station which has been linked, in part, to the redevelopment of Belgrave Vinery.
- Review of future water resource requirements (e.g. Les Vardes quarry versus desalination).
- Consideration of universal metering and updating of water-related legislation.
- Creation of pumping stations at Kings Mills and Perelle to maximise water resource collection.
- Development of Water Safety Plans (a detailed risk analysis of every step of the water treatment process, from collection of precipitation to delivery of treated water to customer taps).
- Service reservoir inspections and the consideration of rationalisation.

Guernsey Water is a separate business unit and its listed objectives meet the States Objective to ensure the wise long-term management of Island resources. Guernsey

Water are continually reinvesting in their business to ensure the co-ordinated and cost-effective delivery of public services.

States Works

- Encourage and develop wider use of States Works Fleet Management service.
- Support apprenticeships to ensure the availability of locally qualified trades' people.
- Seek an alternative location for the Sewage Tanker Fleet.
- Explore and develop opportunities to combine existing States of Guernsey workforces with States Works to achieve greater efficiency of operation and reduced duplication.
- Identify complementary business activities to maximise use of skills and resources.
- Remain a viable business, generating sufficient revenue to finance its capital replacements.
- Drive down operating costs, through strong people management, operational efficiency and best use of resources.
- Develop existing business and income streams in order to achieve greater productivity without the need to increase existing overhead support services and facilities.
- Develop new income streams in order to recover overhead costs over a larger income base and thus reduce the recovery per unit of labour.

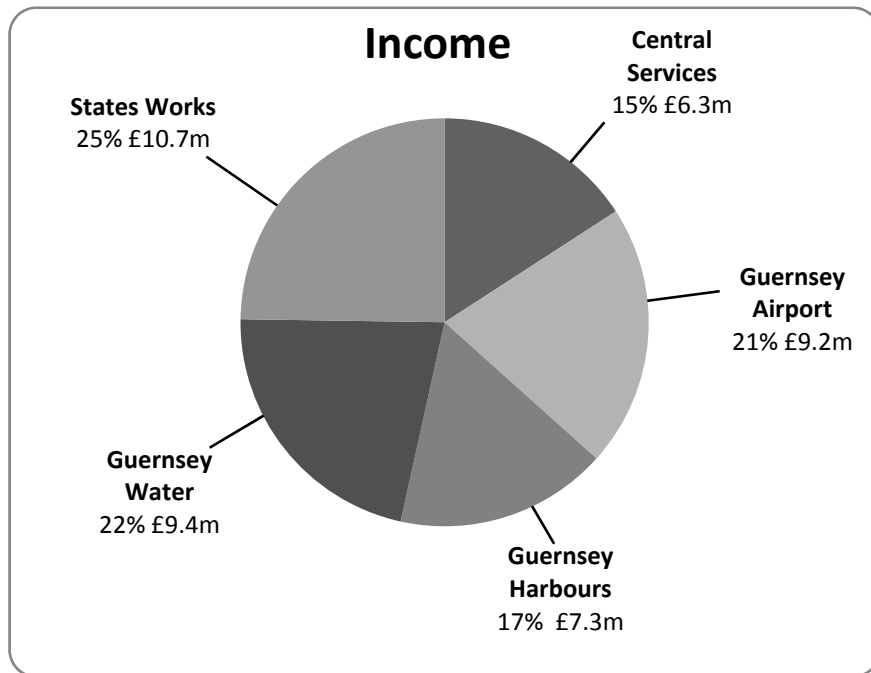
States Works operate as a separate business unit and these objectives follow the States Objective to ensure the co-ordinated and cost-effective delivery of public services.

4. How we spend public money

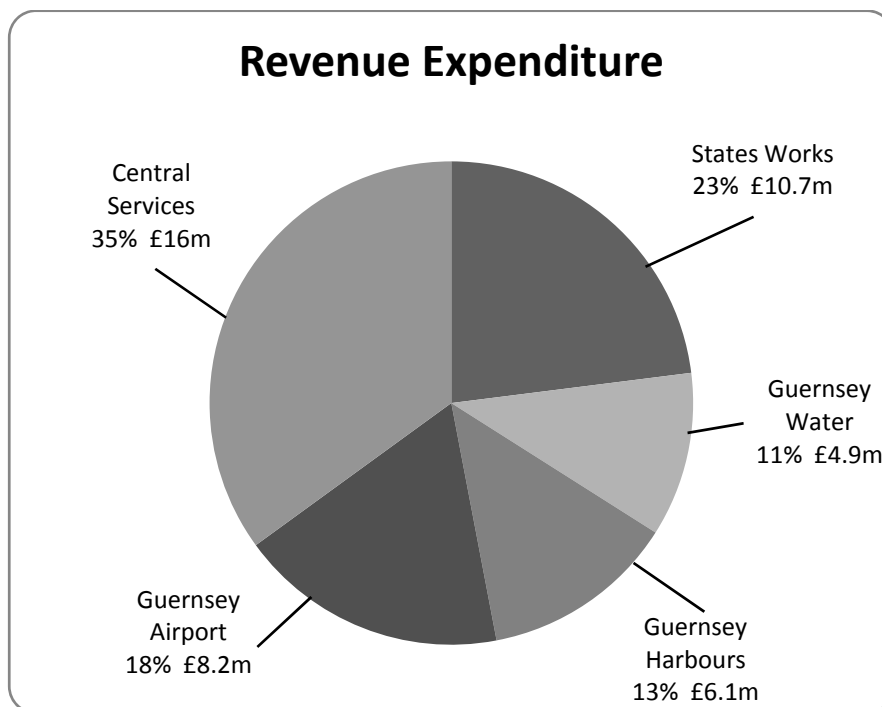
The Public Services Department has a turnover of approximately £40million per annum and nearly £1billion of assets under management.

Four of the Department's business units (Guernsey Airport, Guernsey Harbours, Guernsey Water and States Works) operate as commercial, trading entities and receive no general revenue income. They are entirely funded from their own income generation.

The following charts show **2009 actual Income and Revenue Expenditure** (excluding depreciation).



Total Income = £ 42.9m



Total Revenue Expenditure = £45.9m

In addition: Total Capital Expenditure = £17.09m

5. Financial transformation programme

The Department is working in support of the Financial Transformation Programme and has assisted in the progression of such issues as the review of the States websites, and the use of SAP in the States.

6. How we monitor, or would like to monitor and review our performance

Each business unit produces a quarterly report for the Board including financial performance, showing progress with major projects, workload, etc. Business units monitor and review their performance against the relevant industry standards and best practice as follows:

Waste Services

- Compliance with licenses from the Office of Environmental Health and Pollution for waste sites.
- Current and historic landfill site gas emissions monitored to UK Environment Agency Guidelines.
- Regular sampling programme of sewage discharges and seawater is in place which is benchmarked against the Environmental Quality Standard (EQS).
- Roads programme measured against budget, estimated costs and benchmarked.

Guernsey Airport

Guernsey Airport works towards agreed objectives, which are reviewed and reported against. In addition the various technical and safety-critical elements of the business are subject to regular external audit by outside agencies such as the Civil Aviation Authority and the UK Department for Transport. Regular meetings of various Airport Consultative Committee and other User Groups (comprising the main users of the airfield) are held with Airport Management and provide useful feedback on performance.

Guernsey Harbours

- Financial performance review through monitoring, periodic reports, and review of statistics.
- External measurement and audit against international standards and codes of practice.
- Liaison with Commercial Port Users, Sea Fisheries, Marine Traders and other focus groups.
- Health & Safety audits.
- Setting of and reviewing performance against business and operational targets and KPIs.
- Risk Assessment Reviews.
- Benchmarking against peers.

Guernsey Water

- Internal targets are set in the Business Plan and reported through the Annual Report, (water storage, speed of mains-burst repairs, water discolouration complaints, leakage levels, financial performance etc.)
- Targets reported through the PSD Business Plan (customer satisfaction ratings, operational surplus targets, production cost per megalitre of water and distribution cost per unit of supply).
- Drinking water quality assessed against the EC Drinking Water Directive. Samples are taken from water treatment works, service reservoirs, the distribution system and customer taps.
- Performance indicators from UK water regulators OFWAT which are benchmarked against other jurisdictions.

More information can be found in the 2009 Annual Report and Business Plan at www.water.gg.

States Works

- Quarterly trading accounts to monitor the financial performance of the business supplemented with details of major business activities and Key Performance Indicators.
- Monthly management accounts produced with Profit and Loss, balance sheet and cash flows.
- Internal procedures subject to annual quality accreditation audits (ISO9000), external financial audits and at least once every 5 years internal procedural and financial audits.
- Customer satisfaction feedback continues to be used as a benchmark.

Social Security Department

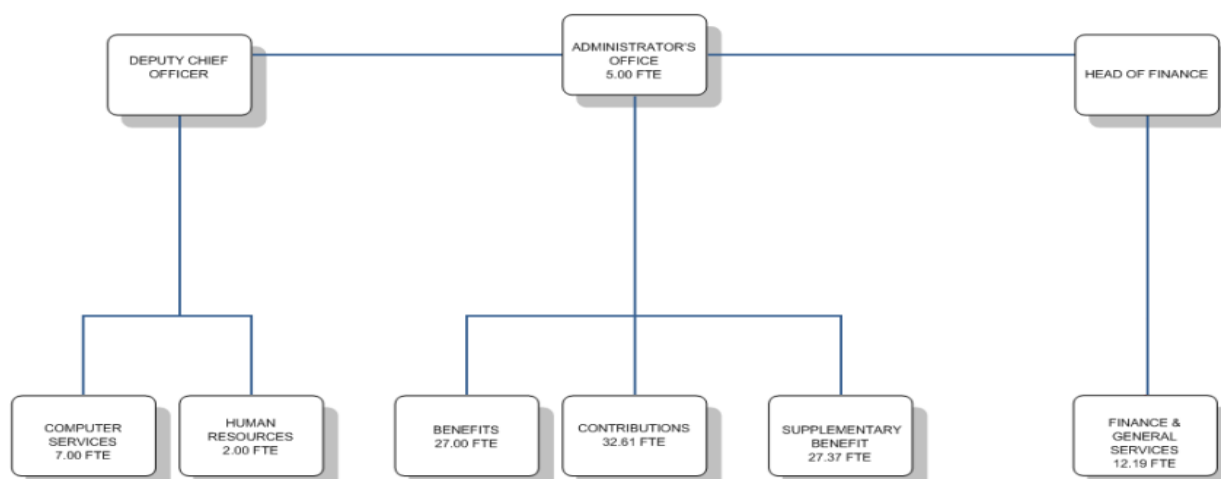
1. What we do

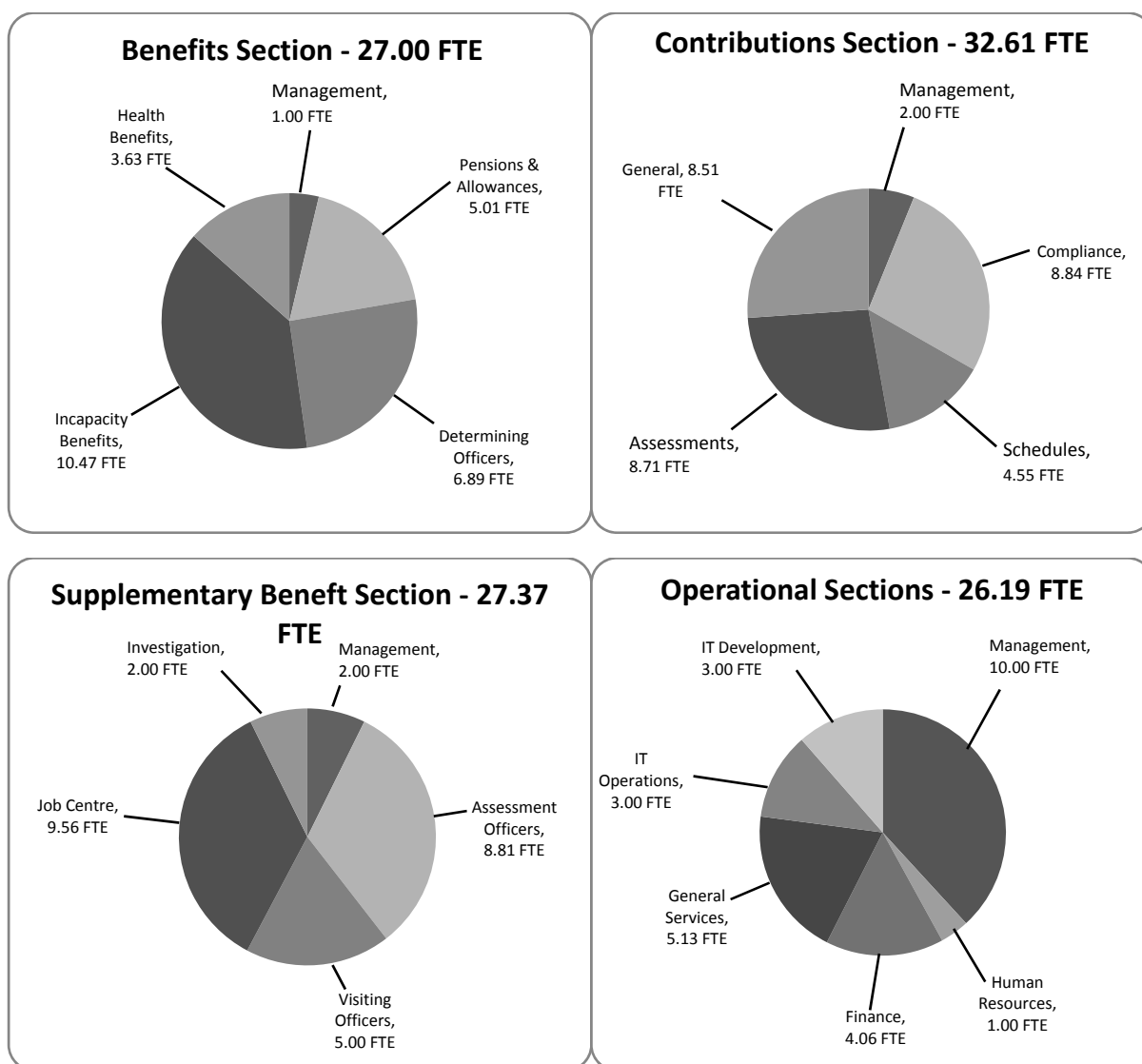
The Social Security Department's main purpose is to provide social security coverage for the wellbeing of Guernsey and Alderney residents, and for migrant workers and their families. The Department does so by maintaining and developing:

- a **contributory Social Insurance Scheme** to provide financial assistance during old age, bereavement, incapacity, unemployment, maternity and death;
- a **contributory Health Insurance Scheme** to provide prescription drugs, specialist medical care and GP consultation subsidies;
- a **contributory Long-term Care Insurance Scheme** to assist with the cost of care in private nursing and private residential homes;
- **non-contributory schemes** to:
 - provide financial support to people having insufficient resources for an adequate quality of life through the provision of supplementary benefit
 - meet the costs of medical, dental and other healthcare costs of people and families on low income
 - support the wellbeing of children through the provision of family allowance
 - support people in need of domiciliary care and their carers through the provision of attendance allowance and invalid care allowance
- **reciprocal agreements** with other countries to preserve social insurance entitlements for local residents working in the international community and vice versa.

2. Who we are

As at 1 April 2010, the Department's total establishment was 113.17 full time equivalents. This was made up of 100 full-time posts and 22 part-time posts (including vacancies).





3. Department objectives (to 2014)

Modernisation of the Supplementary Benefit scheme

The former Government Business Plan directed the Social Security Department to investigate a more integrated tax and benefit system which targeted those that were vulnerable to or suffering most from relative poverty. Following a period of research, this led to the Social Security Department and the States Treasury and Resources Department agreeing that the Social Security Department should commence work on modernising the existing supplementary benefit scheme. The incorporation of the rent rebate scheme currently administered by the Housing Department is a key part of the modernisation programme.

What has become clear is that there is a need to separate “in work” and “out of work” welfare payments. The main principle behind this approach is that work should be incentivised and rewarded. But, in its current form, the supplementary benefit scheme

is not well suited to operate as an “in work” benefit. For example, for those that are undertaking some form of work, there is a need to declare earnings on a weekly basis which, after a £30 per week disregard, is valued pound for pound. This means that there is no incentive to work extra hours and so a disincentive to increase the amount of work done.

Modernising the supplementary benefit scheme is a top priority for the Department and it has made a commitment to report to the States on proposals for the new scheme before the end of 2011. This project directly contributes to the achievement of States corporate objectives under the fiscal and economic and social policy plans in relation to continuing full employment, a skilled, flexible labour market and by meeting welfare needs and reducing poverty.

To increase workforce participation and reduce benefit dependency through the provision of enhanced advisory, support and training services aimed at the long-term unemployed and incapacitated

There are compelling social and economic reasons to invest in the provision of services to help people, who have the capacity, to return to work following long-term unemployment or incapacity. The initiatives listed below directly contribute to the achievement of States corporate objectives under the fiscal and economic and social policy plans in relation to continuing full employment, a skilled, flexible labour market and encouragement for all who need, or are able, to work to find employment. The Department will seek to increase participation and reduce benefit dependency through:

- the expansion of the work rehabilitation service;
- the development of a training centre to upskill those at risk of long-term unemployment;
- the provision of additional work-related training schemes;
- the introduction of strategies to stem the rising trend in long-term incapacity, including the provision of a primary care mental health service.

To review the provision of long-term care benefit in respect of care in the community

Projections indicate that in 15 years time there will be 38% more people aged 60+ living in Guernsey and the number of people aged 80+ will increase by over a third. Current provision of housing, care and support services are inadequate to meet the future needs of older people. It is, therefore, essential to plan how the island will respond to the needs of its ageing population including the provision of new types of housing, increased community care capacity and new funding models. Care in the community is currently funded from General Revenue but could in future potentially be funded through the Long-term Care Insurance Scheme. This work directly contributes to the achievement of States corporate objectives under the social policy plan in that it supports families and vulnerable people.

To introduce a new rate of long-term care benefit for elderly mentally infirm (EMI) residents in private residential care homes

In recognition of the special care needs associated with EMI residents living in private residential care homes, the Department is taking steps to introduce a new rate of long-term care benefit. The EMI status of residents would be determined by the needs assessment panel, constituted by the Health & Social Services Department. The Department has made a commitment to report to the States during 2010, with a view to the new level of benefit taking effect no later than January 2011. This work directly contributes to the achievement of States corporate objectives under the social policy plan in relation to the integrated care and support for older people.

To transfer the costs of visiting medical consultants from the Health & Social Services Department to the Social Security Department

The Health & Social Services Department contracts with a number of UK healthcare providers for medical consultant services delivered in Guernsey by visiting consultants. The costs are currently met from the Health & Social Services Department's general revenue budget. As the Social Security Department, through the specialist health insurance scheme, generally pays for specialist medical services in Guernsey, and as the Department pays travel grants for patients travelling off-island, the two Departments believe that there is logic in the costs of the visiting consultants being financed from the Guernsey Health Service Fund, administered by the Social Security Department. The Department intends to report to the States in 2010 with a view to implementation from 2011. This work directly contributes to States objectives through the fiscal and economic plan as it will transfer costs from general revenue to the contributory Guernsey Health Service Fund.

To replace the Social Security contributions computer system

Both the current Income Tax collection and administration system and the Social Security contributions system are running bespoke IT applications which utilise an operating system, programming language, database structure and transaction processing system. This combined structural platform is predominantly run in UK government departments and not elsewhere in the world. This means that expert knowledge and support for running these systems is both dying out and becoming more costly to obtain. The States of Guernsey must move away from this platform if it is to avoid the risks of falling into the situation of a major system failure from which there is no recovery or the inability to implement necessary legal and operational changes in income tax and contribution assessment and collection systems.

Savings would be achieved by merging and consolidating the collection, payment and treasury systems which, at times, overlap and a new IT system will better enable a savings strategy to be implemented at the operational level. The project was included as a priority 1 in the capital prioritisation process with £5.5m of capital reserve funding earmarked for the portion to be funded by general revenue. This project would directly contribute to the achievement of States corporate objectives in relation to a co-ordinated and cost-effective delivery of public services.

To investigate various systems for supplementing retirement income

The basic State pension (or Old Age Pension) provides weekly financial assistance for people over retirement age, currently 65. The amount payable is dependent on the contribution record of the individual. In order to secure a comfortable retirement, the basic State pension should be supplemented by other sources of income. Some employers offer private occupational retirement schemes for their employees. Some people make provision for their retirement through individual retirement schemes, savings, investments, etc. However, many people make no provision to supplement their retirement income and, as a result, experience a substantial reduction in their standard of living upon retirement. The Department intends to investigate various mandatory and optional systems for supplementing retirement income such as, earnings related pensions, means-tested pensions, provident funds and occupational retirement schemes. This work would directly contribute to the achievement of States corporate objectives under the social policy plan in that it would assist people to help themselves and become independent where possible, by encouraging personal responsibility and by meeting welfare needs and reducing poverty.

Investigate the introduction of statutory maternity leave with pay

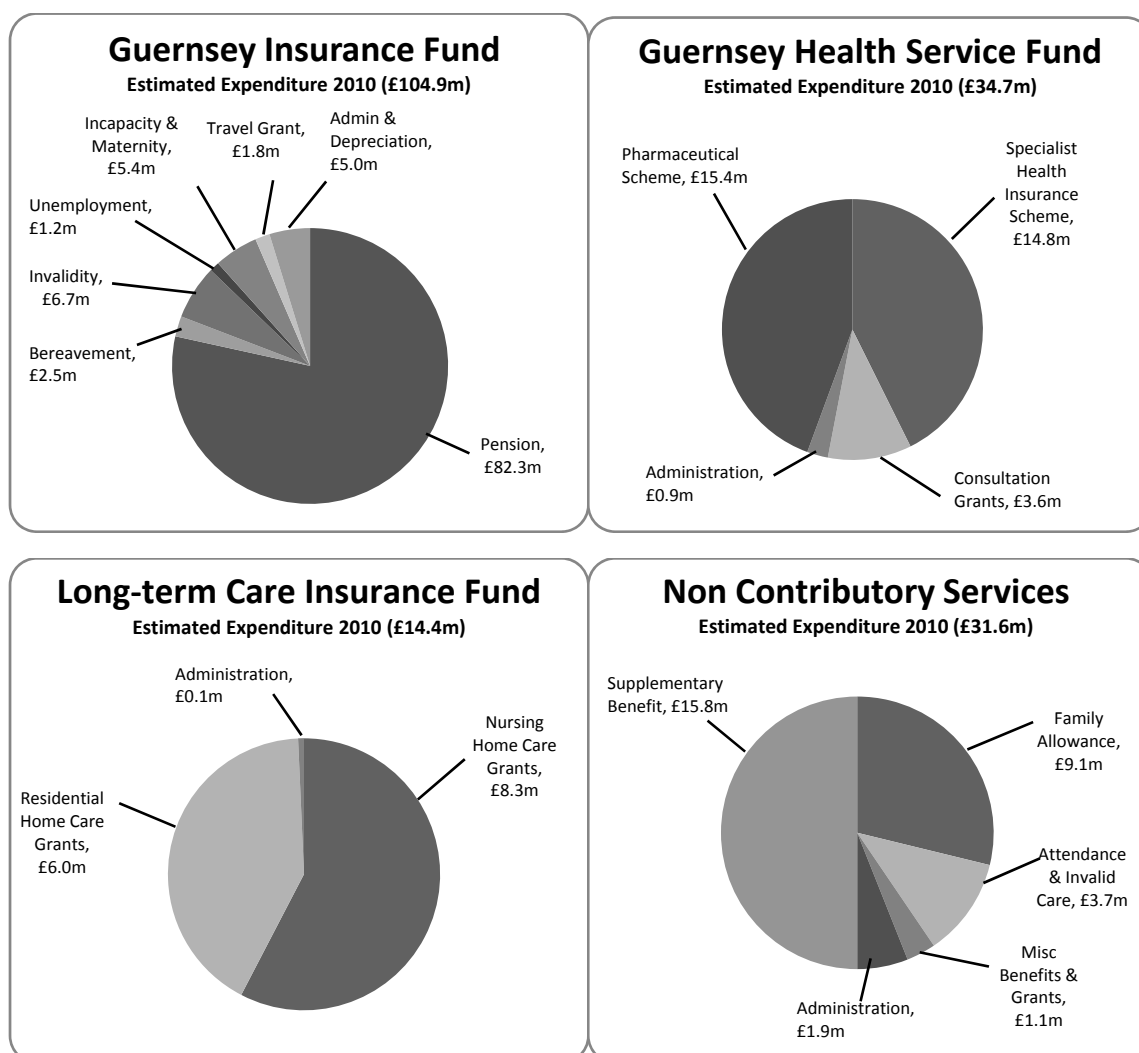
At present, employers in Guernsey are not required by law to provide maternity leave with pay. This, and other issues, will need to be addressed if the States of Guernsey is to sign up to the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). This work directly contributes to States objectives under the social policy plan in relation to conducting research into statutory maternity provisions.

To consider linking energy efficiency grants to social security benefits

In England, 'warm front grants' are available to people in receipt of certain benefits to assist homeowners and tenants to more efficiently heat their homes, thus reducing heating bills as well as carbon emissions. In June 2008, the States endorsed the Energy Policy which included a direction for the Social Security Department to consider linking energy efficiency grants to social security benefits. This topic requires further investigation before the possible submission of a bid for additional General Revenue funding but does directly contribute to States objectives under the Environmental Policy plan in relation to energy sustainability.

4. How we spend public money

The following pie charts depict the Department's estimated expenditure by Fund in 2010:



5. Financial transformation programme

The Department is participating in three of the financial transformation programme work streams, namely finance, procurement and value for money. In the Finance work stream work is underway to establish the benefits and efficiencies in the utilisation and integration with the SAP system for common accounting processes. Work has also begun to design a skills development programme in financial competence for the future. Strategic input is being provided to the procurement work stream and support to the value for money work stream will be provided where areas of opportunity have been prioritised.

6. How we monitor, or would like to monitor, and review our performance

At a strategic level, the Government Actuary's Department undertakes 5-yearly reviews of the three insurance funds administered by the Department. The prime purpose of such reviews is to determine the financial sustainability of the funds and the expected adequacy in future years of the present contribution rates.

At an operational level, the Department uses a Management Information System (MIS) to monitor internal business processes and operational performance. This informs evidence-based decision making and helps to monitor compliance with service standards.

Benefit claimants have a formal right of appeal to an independent Tribunal and the information gathered through this process can inform policy development and lead to improvements in service delivery. The Department is currently finalising its formal complaints policy and this will also help to inform policy development and improve service delivery.

The Department seeks to continuously review and improve practices in order to maintain its accreditation as an Investor in People (IiP). The IiP Standard is widely recognised as the UK's leading people management business improvement standard.

The Department is taking steps to develop key results areas and their related key performance indicators. In doing so, the resultant performance framework will have regard to the strategic indicators set out in the States Strategic Plan and establish greater visibility and focus within the Department. This also helps underpin I.i.P. accreditation.

Treasury and Resources Department

1. What we do

Every Department is given a ‘mandate’ by the States of Deliberation. These broadly set out a Department’s high-level responsibilities – the things the States wants a Department to deal with. Our mandate requires us to deal with the following matters: -

- The allocation and administration of all States resources.
- The regulation and control of States financial affairs.
- The raising of States income.
- The systems for the assessment and collection of income tax, dwellings profits tax (currently suspended) and tax on real property.

At a more detailed level this involves: -

General

- Assessing and commenting on the resource implications associated with Departments’ and Committees’ proposals which are to be placed before the States.
- Establishing corporate regulatory frameworks for Finance, Information Technology, Procurement and Property.

Client Services

- Managing the States insurance requirements, bank accounts, collection of States income, the Guernsey currency notes and coins and commemorative issues, the Purchasing, Asset management, Payroll, Pensions, Loans and Accounts Receivable Systems.
- Maintaining a register of property ownership for the purpose of assessing and collecting taxes including developing and maintaining the States Digital Map.

Corporate Procurement Services

- Overseeing the purchase of goods and services for the States ensuring this is as efficient, effective and equitable as possible.

Corporate ICT Services

- The development, management and support of computer and communications systems and the security of data held on the States computer network.

Income Tax Office

- Developing and implementing policies on the assessment and collection of income tax and administering the requirements of the Income Tax and Dwellings Profits Tax Laws (the latter is currently suspended).

- Administering the requirements of the Retention Tax System arising under the agreements associated with the EU Savings Tax Directive and acting as the Competent Authority for the purposes of international tax agreements.
- The registration of Charities and other Non Profit Organisations.

States Property Services

- Managing the States property portfolio to provide the best returns for the States and providing advice to other Departments on property and construction matters.

Treasury

- Preparing the States Annual Budget, Accounts and managing the States Capital and Revenue spending prioritisation process.
- Overseeing the professional management of States investments and managing Internal Audit services.
- Undertaking the shareholders' functions and duties in respect of the States Trading Companies (Guernsey Electricity, Guernsey Post and Aurigny).

Our specific policy priorities for 2010, which will be funded from the Department's existing revenue budget, include preparing States Reports on: -

- | | |
|---|------------------|
| • Double Tax Agreement with Australia | JANUARY |
| • States year-end Accounts (2009) | MAY |
| • Annual Accounts for Guernsey Electricity and Guernsey Post | SEPTEMBER |
| • Defining properties of historic interest within the States property portfolio | OCTOBER |
| • Compulsory Purchase – Procedures and Fees for the arbitration process | OCTOBER |
| • 2011 Annual Budget | DECEMBER |

NB A number of the Department's 2010 priorities have now been subsumed into the States Financial Transformation Programme including the States ICT Corporate Wide Area Network Review and the Business case for the introduction of Resource Accounting and Budgeting.

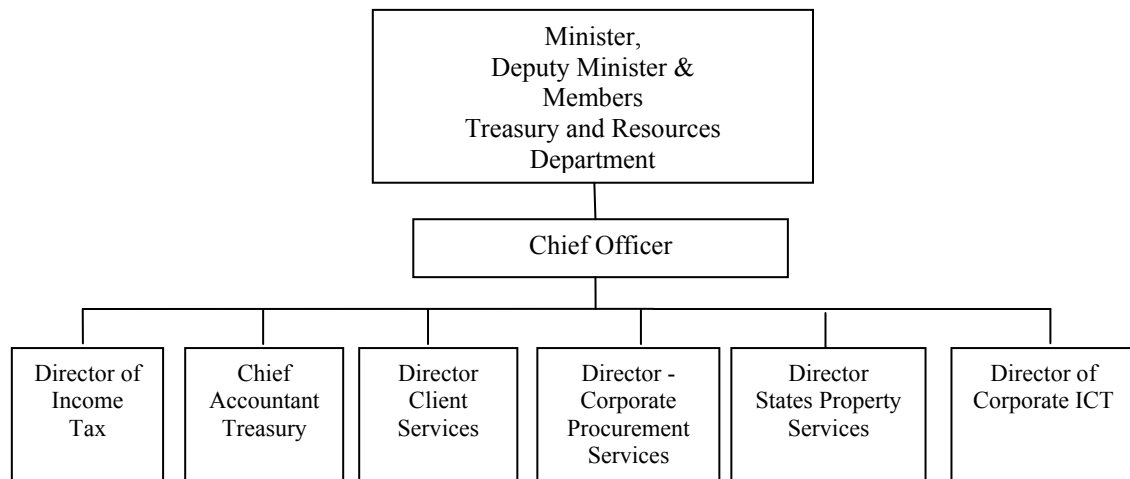
Further Information

More detailed information about the Treasury & Resources Department is contained in its Business Plan which can be found on the States of Guernsey website www.gov.gg

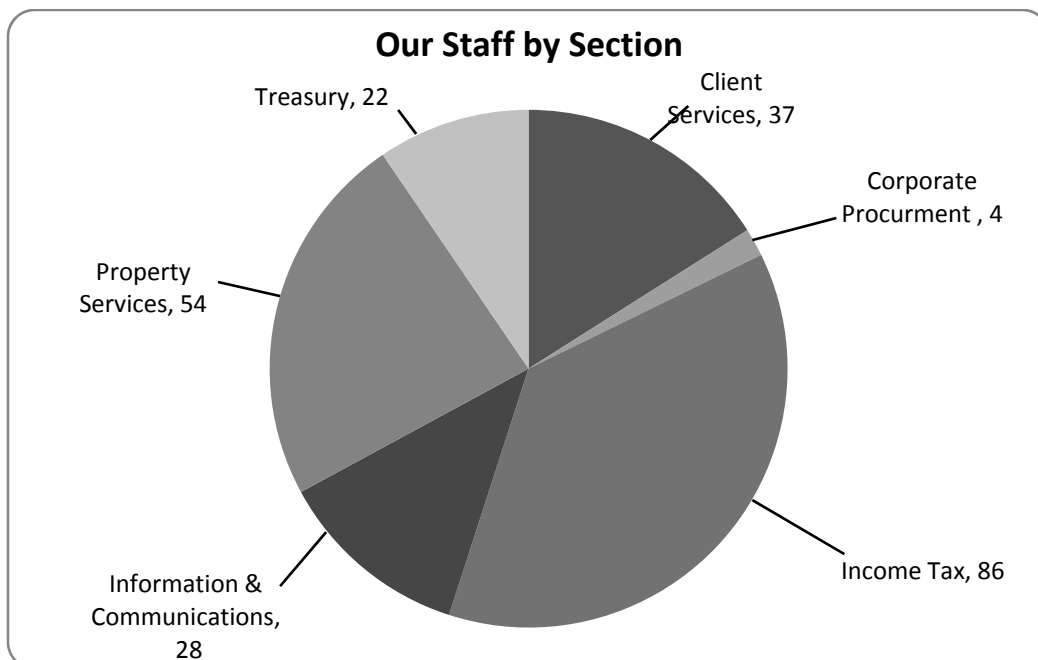
2. Who we are

The Department is organised into six sections. Each section is headed up by a Director each of whom reports to the Department's Chief Officer. Together they form the Department's Senior Executive Team whose role is to deliver, coordinate and monitor the policy priorities that are established by the Department's political Board.

The organisation of the Department is summarised in the following diagram: -



The Department employs a total of 229 people (full-time, part-time and contract staff) compared with 238 in 2009.



For 2010, the Department has reduced its staffing numbers in order to cut expenditure by £1 million. Seven posts have been deleted and a number of contract posts have also been ended. Other cost cutting measures are currently being explored with a view to further reducing the Department's expenditure during 2010 and onwards.

3. Longer term priorities (to be funded from the Department's existing budget)

The priorities listed below all support States corporate objectives and in particular the 'Wise long-term management of Island resources', the 'Co-ordinated and cost-effective delivery of public services', 'Long run fiscal balance: spending within constraints of the Fiscal Framework' and a 'Real term freeze on aggregate States revenue expenditure'.

In addition, several of the Department's priorities also support the achievement of the States corporate Social and Environmental objectives as identified (*) below.

Client Services

- Contribute to the delivery of the SAP workstream projects as part of the Financial Transformation Programme.
- Explore options for introducing shared services for other functions.
- Lead on developing and costing plans, through a consultative process, for the introduction of a Land Registry.
- Support the Public Sector Remuneration Committee with the procurement and implementation of a replacement corporate pensions system.

Corporate Procurement Services

- Lead on the delivery of the Procurement workstream projects as part of the Financial Transformation Programme.
- Develop Directives and Guidelines to complement the Rules on Financial and Resources Management.
- Instigate a new Tender and Contracts Register to improve cross-departmental collaboration on procurement.
- Support Environmental Procurement by developing sustainable procurement policies and encouraging the use of recycled and recyclable products. *

Corporate ICT Services

- Lead on the delivery of the ICT workstream projects as part of the Financial Transformation Programme.
- Develop Service Level Agreements with all Departments.
- Develop Directives and Guidelines to complement the Rules on Financial and Resources Management.
- Investigate the requirement and feasibility of a corporate system for handling information/document management.

Income Tax Office

- Assist with the Policy Council's review of corporate tax policy.
- Review legislation governing pensions in order to encourage and facilitate individuals providing for pensions, by introducing more flexibility and updating the existing regime.
- Undertake a joint review (with the Social Security Department) of existing tax allowances and non-contributory benefits with the aim of targeting assistance towards those who are vulnerable to or suffering from relative poverty. *
- Undertake a joint review (with the Social Security Department) to assess the feasibility and potential resources and cost savings of merging and consolidating income tax and social security contributions collection and payment systems.
- Identify opportunities to simplify and streamline the Income Tax legislation.

States Property Services

- Lead on the delivery of the Property workstream projects as part of the Financial Transformation Programme.
- Develop, implement and promote common Policies, Rules, Directives, Guidance and Procedures for all aspects of management of the States property portfolio.
- Develop Service Level and / or Occupation Agreements with relevant Departments governing the provision of Estate Management Services.
- In conjunction with the Housing Department, review all States owned and leased Key Worker accommodation in accordance with States Resolutions contained within the States Report of March 2007. *
- Identify States-owned sites suitable for housing development and on which "key worker" accommodation could be developed to sold/leased/transferred to a "key worker" housing association. *
- Continue with the implementation of stage 1 of the States Property Rationalisation Strategy including implementing the rolling programme of Condition Surveys for all States land and property assets.
- Introduce and promote best practice in energy and environmental management within the States property portfolio and encourage reduced energy consumption through improved efficiency.
- Explore ways of stimulating investment in energy efficient equipment and measures, including the operations of Guernsey Electricity Limited.

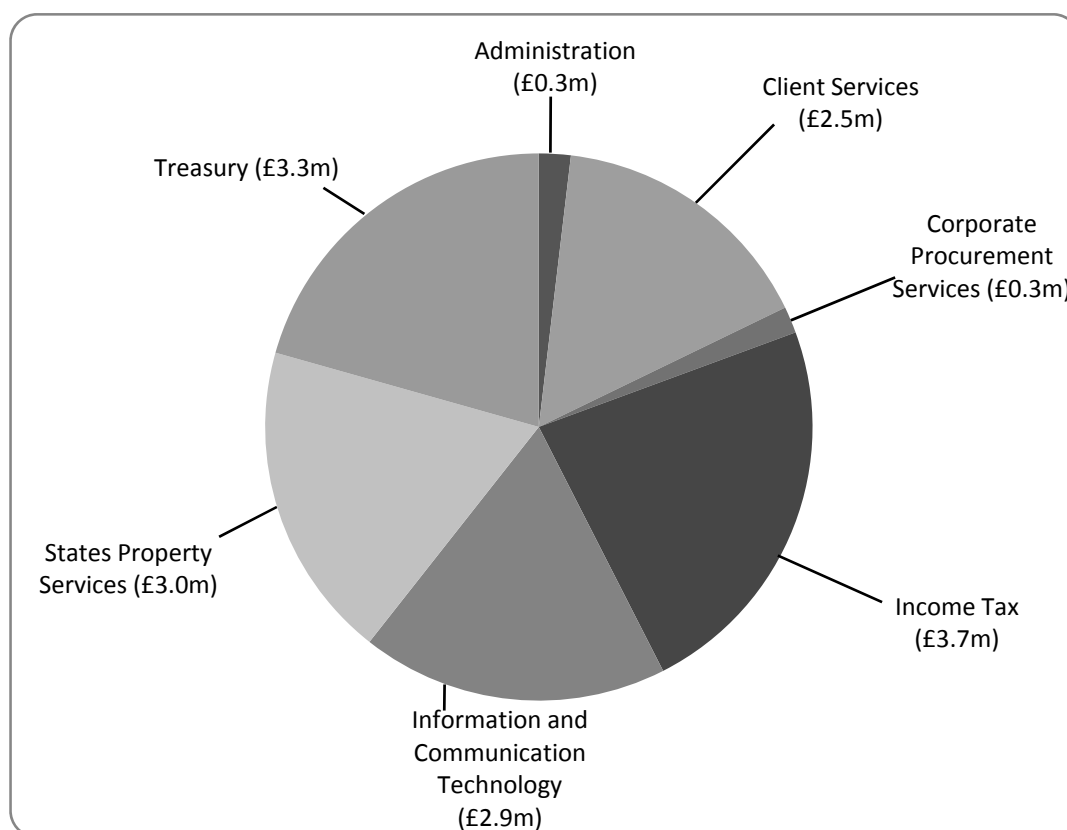
Treasury

- Assist with the Policy Council's review of corporate tax policy.
- Research measures and propose solutions to address the structural deficit in the public sector finances.
- Lead on the delivery of the Finance workstream projects as part of the Financial Transformation Programme.
- Develop Directives and Guidelines to complement the Rules on Financial and Resources Management.
- Lead reviews of the retail classifications and associated tariffs applicable under Tax on Real Property and duty on fuel for marine use.

- Contribute to the review of the present Document Duty Law and Ordinances.
- Investigate viability of a loan fund to support energy saving developments with repayment through the resulting revenue savings.
- In conjunction with the Housing, Health & Social Services and Social Security Departments, develop an integrated care and support strategy for older people. *
- Investigate the possibility of introducing a local carbon or energy tax, the revenue from which could be used to fund an Energy Advice Centre and the Guernsey Renewable Energy Commission. *

4. How we spend public money

Our total **revenue** budget allocation for 2010 is £16 million including all staff costs but excluding payments to States Members. It is allocated between each of its Sections as follows: -



Capital Budget

In addition to its annual Revenue budget, the Department receives a capital budget to meet the costs of high value projects that fall outside of the Department's day-to-day expenditure requirements. Our current allocation is £2.6 million.

5. Financial transformation programme

The Department is leading on the workstreams and business cases in the areas of Finance, ICT, Procurement and Property.

6. Measuring performance

Consideration is currently being given, under the Financial Transformation Programme, to the development and introduction of meaningful performance measurements across the Department.

Public Sector Remuneration Committee

1. What we do

The Committee is responsible for:

- taking the employer's role in all matters relating to the determination of pay, pension benefits and conditions of service for approximately 4,500 States employees;
- advising on the pay and conditions of service of staff who, although not direct employees of the States, are involved in other areas of public administration where States finances are involved.

2. Who we are

The Committee has no staff of its own. Secretarial support is provided by officers from the Policy Council's Human Resources Unit.

3. Longer term objectives

The Committee's responsibilities are on-going. Each year it is required to reach new pay and conditions agreements with a dozen or so different public sector pay groups and this task will always be the major priority.

Additionally various ad hoc pay, pension or conditions of service matters will be referred to the Committee by employing Departments, staffing bodies or individual employees.

The Committee will also be working closely with the Policy Council and others with regard to the far-reaching recommendations made by the Tribunal of Inquiry into industrial action at Guernsey Airport.

4. How we spend public money

The Committee has no budget of its own. However, its judgements on pay and conditions matters do have a direct impact on States payroll costs.

Currently the States payroll stands at just over £200m per annum.

5. How we monitor, or would like to monitor, and review our performance

Performance is monitored by analysis of:

- recruitment and retention data;
- the number of matters referred to the dispute resolution service (and the outcome of any binding awards);
- pay and conditions agreements elsewhere (in Guernsey and the UK public sector);
- discussion with/feedback from employing Departments.

Public Accounts Committee

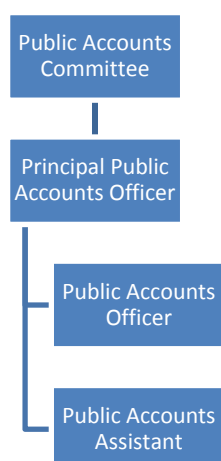
1. What we do

The Public Accounts Committee is tasked with ensuring the proper *scrutiny* of States' Departments and non-States bodies' financial affairs. Acting as a *safeguard* to public money, it ensures that States' bodies operate to the *highest standards in financial matters*. Where deemed necessary, the Committee will *challenge* the implementation of policies and procedures and *make recommendations* aimed at achieving *better value for money* for the States. It ensures that public funds have been *applied for the purposes intended by the States*, and that States' Departments do not use these funds *extravagantly*, nor *wastefully*.

The Committee's published States Reports dating back to 2004 may be accessed through the States website's homepage at www.gov.gg.

The Committee meet fortnightly and undertakes some of its specific tasks through deploying its permanent and ad hoc working parties, to efficiently undertake some of the essential groundwork. The working parties include, inter alia, those reviewing contracts, auditing and dedicated research into the appointment of an auditor general.

2. Who we are



Elected membership of the Committee consists of five States members and in addition, uniquely in the States, four non-States voting members.

The work of the Committee is supported by three permanent members of staff, although the post of Public Accounts Officer is currently vacant.

There is also limited support from the Treasury and Resources Department's Facilities and Resources Unit.

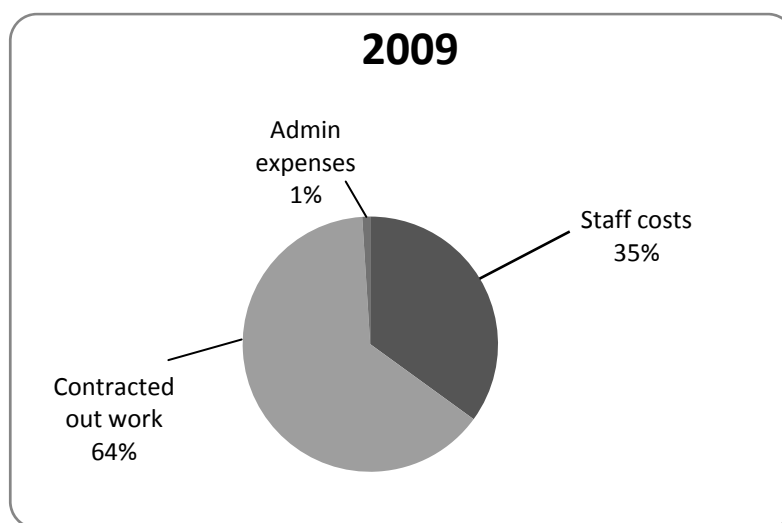
The Deputy Chief Executive has the overall responsibility at civil service level for all parliamentary staffing matters.

3. Longer term objectives (for the period 2010 to 2014)

- To continue to initiate and improve on the delivery of a mixed programme of value for money reviews and investigations on projects, as well as commission other reviews as directed by the States.
- In accordance with States resolutions from 2003 and 2004, the Committee will be bringing to the States a Report on the possible creation of the statutory post of an auditor general for Guernsey, to be in post by 2012, for which additional funding will be requested. Should this be accepted the Committee will then focus on setting up such a body, the impact on its mandate and interaction thereon.
- To re-assess the methodology of instigating reviews prior to the conclusion of the Committee's framework agreement of third party reviewers in 2012 and the possible creation of an auditor general.
- To consider the processes to appoint and responsibility of the appointment of external auditors for the States and other entities prior to re-tendering in 2012.
- To continue to support and promote the updating, guidance, standardisation and regulation of accounting and financial processes and procedures to meet with international and national standards.
- To continue to support and promote the reporting of the States' finances in a clear format and in accordance with internationally accepted practices.
- As the Financial Transformation Programme and States Strategic Plan develop, the Committee will be considering ways in which it can monitor and ensure that departments encompass the efficiency and budget changes, ensuring co-ordination with the other financial scrutiny bodies of external and internal audit.
- The Committee will continue to promulgate good governance principles throughout the States and promote the need for greater accountability, management of risk and internal audit in particular.

4. How we spend public money

The majority of the Committee's budgeted expenditure (a total budget of £275,000 supplemented by £75,000 of unspent balances), relates to contracted out work, which arises from reviews carried out by third parties. Apart from some minor administration expenses, the remainder is spent on staff costs.

Summary of category & service area performance during 2009**5. Financial transformation programme**

As the programme develops and is implemented, the Committee envisages that it will independently oversee the outcomes of the FTP, together with other relevant scrutiny bodies.

6. How we monitor or would like to monitor and review our performance

- The Committee sets a programme of work to achieve an output of four reviews/reports a year.
- The outcomes achieved through its reviews, for example the implementation of recommendations leading to better value for money and improved financial and project management.
- Increased knowledge and public acceptance of the work of the Committee.

Scrutiny Committee

1. What we do

Through a process of political scrutiny, we review the performance of the Policy Council, Departments and Committees with particular emphasis on:-

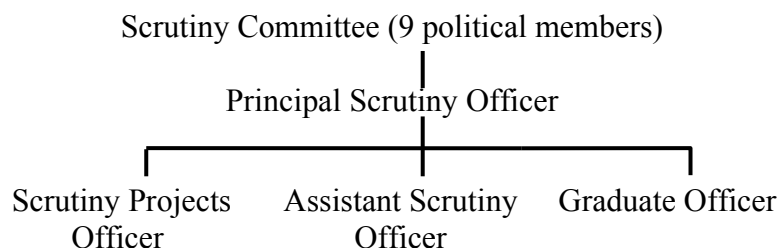
- Determining the effectiveness of the policies of, and services provided by, Departments and Committees;
- Assessing the performance of Departments and Committees in implementing policies and services;
- Identifying areas of policy or service delivery that might be inadequately or inappropriately addressed;
- Promoting changes in policies and services where evidence persuades the Committee that these require amendment; and
- Holding reviews into such issues and matters of public importance that the Committee may determine from time to time.

The Committee has:-

- Published its forward work programme to provide a clear indication of the areas of policy and service delivery which the Committee is interested in reviewing;
- Completed its “Investigating Vandalism” review and will produce a follow-up report detailing the extent to which its recommendations have been accepted and implemented by departments;
- Held the first in a series of ‘Review Meetings’, where the Environment Department was questioned by the Scrutiny Planning Panel on the progress made against recommendations contained in the ‘Review of Guernsey’s Planning Service’ Report;
- Commenced research on two further topics to be considered at future review meetings in 2010: School Exclusions and Public Engagement;
- Re-established ‘Billet Meetings’ to ensure regular scrutiny of policies presented to the States and to ask timely questions of Departments and Committees during States’ meetings e.g. the publication of a ‘Q&A on the Administration of the Electoral Roll’;
- Continued to monitor the implementation of significant States policies, such as the States Strategic Plan and the Population and Migration Strategy;
- Sought to increase the Committee’s ability to engage with the public through the creation of a ‘Scrutiny Guernsey’ page on the social network site ‘Facebook’;
- Developed an initial pilot framework of performance indicators for the Scrutiny Committee;
- Undertaken tailored training on questioning skills.

More information on the Committee, including on its role, processes and procedures and work undertaken, is available from www.gov.gg/scrutiny.

2. Who we are



3. Longer term objectives (for the period to 2014)

The Committee's strategic objectives are to:

- Make a positive impact on service delivery
- Provide an effective challenge to the decision-making of government
- Encourage accessibility to and public participation in scrutiny
- Reflect the concerns of the public and its communities
- Work effectively with Departments and Committees; politicians and their senior management
- Develop Committee Members' involvement and ownership of the scrutiny process.

The Committee's Forward Work Programme, which sets out what it hopes to achieve up until April 2012, was published in February 2010, together with its Performance Report for the year ending 30th April 2009. Under its forward work programme, amongst other initiatives, the Committee intends to:

- Hold review meetings (usually open to the public) approximately once every 4 to 5 months to question Departments about areas of strategic importance under their mandate. In 2010, the Committee will hold review meetings on the planning service, school exclusions and public engagement;
- Continue work on developing a monitoring system for follow-up on States Resolutions;
- Review, on a quarterly basis, the work programme of the Committee to incorporate and reprioritise workstreams as appropriate;
- Review the Committee's processes and procedures and resource requirements, including developing a 'Memorandum of Understanding' to set out the expectations of all parties involved in the scrutiny process.

The Committee updates its Forward Work Programme on a quarterly basis in order to inform the public and States' Departments and Committees of new and reprioritised work streams. This is available from www.gov.gg/scrutiny.

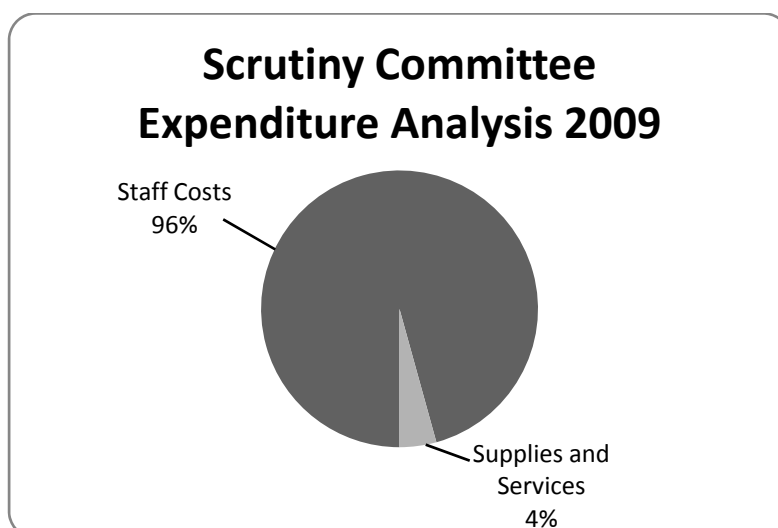
The Scrutiny Committee is mandated to monitor Departments and Committees to ensure appropriate implementation of policy and service delivery, and will assess performance

against the policy planning process endorsed by the States of Deliberation. Scrutiny's role is to ensure all Departments and Committees are meeting, and relating their workstreams to, the States Strategic Objectives, whilst acknowledging that the plan is a multi-faceted, evolving process, that in itself will be monitored by the collective parliamentary committee process.

4. How we spend public money

The majority of the budgeted expenditure of the Committee relates to staff costs. Expenditure for 2009 was £156,535 out of an authorised budget of £208,000. The Committee's authorised budget for 2010 is £241,000, including £31,000 allocated unspent balances.

During 2010 the Committee will continue to explore, with the Treasury and Resources Department, establishing a rolling budget for large reviews.



5. How we monitor our performance

- The Committee publishes an annual Performance Report, available from www.gov.gg/scrutiny. The first report of the current Committee is available, reporting on performance from May 2008 to the end of April 2009. The second report will be produced in the autumn of 2010.
- The Committee monitors the performance of its reviews by carrying out a follow-up report detailing the extent to which its recommendations have been accepted and implemented by departments.
- The Committee has implemented a range of qualitative and quantitative performance indicators that monitor the performance of the Committee.

States Assembly and Constitution Committee

1. What we do

The States Assembly and Constitution Committee is mandated to advise the States on:

- The constitutions of the States of Deliberation and the States of Election;
- The Rules of Procedure of the States of Deliberation;
- The constitution and operation of States departments and committees;
- The system of election of ministers and members of States departments and States committees;
- Matters relating to the practical functioning of the States of Deliberation and the States of Election including facilities provided for Members of the States;
- Elections to the office of People's deputy;
- Matters relating to the propriety and conduct of States Members;
- Induction training and on-going support for States Members;
- The general procedures for the timely and efficient management of public business in the States of Deliberation.

The States Assembly and Constitution Committee also exercises certain powers and duties conferred on it by extant legislation which includes:

- The Reform (Guernsey) Law, 1948, as amended;
- The States Committees (Constitution and Amendment) (Guernsey) Law, 1991.

2. Who we are

- The States Assembly and Constitution Committee is constituted by a Chairman and four other members, all of whom must be sitting Members of the States.
- The Committee has 1 FTE member of staff – its Principal Officer. Minute taking and writing services are provided by Policy Council staff. The Principal Officer is also Deputy Registrar-General of Electors.

3. Committee objectives

- Reporting to the States on the feasibility of establishing an island-wide voting system;
- Continuing to monitor, and when appropriate recommend changes to, the Rules of Procedure, Rules for States Departments and Committees and the Code of Conduct for States Members;
- Reviewing and if necessary reporting to the States on election procedures;
- Reviewing and reporting to the States on the possibility of consolidating and extending the Reform (Guernsey) Law, 1948, as amended;
- Reviewing and reporting to the States on the constitution of the States of Election.

4. Financial transformation programme

The Committee is not aware of any work to be undertaken by it in support of the FTP.

5. How we spend public money

- Apart from the salary of its member of staff, the States Assembly and Constitution Committee's budget is minimal.
- Expenditure regarding elections occurs, in the main, every four years. There is an annual budget allocation which accrues over the four-year period.
- Expenditure regarding the electoral roll is met from the budget of the Home Department.

6. Monitoring

- Much of the Committee's work is prescribing rules under which the business of the States of Deliberation and States departments and committees is conducted and also prescribing a code regarding the propriety and conducts of States Members. The Committee therefore monitors the application of the rules on an on-going basis.

APPENDIX 5

Key Performance Indicators

The following tables and commentary summarise progress against the key performance indicators provided in the 2009 edition of the Sustainable Guernsey monitoring report.

The relevant policy group agreed a predefined target and/or desired trend for each of the KPIs, against which current performance has been gauged (including where the target is set for a point in the future) providing sufficient data is available. **Tables 1 and 2 provide a summary of performance against target and trend respectively.**

Table 1

KPI performance against target	Fiscal and Economic	Social	Environmental
On target	5	0	4
Near target	0	0	0
Off target	4	1	2
Insufficient / no data	0	1	0
Total with target defined	9	2	6

Table 2

KPI performance against trend	Fiscal and Economic	Social	Environmental
On trend	3	7	5
Off trend	0	2	4
Against trend	2	2	3
Insufficient / no data	7	16	10
Total with desired trend defined	12	27	22

The individual performance of each of the three sets of KPIs is provided in the following tables and accompanying explanatory text. The following paragraphs provide an overview of performance across the policy areas.

Twenty KPIs were identified to monitor the **Fiscal and Economic Policy Plan**, nine of which had targets defined. Five out of the nine were on target, compared to eight last year.

A desired trend was identified for twelve of the indicators. Three were on trend and two were against trend. The remaining seven had insufficient data for trend analysis.

In order to cover the broad range of topics in the **Social Policy Plan**, twenty eight KPIs were required, two of which had targets defined. The performance of one of the two was off target, the other had no data.

Of the twenty seven KPIs where desired trends had been defined, seven were on trend, two were off trend, two against trend and sixteen had insufficient data.

The Environmental Policy Plan also covers a wide range of topics and twenty two KPIs were defined at this stage. It was not possible to define KPIs to cover all of the strategic objectives in the Plan, since some of the policy objectives themselves require clarification to ensure correct and consistent interpretation. So, there are four additional KPIs which remain undefined.

Targets were adopted for six of the environmental KPIs; four were on target and two were off target.

A desired trend was defined for all of the twenty two established KPIs. Of these, four were on trend, four off trend, three against trend and ten had insufficient or no data.

Key to Symbols

In the following tables the desired and actual trends (which can be upward, stable or downward) are shown using arrows. Targets and actual ‘snapshot’ values are presented as text.

Performance is indicated by the use of the following symbols:

Performance against target key	
On target	✓
Off target	✗
Under development / insufficient / no data	UD
Not set	NS

Performance against trend key	
On trend	✓
Off (but not against) trend	~
Against trend	✗
Under development / insufficient / no data	UD
Not set	NS

Fiscal and Economic Key Performance Indicator Summary

Policy objective	Key Performance Indicator	Trend			Target		
		Desired	Actual	Performance	Desired	Actual	Performance
Long run fiscal balance: spending within constraints of the Fiscal Framework	Revenue budget surplus / deficit	NS	NS	NS	≥£0	+£16M	✓
	Total revenue and capital expenditure*	NS	NS	NS	≤21% GDP	19.1%	✓
Real term freeze on aggregate States revenue expenditure	Reflated revenue expenditure	NS	NS	NS	≤0% growth	7.3%	✗
Continuing OECD tier one status	OECD tier one status	NS	NS	NS	Tier 1	Tier 1	✓
Average economic growth of 2% or more per annum	Total GDP*	↗	↗	✓	≥2% growth	-2%	✗
	GDP per worker*	↗	↗	✓	NS	NS	NS
Stable and low inflation: RPIX 3.0%	RPIX	NS	NS	NS	≤3%	2.8%	✓
	Unit labour costs*	↘	↗	✗	NS	NS	NS
Continuing full employment	Total unemployment	NS	NS	NS	≤2%	1.4%	✓
	Employment rate	↗	↘	✗	NS	NS	NS
	Average period of unfilled vacancy	↘	UD	UD	NS	NS	NS
Skilled, flexible labour market	Qualification level	↗	UD	UD	NS	NS	NS
	Proportion of employed workforce undergoing training at any one time	↗	UD	UD	NS	NS	NS
Well regulated, competitive domestic markets	Regulation and competitiveness	↗	UD	UD	NS	NS	NS

Diversified, broadly balanced economy	Distribution of export sector employees	↗	UD	UD	NS	NS	NS
	Distribution of finance sector employees	↗	UD	UD	NS	NS	NS
	Distribution of all employees	↗	UD	UD	NS	NS	NS
	Estimated average earnings	↗	↗	✓	NS	NS	NS
Modern key strategic infrastructure, public investment averaging 3% of GDP	Investment in public infrastructure (annual snapshot)*	NS	NS	NS	≥3% GDP	1.7% in 2009	✗
	Investment in public infrastructure (5 year average)*	NS	NS	NS	≥3% GDP	2.6%	✗

* Data based on GDP forecast for 2009

In light of recent global economic conditions, and particularly in the relative sense, the overall performance of Guernsey's economy was robust in 2009.

In 2010, sufficient information was available to gauge the performance of the majority of the KPIs against trend and / or target. There is good data coverage for the fiscal related KPIs and currently unavailable data relating to distribution will also be available next year. This summary refers to 2009 performance unless otherwise stated.

States total expenditure as a percentage of Gross Domestic Product (GDP) and budget balance are on target. However, revenue expenditure increased by 7.3% in real terms (compared to the target of less than or no increase) and investment in infrastructure was less than the target minimum of 3% of GDP in 2009.

Guernsey continues to have OECD tier one status and two more of the previously signed Tax Information Exchange agreements have been brought into force since December 2009.

2009 GDP figures presented here are based on forecasts, since initial estimates will not be published until later in the year. Economic growth indicators are on trend in terms of longer term changes, despite a forecast decrease in GDP 2009.

Inflation (based on RPIX) is on target (0.2 percentage points below the target ceiling of 3%). However, the trend in labour costs, which represent output compared to the cost of workers, is in the opposite direction to the desired trend.

The unemployment rate remains below the ceiling of 2%, although it has increased in recent years. The employment rate has correspondingly decreased (against trend), but

remains high. Methods for tracking the number and duration of vacancies are under development.

The options for accurately collecting education and training data regarding the whole population, which is also lacking from some Social KPIs, continue to be investigated by the Policy and Research Unit.

The Fiscal and Economic Plan sets out a strategic level objective to achieve well regulated and competitive domestic markets in Guernsey, so this was included as a KPI. However, in practice, it has not been possible to provide a single KPI to represent this. The development of a suitable indicator is currently a work in progress.

Indices representing the distribution of employees have been developed and a trend analysis will be available again next year when sufficient time series data is available based on international standard economic sectors, which have recently replaced the sectors previously presented.

An estimated average earnings index has been developed by the Policy and Research Unit and it indicates an upward trend, which is the desired direction. This index will continue to be developed in conjunction with data providers, with the aim of calculating median earnings.

Social Key Performance Indicator Summary

Policy objective	Key Performance Indicator	Trend			Target		
		Desired	Actual	Performance	Desired	Actual	Performance
Meet welfare needs and reduce poverty	Relative poverty	↘	UD	UD	NS	NS	NS
	Children in relative poverty	↘	UD	UD	NS	NS	NS
	Supplementary benefit	NS	NS	NS	RPIX min	RPIX - 0.7 ppts	✗
Improve housing availability, quality and affordability	Total number of residential units available	↗	UD	UD	300 increase	UD	UD
	Social rental housing waiting lists	↘	↗	✗	NS	NS	NS
	Problems reported with housing quality	↘	UD	UD	NS	NS	NS
	House price to earnings ratio	↘	→	~	NS	NS	NS
	Rent to earnings ratio	↘	UD	UD	NS	NS	NS
Provide health and social care services	Life expectancy at 65	↗	UD	UD	NS	NS	NS
	Premature death rate	↘	→	~	NS	NS	NS
	State of health	↗	UD	UD	NS	NS	NS
	Adult obesity	↘	↗	✗	NS	NS	NS
	Childhood obesity	↘	UD	UD	NS	NS	NS

Support families and safeguard vulnerable people	Drug and alcohol abuse	↘	UD	UD	NS	NS	NS
	Domestic abuse	↘	UD	UD	NS	NS	NS
	Children on protection register	↘	↘	✓	NS	NS	NS
	Children re-registered on protection register	↘	↘	✓	NS	NS	NS
	Older people supported to live independently	↗	UD	UD	NS	NS	NS
Eliminate discrimination	Discrimination	↘	UD	UD	NS	NS	NS
Reduce crime and enhance community safety and responsibility	Crime	↘	↘	✓	NS	NS	NS
	Repeat offences	↘	UD	UD	NS	NS	NS
	Fear of crime	↘	↘	✓	NS	NS	NS
Provide education and training	Post 16 participation in full-time education	↗	↗	✓	NS	NS	NS
	Number of students leaving school with no qualification	↘	UD	UD	NS	NS	NS
	GCSE attainment	↗	↗	✓	NS	NS	NS
	A-level attainment	↗	↗	✓	NS	NS	NS
Encourage employment and lifelong learning	Workforce participation	↗	UD	UD	NS	NS	NS
	Adult education and work related training	↗	UD	UD	NS	NS	NS

Some of the data for the social policy KPIs come from surveys carried out every five years, e.g. the household expenditure survey. Therefore trends can only be monitored in the longer term. For example, for relative poverty, it is not possible to gauge performance over time, since there is a lack of comparable time series data. This is also the case for a number of the Social KPIs which are currently under development.

Of those KPIs with data for 2009, the performance of Guernsey's social indicators is broadly positive, with the majority of the developed KPIs being on or near trend. This summary of performance refers to 2009 (i.e. based on 2009 figures, or trends ending in 2009) unless otherwise stated.

The increase in supplementary benefit requirement rates increased by 0.7 percentage points less than inflation (based on RPIX), which is off target. This was a result of a change in policy to monitor benefit rate changes against RPIX rather than RPI, which was agreed in 2009, subsequent to the benefit rate review for that year, which occurred when RPI was lower than RPIX.

As a result of recent significant progress regarding the collection of housing data, a definitive figure for the number of residential units and a rent to earnings ratio, for which there are currently no data, should be available by 2011. Social rental housing waiting lists, which had previously been decreasing, increased significantly in 2009. The five year trend is in the opposite direction to the desired trend, but this is likely a temporary effect of the relocation of tenants from States housing which is being redeveloped. The house price to earnings ratio is increasing, which is the opposite trend to that which is desired.

The trend in premature death rates is stable. Other healthcare indicators have insufficient trend data to gauge performance. However, data (up to 2008) is available regarding adult obesity and shows that it is increasing, which is against the desired trend.

In 2011, trend data will be available for the number of drug and alcohol related Accident and Emergency admissions, the percentage of reported repeat incidents of domestic abuse and the proportion of older people who are supported to live independently. Trends in numbers of children on (and re-registering on) the protection register are available this year and are in the desired direction, downward.

Total crime level and fear of crime are both on trend, but there is insufficient data to gauge the trend for repeat offences.

The three KPIs for education and training which are available (post 16 participation, and GCSE and A Level attainment) are on trend. Initial data regarding the numbers of students leaving school with no qualifications should be available later this year.

The currently available workforce participation figures need to be refined before performance can be accurately gauged and, as mention with regard to fiscal and economic KPIs, indicators for education and training of the whole population are under development. Progress on this front will be reported in the next edition of Sustainable Guernsey.

Environmental Key Performance Indicator Summary

Policy objective	Key Performance Indicator	Trend			Target		
		Desired	Actual	Performance	Desired	Actual	Performance
Reduce contribution to greenhouse gases and carbon footprint	Total greenhouse gas emissions	↘	↘	✓	-12.5% by 2012	-20.4%	✓
Adapt to climate change	Climate change adaption strategies implemented	↗	UD	UD	NS	NS	NS
Minimise waste generated	Total water consumption	↘	→	~	NS	NS	NS
	Total solid waste generated	↘	UD	UD	NS	NS	NS
Increase reuse and recycling	Household recycling rate	↗	UD	UD	≥50% by 2010	36.5%	✗
	Commercial and industrial recycling rate	↗	UD	UD	≥50% by 2010	39.1%	✗
Effectively manage water resources	Volume of unaccounted for water	↘	↘	✓	≤550MI	450MI	✓
	Storage capacity use	↗	→	~	≥95%	95%	✓
	Domestic water consumption	↘	→	~	NS	NS	NS
Use energy sustainably	Total electricity consumption	↘	↗	✗	NS	NS	NS
	Total oil imports	↘	↗	✗	NS	NS	NS
	Total gas consumption	↘	↘	✓	NS	NS	NS
	Proportion of energy derived from clean renewable sources	↗	UD	UD	NS	NS	NS

Increase self sufficiency	Land in active crop production	↗	UD	UD	NS	NS	NS
	Freight imports	↘	→	~	NS	NS	NS
Increase individuals' understanding and ability to make informed decisions regarding their interaction with the environment	Bus passenger journeys	↗	↗	✓	NS	NS	NS
	Motor transport fuel imports	↘	UD	UD	NS	NS	NS
Ensure healthier biodiversity and support specific species and habitats	Indicator species population levels	↗	UD	UD	NS	NS	NS
	Habitat area	↗	UD	UD	NS	NS	NS
Retain the distinctive character of Guernsey's farming and countryside heritage	The criteria supporting this policy and the performance indicators to measure those criteria require clarification	NS	NS	NS	NS	NS	NS
Retain the distinctive character of Guernsey's heritage and protect traditional architecture	The criteria supporting these policies and the performance indicators to measure those criteria require clarification	NS	NS	NS	NS	NS	NS
Ensure careful and sympathetic application of modern architecture and developments		NS	NS	NS	NS	NS	NS
Embrace high environmental and quality standard buildings		NS	NS	NS	NS	NS	NS
Reduce air pollution	Nitrogen dioxide levels	↘	↗	✗	40µg/m ³ max	16.1 µg/m ³	✓

Improve surface water quality	Nitrate levels	↘	↘	✓	NS	NS	NS
Implement environmentally acceptable methods for solid and liquid waste disposal	Compliance with licensing conditions and standards	↗	UD	UD	NS	NS	NS

Guernsey's environmental indicators show generally good performance, with more of the defined indicators being on target or trend than not. Where indicators are against trend (energy consumption and oil imports) the success of the policy requires a long term view to be taken in respect of the switch to cleaner renewable fuels such as current turbines. Where performance is off target (waste recycling) the trend is satisfactory and further significant enhancement is largely subject to capital infrastructure provision.

It has been recognised that some areas of environmental policy will require further clarification before it is possible to define KPIs to measure their outcomes. Sufficient trend data was available for the performance of just over half of the defined KPIs to be gauged. Again, the data coverage should be improved for the next edition, in 2011. This summary refers to 2009 performance unless otherwise stated.

Greenhouse gas emissions (based on 2008 data) are on trend and exceed the minimum target reduction set by the Kyoto Protocol. Progress regarding the implementation of climate change adaption strategies will be monitored as this new initiative develops.

Water consumption, which is used to indicate waste water output, is stable, which is off but not against the desired trend. The total amount of solid waste generated and recycled have been recorded since 2008 so it will be possible to begin trend analysis in 2011. Both the household and commercial and industrial recycling rates are below the target minimum of 50%, which is set as an aim for 2010.

Targets were adopted for unaccounted for water and water storage capacity use and both of these indicators are on target. The former is also on trend. Storage capacity use and domestic water consumption trends are both stable, so are off but not against the desired trend.

The desired trends for electricity, oil and gas consumption are downward. The actual five year trend in gas consumption is downward. However, the trends for electricity and oil consumption are upward. Sourcing all the information required to monitor total energy consumption in Guernsey is a work in progress.

The Environmental Policy Group agreed two measures for the self-sufficiency of the Island; the area of land used for crop production and the amount of air and sea imports. Data was available to measure the latter but not the former. Imports are stable, compared to the desired trend, downward.

The Environmental Policy Group agreed on two indicators relating to vehicle use to represent individuals' understanding and ability to make informed decisions. The trend in bus passenger journeys is upward. Trend data regarding motor fuel consumption to gauge motor vehicle use or fuel efficiency will be available next year.

The development of a list of indicator animal species, which will be combined to form a biodiversity KPI is a work in progress. Data regarding habitat areas will be updated later this year.

At this stage, development of KPIs consistent with the four policy objectives relating to heritage, character, architecture or building standards, has not been possible.

The aims to reduce air pollution, improve surface water quality and implement environmentally acceptable methods for solid and liquid waste disposal were allocated one KPI each. Nitrogen dioxide levels, although below the WHO recommended maximum, show an upward trend in air pollution. Conversely, nitrate levels are decreasing, indicating an improvement in ground water quality. Compliance to licensing conditions regarding solid and liquid waste disposal will be available from the Director of Environmental Health and Pollution Regulation in future.

APPENDIX 6

Legislative Drafting Required To Fulfil Outstanding States Resolutions Since 2000

**A List of States Resolutions Requiring the Preparation of Legislation
Where No First Draft Has Been Produced**

Department	Billet	Resolution date	Subject matter
Resolution outstanding for 5–10 years			
Policy Council	VI/00 (art.V)	24.02.00	Electronic transactions - rules of evidence: Replicate s. 68 Civil Evidence Act 1995 - statements in documents [and see resolution of 31.05.06]
Policy Council	XIX/02 (art. X)	01.08.02	Referendums: legislation to introduce
C&E	III/03 (art.VI)	28.02.03	Animal welfare protection: Ordinance(s) under Enabling Law
Resolution outstanding for 4–5 years			
Housing	IX/2005 (art.XIII)	29.06.05	Housing register - Royal Hotel site - "Royal Terrace": Ordinance to inscribe 8 dwellings (awaiting completion of development before the Ordinance can be approved)
HSSD	XX/2005 (art.XI)	30.11.05	Safeguarder mediation and conciliation service: Rules of Court for private law family disputes
Environment	VII/06 (res. 28 on art VIII)	31.03.06	Transport strategy: Consolidation of Driving Licences (Guernsey) Ordinance, 1995
Environment	VII/06 (res. 15 on art.VIII)	31.03.06	Transport strategy: To ban the use of "bull bars"
Resolution outstanding for 3-4 years			
PSD	XIII/06 (art.XV)	26.07.06	Convention on carriage of noxious and hazardous substances by sea: Implement convention (set out in Schedule 5 to Merchant Shipping Law)
PSD	XVI/2006 (art.XV)	27.09.06	Sewerage - grants and loans: miscellaneous amendments to 1974 Law

Home	XVIII/2006 (art.X)	29.11.06	Firearms: Amend Law of 1998; cross bows and spear guns
Home	XVIII/2006 (art.XII)	29.11.06	Misuse of drugs: Miscellaneous amendments to 1997 Ordinance
Home	XVIII/2006 (art.XIII)	29.11.06	Terrorism: New offences based on Terrorism Act 2006
Home	XXI/2006 (art.VIII)	15.12.06	Foundations: Law to enable their establishment
PSD	III/2007 (art.VI)	01.02.07	Public sewers on private land: Amend 1974 Law to include right of appeal
HSSD	XIII/2007 (art.VII)	25.04.07	Regulation of medical and health professions: Enabling Law to permit detailed regulation; repeal Nurses and Midwives Ordinance, 1987
Home	XIV/2007 (art.XIX)	31.05.07	Misuse of Drugs: Customs and police powers, penalties and evidence
Resolution outstanding for 2-3 years			
Policy Council	XIX/2007 (art.VII)	25.07.07	Registration of overseas lawyers:
HSSD	XX/2007 (art.XI)	27.09.07	Nursing and residential homes: Extend regulation to all care homes and care agencies
Policy Council	XX/2007 (art.VII)	27.09.07	Legal aid tender; and amendment of PPACE: Detailed proposals [and see resolution of 25.07.01]
Home	XXII/2007 (art.X)	01.11.07	Gambling legislation: Comprehensive review involving repeal of existing legislation and new Projet
T&R	XXIV/2007 (art.XI)	30.11.07	States property rationalisation: Inscription of 1 dwelling at Belvedere House on Register [and HousD to report back on inscription of States-owned dwellings]
PSD	XXVI/2007 (art.XIV)	13.12.07	Pilotage dues and exam fees: Minor amendments
Policy Council	II/2008 (art.VI)	27.02.08	States Official Gazette: Electronic publication to replace Gazette Officielle

HSSD	III/2008 (art.XIII)	12.03.08	Tobacco and cigarettes - controls on sale / advertising: Miscellaneous amendments
Resolution outstanding for 1-2 years			
Home	XI/2008 (art.XVIII)	01.08.08	Sales of knives to under-18's: Amend PPACE and CJ (MP) (BOG) Law, 2006
Home	XII/2008 (art.IX)	24.09.08	Fire services: amendments to 1989 Law
Environment	VII/2009 (art.X)	26.02.09	Island transport strategy: to be funded by charges for residents' parking & vehicle registrations; & increase in fuel duty
HSSD	XIII/2009 (art.V)	27.05.09	Overcrowded and insanitary housing: minimum public health and space standards for accommodation
Resolution outstanding for less than 1 year			
SSD	XXI/2009 (art.X)	31.07.09	Social insurance contributions: increase pensionable age and upper earning limits; review contribution rates
Home	XXIV/2009 (art.XII)	01.10.09	People working with children and vulnerable adults: proposals for accessing police criminal records, etc - vetting and barring scheme
T&R	XXIV/2009 (art.VII.14)	02.10.09	Income tax: consolidation of 1975 Law
T&R	XXIV/2009 (art.VII.9)	02.10.09	Income tax: amend 1975 Law to include limited liability partnerships in definition of "partnership" [cannot proceed until LLP Law enacted]
HSSD	I/2010 (art. XVI)	27.01.10	Charges for treatment for motor vehicle traffic accidents: legislation to permit HSSD to levy charges
SACC	IV/2010 (art. XI)	24.02.10	Reform Law: minor amendments concerning electoral role
C&E	VI/2010 (art.X)	25.03.10	Insurance business law - compulsory third party insurance: amend 2002 Law to exempt certain non-approved third party insurers

Home	VI/2010 (art.IX)	25.03.10	Homosexual age of consent: amend 1983 sexual offences law to reduce age from 18 to 16
C&E	XI/2010 (art.X)	26.05.10	Conditions of Employment Law 1985: repeal 15 hour per week qualification to ensure compliance with Sex Discrimination Ordinance
Housing	XI/2010 (art.VIII)	26.05.10	Land planning and Development: Ordinance to enable planning covenants for social housing, etc
HSSD	XI/2010 (art.IX)	26.05.10	Nurseries, childminders, creches, childcare, etc: charges for registration and inspection

APPENDIX 7 – TOPICAL INDEX

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(NB The Treasury and Resources Department strongly supports the States Strategic Plan which is progressively developing and strengthening the link between States policy, service priorities and the available financial resources. The Department welcomes the development of the financial planning section to include five year forecasts of income and expenditure but recommends caution in placing too much reliance on the assumption based revenue forecasts, especially for the later years of the plan. The models demonstrate the importance of a strong economy in generating tax receipts with the difference between the upper and lower ranges of forecasts accounting for over £50m difference in receipts by 2015.

The Department would also like to strongly reinforce the importance of restraining revenue expenditure which is a key component of the States fiscal policy objective of no real terms growth in expenditure. This is key to facilitating the achievement of a balanced budget and growth in expenditure of only 1% per annum, as modelled in the downside case within this report, would seriously undermine the ability of the States to deliver against the objective of “long run fiscal balance.”

The States are asked to decide:-

Whether, after consideration of the Report dated 27th July, 2010, of the Policy Council, they are of the opinion:-

1. To endorse the amendments to the Social Policy Plan and Environment Policy Plan objectives as set out in Section 1 of that Report.
2. That the Policy Council shall proceed to consult with States Members, States Departments and Policy Groups in 2010/2011 on ways to improve the corporate policymaking process and, in particular, on the possible approach to be taken to include departmental policy in the SSP process described in Section 2.
3. To approve the allocation of £2.4m, to be accrued from efficiency savings through the FTP, to fund New Service Developments in 2011.
4. To approve in principle the list of New Service Developments for 2011 as set out below and to direct that comprehensive cases for funding shall be prepared before final approval is given for each new initiative:
 - A. Development of the Guernsey Mental Health and Wellbeing Strategy (£180,000).
 - B. Community Service Scheme (£150,000).

- C. Domestic Abuse Strategy (£160,000).
 - D. Children and Young People's Plan (£502,000).
 - E. Housing Control Staff (3 Posts) (£108,000).
 - F. Criminal Justice Strategy Co-ordinator (£90,000).
 - G. Assistant Employment Lawyer (£90,000).
 - H. Exploitation of Renewable Energy Funding of GREC (£100,000).
 - I. Guernsey Obesity Strategy (Phase 1) (£147,000).
 - J. Children (Guernsey and Alderney) Law 2008 (4 Additional Social Workers) (£200,000).
 - K. Improving Storage of Museum Objects (£250,000).
 - L. Legal Aid – Mental Health Review Tribunals (£300,000).
 - M. Dedicated Wheelchair Service (£134,000).
5. To note the establishment of the advisory Prioritisation of Legislation Working Group and proposed new arrangements to prioritise the drafting of approved legislation as set out in Section 4 including annual reports to the States as part of the SSP review.
 6. To endorse the updated summaries of the Fiscal and Economic, Social and Environmental Policy Plans as described in Appendix 2.
 7. To note the progress reports provided on the development of Population Management and Island Infrastructure Plans; an update on the Energy Plan; and an update on the current review of the Strategic Land Use Plan as described in Appendix 3.
 8. To note the updated summaries of the Policy Council, States Departments and Committees Operational Plans as described in Appendix 4.
 9. To note the updated information provided as Key Performance Indicators and the intended further development of the KPIs as described in Appendix 5.
 10. To note all other sections of the 2010-2015 SSP review not specifically referred to in propositions 1 to 9 above.