



BILLET D'ÉTAT

VI
2000

WEDNESDAY, 23rd February, 2000

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BILLET D'ÉTAT

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 **23rd February, 2000**, at 10 a.m.

PROJET DE LOI

ENTITLED

**THE MOTOR TAXATION AND LICENSING (GUERNSEY) (AMENDMENT)
LAW, 2000**

The States are asked to decide:-

I.—Whether they are of opinion to approve the Projet de Loi entitled “The Motor Taxation and Licensing (Guernsey) (Amendment) Law, 2000”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE ELECTORAL EXPENDITURE ORDINANCE, 2000

The States are asked to decide:—

II.— Whether they are of opinion to approve the draft Ordinance entitled “The Electoral Expenditure Ordinance, 2000”, and to direct that the same shall have effect as an Ordinance of the States.

STATES BOARD OF INDUSTRY

INDUSTRIAL DISPUTES OFFICER

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

26th January, 2000

Sir

INDUSTRIAL DISPUTES OFFICER AND DEPUTY INDUSTRIAL DISPUTES OFFICER

Article 1 of the Industrial Disputes and Conditions of Employment (Guernsey) Law, 1993 requires the States to appoint an Industrial Disputes Officer. In turn, the Law also requires the Industrial Disputes Officer to appoint a Deputy, which is subject to approval by the States. Both appointments are made for a period which is decided by the States.

The Board presented a policy letter to the States in December 1999 proposing the appointment of Mr M H De La Mare and Mr M A Fooks as Industrial Disputes Officer and Deputy respectively. These appointments were made for a three year period ending on 31 December 2002.

Mr De La Mare was elected as Jurat of the Royal Court on the 26th January and will be unable to continue as Industrial Disputes Officer. The Industrial Disputes Law clearly states under section 1.(3)

A member of the States of Deliberation or of the States of Election within the meaning of the Reform (Guernsey) Law, 1948 shall not hold the office of Industrial Disputes Officer.

The Board would like to place on record its sincere appreciation of the contribution and commitment made by Mr De La Mare over the past few years as Industrial Disputes Officer and formerly, Deputy Industrial Disputes Officer. During his period in office, he has undertaken his responsibilities in a commendable manner often in circumstances that go unreported.

The Board has the pleasure of recommending that the States appoint Mr R S Taylor as the replacement Industrial Disputes Officer. The Board recommends the States agree the appointment of Mr Taylor commencing with effect from the date of the decision of the February States meeting and ending on 31 December 2002.

Mr Taylor previously held the position of Industrial Disputes Officer from November 1996 until September 1997 but resigned before his term of office expired to pursue his career as Training Manager for the Finance Training Agency. Having overseen the merger of the Finance Training Agency with the Guernsey Training Agency, Mr Taylor has now retired and would welcome the opportunity to serve the Island again as Industrial Disputes Officer. Mr Taylor is a former Deputy Director of Education.

Subject to the agreement of the States, it is Mr Taylor's intention to appoint the current Deputy Industrial Disputes Officer, Mr Michael Allen Fooks from the date of the decision of the February States meeting until the 31st December 2002.

I have the honour to request that you will be good enough to lay this matter before the States with the appropriate propositions.

I am, Sir,
Your obedient Servant,
P. T. R. FERBRACHE,
President,
States Board of Industry.

[N.B. The States Advisory and Finance Committee supports the proposals]

The States are asked to decide:—

- III.— Whether, after consideration of the Report dated the 26th January, 2000, of the States Board of Industry, they are of opinion:-
1. To appoint Mr. R. S. Taylor as Industrial Disputes Officer until the 31st December, 2002.
 2. To approve the appointment of Mr. M. A. Fooks as Deputy Industrial Disputes Officer until the 31st December, 2002.

STATES ADVISORY AND FINANCE COMMITTEE

LIABILITY FOR DAMAGE CAUSED BY ANIMALS

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

4th January, 2000

Sir,

Liability for Damage caused by Animals

Introduction

1. In September 1994, following an incident in which a car was damaged by a horse, concerns were expressed that financial recompense could only be obtained if it could be demonstrated that the person in charge of the horse had been negligent or that the person knew the horse had a propensity to misbehave. In response to calls for a change in the law the Advisory and Finance Committee set up a working party to investigate whether any action needed to be taken. In June, 1995 a policy letter was submitted to the States recommending that strict liability be introduced for all damage caused by horses wherever such damage occurred. Strict liability is not linked to fault and consequently the person in charge of the horse involved in an incident would automatically assume full liability regardless of the circumstances behind the incident. If, for example, a horse bolted and caused damage as the result of a loud noise, liability would rest with the person in charge of the horse even though there had been no negligence. The policy letter proposals included provision for the size of damages awarded to be reduced in the event of negligence or fault on the part of the person suffering the loss.
2. However, serious concerns were expressed about the possible effects of the proposals and in particular the possible reaction of the insurance industry. As a consequence, the policy letter was withdrawn pending further consideration of those concerns. The Committee subsequently wrote to interested parties to invite representations and took further legal advice. The delay since the original policy letter was withdrawn is a product of the complex issues which have had to be considered and the competing demands on the Committee's resources.

Current legal position

3. The current legal position in Guernsey, in relation to liability for damage caused by animals, is that there is no liability for the actions of an animal of a domesticated species unless the animal in question has previously shown an individual propensity towards exhibiting that particular type of behaviour. In addition the behaviour must be a characteristic, not normally found in other animals of that species, which makes it likely that the particular animal will do damage and the characteristic must be known to the keeper of the animal.
4. Therefore, the keeper of a horse that bites will not be liable for the damage unless the plaintiff can show firstly that the animal had a tendency to bite, difficulty may arise because the plaintiff may not know of the previous actions of the animal necessary to prove liability, secondly that the keeper was aware of that tendency because, for example, it had done so or attempted to do so before, and thirdly that biting was not a characteristic exhibited by all horses. If the characteristic is one exhibited by all animals of the species concerned then there is no liability. Thus, for example, there is no liability for any damage done by a dog's chewing since the Common Law has held that all dogs chew.
5. It should be borne in mind that the above rules relating to liability are quite separate from the ordinary rules for negligence. If a person who has suffered harm can show that the keeper of the animal had been negligent in some way then the person suffering injury or damage as a result of the lack of care can sue for ordinary negligence.

Basis for change

6. In respect of negligence, the position of liability of horses on the public highway is, under the current law, no different to that of a car user. The driver of a car involved in an accident is not liable to pay compensation to the person suffering loss unless the driver can be shown to be negligent. However, in practice a horse can exhibit actions of its own will i.e. bolting, whilst a car will, in general, respond to the actions of the driver. Therefore, whilst recognising this legal position, the Committee remains of the view that there is a problem with this area of the law which should be addressed and that the present basis of liability, in respect of horses, is not acceptable.

7. There have been at least two further incidents since the Committee withdrew its original policy letter and the Committee believes that the current law places too great a burden of proof on the injured party who must either prove negligence or that the keeper had knowledge of a dangerous characteristic of the horse which was not one exhibited by all horses. Whilst, therefore, provision exists for a claim to be made, the reality is that (except where the rider can be shown to have been negligent, which they may not have been) the claimant is unlikely to be able to meet the burden of proof and hence will remain without recompense for the loss sustained. The Committee believes that the innocent victim of an accident involving a horse, who has not contributed to the accident in any way and is merely the passive victim of something beyond their control, should be able to recover damages.
8. The Committee recognises that a number of responses received have argued against the initial proposal to introduce strict liability on the grounds that this places an unfair burden on the person in charge of the horse and their insurance company. The Committee has carefully examined these views and has sought alternatives to the strict liability option however, any other option allows "fault" to be disputed and that is often not readily possible to prove. The Committee has taken legal advice on this issue and understands that any option which allows fault to be disputed will result in maintaining the status quo. Therefore, the Committee has concluded that the only way of improving the current situation for injured parties is to introduce strict liability.
9. The current position, where there is a legal presumption that a horse is, at all times, innocent unless proven otherwise, is assumed to be a legacy from when horses played a far more important rôle in society. There is, thus, logic in now altering this legal position. Horses can be dangerous and are capable of doing significant damage. They are now no longer essential to the Island's economic well-being. Strict liability would alter the position by presuming that the horse was at fault. However, it should be noted that strict liability is not all embracing. As will be seen from the proposals, the Committee is not proposing that the keeper of a horse would be liable if the damage was caused entirely by the actions of the injured party. There would also be an apportionment of blame where the victim was partly at fault and the keeper would be able to claim an indemnity or contribution from any third party who had also been at fault.
10. The Committee believes that any change should be restricted to horses in view of the fact that among large domesticated animals they are the ones which have been involved in all the incidents which have caused concern. The Committee does not believe that there have been sufficient problems with other animals to justify their inclusion in the proposed legislation at this time.

11. The Committee considered whether to limit its proposals geographically and specifically considered the issue of exempting damage occurring on private land. However, any such proposals could lead to anomalies. For example, two people might be standing next to each other with one on the public highway and one on private property. If a horse injured both of them and there was strict liability on the public highway only the first would automatically be able to claim damages while the other would have to prove either negligence or that the horse performed an action not common to other horses but which was previously known to the keeper. The Committee concluded that a limitation on where liability should apply would offer little improvement over the present situation.
12. Similarly the Committee carefully considered the possibility of exempting visiting horses from the proposals in order to ease the burden of visitors participating in local events. This is particularly relevant because it is assumed that such visitors would not normally hold the required insurance to cover the proposed new liability whilst in Guernsey. There would, therefore, be an additional burden on event organisers and participants. However, the Committee concluded that there was little logic in exempting liability by virtue of the place of residence of the keeper or their horse since where a horse is resident has no relevance to what it may do. Consequently, the Committee concluded that visiting horses should be included within the proposals.
13. Should strict liability for the actions of horses be introduced then it would be logical to ensure, so far as is reasonably possible, that there were sufficient assets available to fund the compensation payment to the injured party. The Committee is, therefore, proposing that insurance cover for third party liability be made compulsory in respect of any horse taken onto the public highway or taken onto land to which the public have a right of access. The Committee recognises that some horses may have a history which prevents them from being insured against third party liability and believes that in such cases the horse should be restricted to private land. The Committee also believes that it would be appropriate to provide, within the proposed new legislation, for riding schools to hold a composite policy to cover all their clients who would be "keepers" of the school's horses for the duration of their lessons. Similarly, Guernsey organisations which host equestrian events would be able to hold a composite policy in respect of visiting horses. These provisions should limit the number of persons who will need to hold insurance policies for the proposed new liability.

14. The Committee believes that in light of the possible size of legal awards, especially in cases of personal injury, it is sensible to set the initial minimum level of cover at £2 million. This is the limit set for "The Employers' Liability (Compulsory Insurance) (Guernsey) Law, 1993". Such compulsory insurance will protect the keeper (who might otherwise face financial ruin) as well as the victim. It is, of course, up to individuals to decide if they wish to purchase more extensive cover. The Committee acknowledges that it is possible that a requirement that all horses in Guernsey be covered by insurance might result in some being refused insurance because of their reputation. However, it regards this as a positive outcome of such a change if the refusal to provide cover removes dangerous horses from the public highway and other places to which the public have a right of access.

15. Another key issue considered by the Committee was whether, in the event of an incident, strict liability should rest with the owner of the horse or the rider or person having charge of the horse at that time. Under the United Kingdom Animals Act, 1971, the definition of "keeper" has been drafted to cover a number of scenarios - for example, if a horse is stolen. The effect of the definition is that if a horse escapes from the custody of its keeper, then that person remains the keeper, and continues to be liable, unless and until another person becomes the keeper. A minor can not be held to be the keeper of a horse under this legislation and, therefore, liability attaches to the head of the household. A person who temporarily has possession in order to prevent the horse from causing damage or to return it to its owner would not become the keeper by virtue only of that possession. Should a horse be stolen then the thief would become a keeper by being the person who "has it in his possession". A keeper is only relieved of responsibility when another person has become the keeper. In law, there can be no gap.

Proposals in summary.

16. Having given careful consideration to all the issues discussed above the Committee has concluded that the current situation requires improvement and that the only practical way forward is to recommend a package of proposals to support the concept of strict liability. The Committee, therefore, is proposing the following package of measures.
 - i. The keeper of a horse which is physically present in Guernsey shall be strictly liable for any damage, loss or injury caused by or arising out of the actions of the horse. There would be the right for the defendant to provide defences as referred to in paragraphs 16 ii and 16 iv below.

- ii. There would be no liability where the damage was due wholly to the fault of the person who suffered the damage.
- iii. Damages would be reduced where there was contributory negligence on the part of the plaintiff.
- iv. The ordinary prescription periods for tort of six years, or three years in the case of personal injury, would apply.
- v. The defendant could recover by way of contribution all or part of their losses from any other person who would, if sued, have been liable in respect of the same damage. For example, this could be the driver of a car who sounded their horn and scared the horse into doing the damage but who did not themselves suffer from the resulting actions of the horse.
- vi. It shall be an offence to be the keeper, for the time being, of a horse which is taken onto the public highway or is taken onto land to which the public have right of access where there is no insurance cover for all third-party liability incurred by the keeper for any damage, loss or injury caused by or arising out of the actions of the horse.
- vii. The requirement to hold insurance cover would be met, in the case of riding schools and equestrian events, by the holding of a group insurance policy.
- viii. It shall be compulsory for the keeper, at the time in question, of a horse involved in an incident, to report to the Police Station within 48 hours of the incident with proof that the minimum legal level of insurance cover was held.
- ix. Failure to report to the Police Station or to have at all times the requisite cover shall be an offence.
- x. The levels of the penalties for the offences will be determined by the Law Officers at the drafting stage.
- xi. Initially the level of insurance cover shall be for an amount not less than £2 million for claims arising out of any one incident. The legislation shall include provisions for the States to amend this amount by Ordinance.

xii "Keeper" shall be defined as:-

"A person is the keeper of an animal if: -

he owns the animal or has it in his possession; or he is the head of a household of which a member under the age of 16 owns the animal or has it in his possession; and

if at any time an animal ceases to be owned by or to be in the possession of a person, any person who immediately before that time was a keeper thereof by virtue of the preceding provision continues to be a keeper of the animal until another person becomes a keeper thereof by virtue of those provisions.

Where an animal is taken into and kept in possession for the purpose of preventing it from causing damage or of restoring it to its owner, a person is not a keeper of it by virtue only of that possession."

17. The effect of this definition is that at any one time there may be more than one keeper (for example the owner of the horse and the person in possession of the horse) and any one of the keepers could be held liable for any damage caused by the horse. Consequently any person who puts themselves in the position of being the keeper of a horse and hence liable for any damage caused by that horse, should ensure that the horse is covered by valid and sufficient insurance.
18. The legislation would provide for the States by Ordinance to amend the legislation to include other classes of animals should this prove to be desirable in the future.
19. The legislation would provide for its enactment by a commencement ordinance of the States.

Views of insurers

20. One of the key areas of concern expressed following the submission of the original policy letter in 1995 was the likely response of the insurance industry. The Committee has, therefore, consulted the Association of British Insurers (ABI) for its views on the subject. After putting the proposals to member companies which underwrite liability insurance and household insurance business the ABI made the following comments.

"Strict liability is insurable but subject to higher premiums.

The household insurance market would be reluctant to include the cover "automatically". It would at least require a separate section and a higher premium, but may be best dealt with by a separate insurance policy written by a specialist company.

Household insurance would not cover every horse owner (only approximately 75% of householders take out insurance cover) therefore if this provision was made compulsory the household insurance market may not be the most appropriate vehicle for this."

21. The Committee does not regard the possible need to use a specialist insurer as a particular problem. Strict liability insurance is already available in respect of dangerous animals and whilst the Committee has received correspondence, from specialist insurers, which indicates that the insurers would not welcome these new proposals the correspondence also indicates that insurance will continue to be available. By proposing the enactment of the legislation by a commencement ordinance (paragraph 19 above) the insurance industry will be afforded the opportunity to examine the provisions of the legislation and prepare for the provision of insurance policies in advance of the enactment of the law.

Recommendations

22. The Committee believes that in light of recent incidents legislation to introduce strict liability for the actions of horses is necessary.
23. The Advisory and Finance Committee, therefore, recommends that legislation be enacted to give effect to the proposals set out in paragraph 16 to 19 of this Report.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions including one directing the preparation of the necessary legislation.

I am, Sir,
 Your obedient Servant,
 L. C. MORGAN,
 President,
 States Advisory and Finance Committee.

The States are asked to decide:—

- IV.— Whether after consideration of the Report dated the 4th January, 2000, of the States Advisory and Finance Committee, they are of opinion:-
1. To approve the proposals set out in paragraph 16 to 19 of that Report concerning liability for damage caused by animals.
 2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES ADVISORY AND FINANCE COMMITTEE

LEGISLATION TO FACILITATE ELECTRONIC COMMERCE

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

21st January, 2000.

Sir,

LEGISLATION TO FACILITATE ELECTRONIC COMMERCE

1. INTRODUCTION

Exploitation of the Internet is generating a global revolution that is transforming economies throughout the world. This "Information Society" revolution is comparable in many ways to the Industrial Revolution and major jurisdictions throughout the world have recognised the need to ensure that their legislation is capable of supporting electronic ways of doing business.

Guernsey is no exception. The facilitation of such activity is fundamental to the future prosperity of a community such as Guernsey and the appropriate legal environment is an essential prerequisite to success.

This report is concerned with the need to introduce new legislation and update existing legislation in Guernsey to facilitate the growth of electronic business and commerce (ecommerce). This requires to be done not only for transactions between local individuals, organisations and the States but especially to support international transactions with locally based organisations and individuals.

Of necessity, because this report is concerned with legal matters, it is largely technical in nature. The fundamental purpose of these proposals is however simply to ensure that both 'electronic' and 'physical' forms of information and communications have an equivalent legal status.

The growing trend to conduct all forms of business electronically imposes strain on the construction of current legislation. Existing laws are often predicated on the assumption that information is generally provided in writing (ink) on a durable medium (paper), is validated using hand-written signatures (and/or impressed seals) and relies on the traditional medium of postal service for the guaranteed delivery of notices. All these matters are generally capable of proof by conventional means.

Information and communications technologies have the capability to replace those traditionally understood mechanisms such as *writing*, *signatures* and *delivery* that have stood the test of time and been interpreted by the Courts over hundreds of years.

The challenge is to devise a legal infrastructure that can retain the flexibility of traditional methods, whilst encompassing modern technology and its future development so as to engender the necessary certainty, security and trust to facilitate 'doing business' in the ecommerce world of the future.

It is recommended that the general principles of the legislation should be to set out a strategic framework for the support of ecommerce rather than to enact a detailed set of prescriptive regulations. In the 1999 Policy and Resource Planning Report (Billet d'État XIII, 1999 section 4.6.8 page 719) the Advisory and Finance Committee recognised the strategic nature of ecommerce policy and confirmed in that context that it: "*will consider the inclusion of an appropriate reference in the Strategic and Corporate Plan.*"

The Committee believes that adoption of these general principles will facilitate the development of existing business and attract new business operations to the island by assuring those conducting domestic and international business that Guernsey possesses a modern, reputable, flexible and 'ecommerce-friendly' environment.

Accordingly, whilst this report makes specific proposals where necessary for the enactment of legislation that can accommodate the capabilities of current information and communications technologies, it also recommends incorporating the flexibility to amend legislation to cope with future developments in these and related technologies.

1.1 BACKGROUND

Billet d'État II, 2000 included a report from the Advisory and Finance Committee entitled "*The Future Provision of Telecoms Services for the Bailiwick*". That report referred to the progress made by the Committee's Working Group on IT in Society, which has provided strategic guidance on the development of the social, legal, economic and technical framework needed to ensure that Guernsey establishes a pre-eminent position in the rapidly developing ecommerce marketplace.

The Working Group published its provisional Policy Statement in the 1999 Policy and Resource Planning Report (Billet d'État XIII, 1999, Appendix VI), wherein it recommended under Legislative Policy that:

"The Advisory and Finance Committee should, as a matter of urgency promote the revision of local legislation that conforms to international standards (such as the UNCITRAL Model Law on ecommerce)."

The Working Group recognised that ecommerce legislation was a specialist area of work and, following a competitive tendering process, recommended the appointment of the London firm of solicitors, Bird & Bird, as legal advisors on ecommerce legislation. Both the Advisory and Finance Committee and the Law Officers concurred with the appointment and the firm commenced their study in November 1999.

Bird & Bird completed their draft report on ecommerce legislation in December 1999, the recommendations of which were circulated via the Working Group to representatives of the Guernsey Chamber of Commerce, the Guernsey Manufacturers and Exporters and those organisations that make up the Guernsey International Business Association. The Committee is most grateful to the members of those organisations who submitted comments and suggestions on the draft report.

Section 2 of this report includes recommendations derived from the final Bird & Bird report, which had addressed the comments received during the initial consultation process. However it is appreciated that further consultation will need to be undertaken during the detailed legislative drafting, for which Bird & Bird will again provide specialist assistance.

The Advisory and Finance Committee will, when presenting the Projets de Loi to the States, advise the States of any significant variations from the proposals contained herein that have resulted from this further consultation process.

1.2 SCOPE OF THE LEGISLATIVE POLICY

The terms of reference for Bird & Bird were:

*“To summarise ecommerce legislation world-wide, analyse and comment on the different models that are supported and to recommend those legislative measures that are **necessary** for Guernsey to support ecommerce and those that are **desirable** to create an ‘ecommerce-friendly’ environment.”*

In their report, Bird & Bird state that certain legislation is **necessary** to remove obstacles to ecommerce and that other legislation may be **desirable** to create confidence in ecommerce.

The Bird & Bird report includes recommendations covering the need or otherwise for legislation in the following areas:

- **Facilitation of electronic transactions** - to establish that anything done by electronic means should be treated in an equivalent manner to that done by physical means.
- **Rules of evidence** - to modernise the rules of documentary evidence to cover the admissibility of electronic copies in Court proceedings.
- **Legal requirements of form** - to update the legal definition of ‘writing’ to include information in electronic form. ‘Requirements of Form’ relate to matters such as *signature, writing, originals, record keeping, production, sending, delivery or service of documents*.
- **Electronic signatures** - to establish in law that an electronic signature is equivalent to a hand-written signature.
- **Electronic documents and messages** - to establish what is meant by the service and delivery of documents in an electronic form.
- **Electronic agents** - to clarify the legal status of transactions made by electronic agents, such as those that may make selection and purchasing decisions on behalf of another.
- **Liability of intermediaries** - to clarify the liability of companies who provide a variety of services such as the storage and onward transmission of information for others.
- **Certification services and ‘ecommerce actors’** - to establish the extent to which those offering ecommerce support services need to be regulated. In this context,

the term 'ecommerce actors' is used to refer to those who use ecommerce to conduct electronic transactions of any kind.

- **Encryption** - to ensure that there is no legal restriction on the application of encryption technology to support secure ecommerce.

Certain areas of legislation were excluded from the terms of reference on the basis that work was already being undertaken in those areas. Specifically:

- The Committee intends to place before the States later this year proposals from the Data Protection Commissioner (designate) for the revision of local data protection legislation that will be compatible in particular with Article 25 (trans-border data flows) of the European Directive (94/46/EC).
- The Board of Industry was charged by the States (Billet d'État XXII, 1995) to report back with proposals on Fair Trading Practices. The Board of Industry will, in dealing with civil matters relating to all forms of trading, need to consider the approach to be adopted for ecommerce transactions.
- The Working Party set up by the Advisory and Finance Committee to consider the whole issue of intellectual property rights has been considering the changes that are required to legislation to protect the intellectual property rights of those engaged in the international trade in goods and services. The Committee has agreed that this matter needs to be progressed as part of the ecommerce strategy.

1.3 COMPARATIVE ANALYSIS OF INTERNATIONAL ECOMMERCE LEGISLATION

Prior to formulating their recommendations, Bird & Bird studied proposed and extant ecommerce legislation in seven representative jurisdictions (Australia, Bermuda, Hong Kong, Ireland, the Isle of Man, Singapore and the UK). In addition, reference was made to the Model Laws promoted in the USA (the Uniform Electronic Transactions Act of 1999) and by UNCITRAL (the United Nations Commission on International Trade Law) that was adopted in 1996 and amended in 1998. Reference was also made to the Draft Electronic Communications (Jersey) Law (2000), following its publication in December, 1999.

Furthermore, it was necessary to take account of related matters, such as the European Union directives on digital signatures, the legal aspects of electronic commerce and distance selling, the proposed directive on copyright in the information society and the OECD recommendations on consumer protection in electronic commerce.

It is apparent that, whilst most jurisdictions have derived their legislative provisions from the UNCITRAL Model Law to a greater or lesser degree, the detailed implementation of legislation in each jurisdiction that was studied has differed considerably. It is evident that, as understanding of ecommerce has matured, there has been a general trend away from regulation and restriction towards facilitation.

Early ecommerce legislation tended to impose more restrictive minimum standards of integrity and permanence on electronic records than were applied to traditional forms of communication.

In some cases legislation was drafted that was crucially dependent on the use of particular technology (such as encryption). It is now generally recognised that this approach may have been unduly restrictive and inflexible.

The Committee wishes to emphasise that the legislative proposals for Guernsey are not intended to be restrictive, but are specifically aimed at the creation of confidence in, and the facilitation of, ecommerce.

2. RECOMMENDATIONS FOR LEGISLATION

2.1 GENERAL FACILITATION OF ECOMMERCE

It is recommended that the legislation include general provisions facilitating the use of electronic data and communications. These should be made subject to such temporary or permanent exclusions for specific cases as may be thought necessary for policy reasons. The legislation should include a provision enabling such exclusions to be defined and amended from time to time by subordinate legislation.

It is recommended that the legislation should include specific provisions to the following effect:

- 2.1.1 That information (including information referred to in other information) should not be denied legal effect, validity, enforceability, or admissibility solely because it is in electronic form.
- 2.1.2 That a contract should not be denied legal effect, validity, or enforceability solely because it was made electronically or because electronic information was used in its formation. Nor should evidence of a contract be denied admissibility solely because it is in electronic form.
- 2.1.3 That a declaration of intention or other statement or delivery of a deed should not be denied legal effect, validity, enforceability or admissibility solely because it is in electronic form.
- 2.1.4 That a signature, seal, attestation or notarisation may not be denied legal effect, validity, enforceability or admissibility solely because it is in electronic form. (It is recognised that currently there may not be an electronic equivalent of a seal.)
- 2.1.5 That a record, notice, instrument or other document may not be denied legal effect, validity, enforceability or admissibility solely because it is in electronic form.

2.2 RULES OF EVIDENCE

It is recommended that the rules on documentary evidence in both civil and criminal proceedings, including liberalisation of rules on the admissibility of copies, be reformed to permit electronic hearsay documents; in particular, computer-derived evidence should not be subject to special conditions governing admissibility.

Section 8 of the UK Civil Evidence Act 1995 is recommended as a model in regard to documentary evidence in both civil and criminal cases:

“(1) Where a statement contained in a document is admissible as evidence in civil proceedings, it may be proved:

- (a) by the production of that document, or*
- (b) whether or not that document is in existence, by the production of a copy of that document or of the material part of it,*

authenticated in such a manner as the court may approve.

(2) It is immaterial for this purpose how many removes there are between a copy and the original.”

In resolving to implement changes to the Criminal Law, the States did implicitly agree (Billet d’État XXI, 30 September 1998, p1109) to implement an equivalent provision to Section 69 of the UK Police and Criminal Evidence Act, 1984 that would restrict the admissibility of electronic evidence in criminal cases. Since the Law Commission has recommended repeal of this section in the UK (Law Commission report 245, 1997), it is recommended that the equivalent provision should not now be implemented.

2.3 LEGAL REQUIREMENTS OF FORM

It is recommended that a general facilitative provision be enacted such that any existing requirements of form are satisfied by a broadly defined electronic form, but that derogations from that principal are permitted for policy reasons by subordinate legislation in particular cases.

It is recommended that the legislation should include specific provisions to the following effect:

- 2.3.1. That if a law requires a record, notice, instrument or other document to be in writing, a document in electronic form satisfies the law.
- 2.3.2. That if a law requires or permits a signature, a signature in electronic form satisfies the law.
- 2.3.3. That if a law requires or permits a seal, attestation or notarisisation, a seal, attestation or notarisisation in electronic form satisfies the law.
- 2.3.4. That if a law requires a person to retain a document that is in the form of paper, an article or other material, retention of an electronic copy of the document satisfies the law.
- 2.3.5. That if a law requires a person to retain a document that is in electronic form, retention of a copy of the document satisfies the law.
- 2.3.6. That if a law requires or permits a document or information to be produced, served, sent or delivered, then producing, serving, sending or delivering the document or information in electronic form satisfies the law; and doing so by electronic means satisfies the law.
- 2.3.7. That if a law requires or permits a statement or declaration to be made under oath or in a statutory declaration, a sworn document or statutory declaration in electronic form satisfies the law.

The Interpretation (Guernsey) Law, 1948 provides, as its name implies, a consistent basis for the interpretation of particular words that are used in legislation. Section 10 of that Law describes the term ‘writing’ as follows:

“In this Law and every other enactment, whether passed before or after the commencement of this Law, expressions referring to writing shall, unless the contrary intention appear, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form”

It is recommended that, in order to create a sound platform for future legislation, the definition of ‘writing’ in the Interpretation (Guernsey) Law, 1948 should be amended to be consistent with the proposed electronic commerce legislation. A more restricted definition of ‘physical writing’, which would exclude electronic form, should be available for use in cases where it is thought appropriate for policy reasons.

The definition of writing may be qualified by the intended recipient being able to specify the particular form in which the information is to be given and the action that should be taken to verify receipt.

In the case of communications with the States and other governmental bodies, those bodies should be able to specify the precise form in which electronic communications would be accepted for specified purposes. Electronic communications with other organisations should be permitted insofar as those organisations consent to the use of particular forms of communication.

It is recommended that the legislation should include:

- (1) allowing the general principles to be brought into effect and applied on a case by case basis to specified types of transaction or to specified other laws or legislation;
- (2) allowing exclusions by subordinate legislation from the general principles on similar bases; and
- (3) allowing additional safeguards and requirements to be implemented by subordinate legislation in specific cases. Care should be taken when implementing such subordinate legislation to ensure that any such safeguards or requirements do not impose inappropriate technological restrictions.

2.4 ELECTRONIC SIGNATURES

Some jurisdictions define the terms ‘electronic signature’ and ‘enhanced electronic signature’. Bird & Bird do not recommend adopting this approach, because it is not technologically neutral and the facilitation provisions (in 2.1.2 and 2.3.2 above) would allow that, wherever there exists a requirement for the signature of a person, that requirement may equally be met by an electronic signature. It is recommended that it is made clear that an electronic signature may be associated with a ‘physical’ record as well as with an ‘electronic’ record.

2.5 ELECTRONIC DOCUMENTS AND MESSAGES

Conventional law (such as section 11 of the Interpretation (Guernsey) Law 1948) uses presumptions as to the service and delivery times of documents by post rather than necessarily using actual recorded times.

Bird & Bird recommend that, by adopting a similar principal for electronic means of service, it is unnecessary to devise technologically based rules regarding the service of electronic forms of documents or messages.

Accordingly, it is recommended that the primary legislation include provisions for rebuttable presumptions of time and place of service and delivery to be contained in rules to be enacted by means of subordinate legislation.

In a similar way it is recommended not to legislate immediately to define default rules for electronic messages, but to provide the power to do so by subordinate legislation.

2.6 ELECTRONIC AGENTS

An electronic agent is a computer program that performs specified actions on behalf of its user without further reference to that user, such as searching for the lowest priced item and then agreeing to buy it.

Whilst the laws of agency and contract formation may well be sufficiently robust to encompass electronic agents, it is recommended that, for the avoidance of doubt, the primary legislation include powers to legislate by subordinate legislation for electronic agents.

2.7 LIABILITY OF INTERMEDIARIES

It is the nature of electronic communications that intermediaries are used for the storage and onward transmission of messages or as repositories for information belonging to third parties. Such intermediaries may be 'conduits, caches and/or hosts' that do not exercise any control over the data that they hold or transmit. Without specific legal protection, such intermediaries might potentially be held liable for the accuracy of material held on their systems or be considered as infringing the intellectual property rights of others.

It is recommended that the proposed legislation contain provisions limiting the liability of on-line intermediaries such as conduits, caches and hosts.

2.8 CERTIFICATION AUTHORITIES AND 'ECOMMERCE ACTORS'

Currently, the dominant methodology for verifying the association between the signatory and his signature is through reliance on a digital certificate issued by a trusted third party, also referred to as a Certification Authority (CA).

The CA carries out some form of verification process to establish that the signature is linked to the signatory and then issues a digital certificate. The sending party then attaches the digital certificate to the communication and, upon receipt, the relying party is able to check, through interrogation of a database maintained by the CA, that the certificate is valid and therefore the signature is valid.

This is analogous to the current rôle played by Notaries and Chambers of Commerce for physical forms of communication.

The Committee accepts the recommendation from Bird & Bird that it is unnecessary to enact specific legislation for the liability of certification authorities.

Furthermore, Bird & Bird advise that even the prospect of a regulatory environment for certification authorities or those offering ecommerce services ('actors') is likely to engender suspicion rather than confidence. It is a fundamental tenet of these proposals that they are intended to be facilitative rather than restrictive.

Accordingly, it is recommended not to implement a regime for the regulation of certification authorities, or for ecommerce actors generally. Such entities would in any case be subject to existing legislation such as data protection.

2.9 ENCRYPTION

At present, the use of encryption is fundamental to the provision of a secure environment in which to undertake ecommerce activities.

In the past some jurisdictions, notably the United States, have imposed restrictions on the use or export of strong encryption products on the grounds of national security and crime prevention. These fears are now tending to subside and in January 2000 the United States liberalised its rules regarding the use and export of encryption products.

It is recommended that a provision be incorporated into Guernsey statute making it clear that persons may lawfully use encryption products of any strength and for any purpose. Such a provision may be subject to explicit rules concerning the import and export of encryption products.

2.10 POWER TO AMEND LEGISLATION

Although the proposals contained in sections 2.1 and 2.3 above attempt to encompass all the necessary aspects of facilitation and requirements of form, future technological developments or the discovery of obscure, strangely worded legislation may mean that those general concepts do not fit squarely on to some existing provisions.

In order to create maximum flexibility and enable solutions to such problems to be resolved as swiftly as possible, it is therefore recommended that the States be given the power to amend the Law which will contain the provisions proposed in those sections by way of Ordinance. This general power of amendment will be qualified in that its exercise will only be possible for the purpose of authorising or facilitating ecommerce.

It is also recommended that, in order to avoid the necessity of future Laws being required to amend individual Laws which are found to contain provisions which will not be modified satisfactorily by the general facilitative provisions outlined above, the States should also be given the power to make such amendments by way of Ordinance.

3. BUDGETARY IMPLICATIONS

The Advisory and Finance Committee recognises the specialised nature of this legislation and the need for it to be enacted without delay. Accordingly, the Committee intends to retain Bird & Bird to undertake the initial legislative drafting, in consultation with the Law Officers.

In its report on the future provision of telecoms services, (Billet d'État II, 2000, section 3.7), the Committee stated that, in regard to legislation for regulation, it:

"...is seeking a further £250,000 (in its Strategic and Corporate Measures budget) to expedite the drafting of such legislation and any other legislation required to facilitate ecommerce ...

The sums referred to in the paragraphs above will be taken from the General Revenue Account Reserve but it must be stressed that they are only best estimates based on current information. The Committee may in the 2000 Policy and Resource Planning Report have to revise those sums in the light of experience."

4. RECOMMENDATIONS

The Advisory and Finance Committee recommends the States to:

1. Note the general principles under which it is proposed to develop legislation to facilitate electronic commerce;
2. Agree to rescind their decision within resolution XVI (30 September 1998) to implement legislation equivalent to Section 69 of the UK Police and Criminal Evidence Act 1984;
3. Direct the preparation of legislation as outlined in section 2 of this report, namely:
 - (a) General facilitation of ecommerce (section 2.1);
 - (b) Rules of evidence (section 2.2);
 - (c) Legal requirements of form (section 2.3);
 - (d) Electronic signatures (section 2.4);
 - (e) Documents and messages (section 2.5);
 - (f) Electronic agents (section 2.6);
 - (g) Liability of intermediaries (section 2.7);
 - (h) Certification authorities and ecommerce actors (section 2.8);
 - (i) Encryption (section 2.9);
 - (j) Power to amend legislation (section 2.10).
4. Note the intention to subcontract the initial drafting of legislation to outside specialists, such expenditure to be funded from the Advisory and Finance Committee's Strategic and Corporate Measures budget.

I have the honour to request that you will be good enough to lay this matter before the States with the appropriate propositions.

I am, Sir,
 Your obedient Servant,
 L. C. MORGAN,
 President,
 States Advisory and Finance Committee.

The States are asked to decide:—

- V.— Whether, after consideration of the Report dated the 21st January, 2000, of the States Advisory and Finance Committee, they are of opinion:-
1. To note the general principles under which it is proposed to develop legislation to facilitate electronic commerce.
 2. To rescind their decision within the resolution taken on Article XVI of Billet d'Etat No. XXI of 1998 to implement legislation equivalent to section 69 of the UK Police and Criminal Evidence Act 1984.
 3. That legislation shall be prepared as outlined in section 2 of that Report, namely:
 - (a) General facilitation of ecommerce;
 - (b) Rules of evidence;
 - (c) Legal requirements of form;
 - (d) Electronic signatures;
 - (e) Documents and messages;
 - (f) Electronic agents;
 - (g) Liability of intermediaries;
 - (h) Certification authorities and ecommerce actors;
 - (i) Encryption;
 - (j) Power to amend legislation.
 4. To note the intention to subcontract the initial drafting of legislation to outside specialists, the cost of which to be funded from the States Advisory and Finance Committee's Strategic and Corporate Measures budget.
 5. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATES TRAFFIC COMMITTEE

REVIEW OF VEHICLE REGISTRATION AND LICENSING LAWS

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

21st January, 2000.

Sir,

REVIEW OF MOTOR TAXATION AND LICENSING LAWS

1. **Introduction**

It is fourteen years since a comprehensive review was last undertaken of this extensive range of legislation. It has become increasingly clear to the Committee that there is a requirement to update and consolidate the existing laws so that they can continue to reflect the modern day requirements of the community.

This policy letter sets out those areas of the law that, in the Committee's opinion, need to be changed and proposes several new issues which should be addressed within the legislation. The Committee is also proposing the consolidation of the existing legislation, the removal of some of the existing bureaucratic requirements and the use of modern day terminology. There is also a recommendation to alter the rates of taxation applicable to private vehicles to encourage a greater usage of smaller vehicles.

2. **Background Information**

The review of the existing legislation was commenced during 1998. There are almost 50 separate items of legislation covering all aspects of vehicle taxation, licensing and other miscellaneous provisions. A list of the current legislation is attached as Appendix 1.

Some of the legislation is clearly very old and outdated. Indeed the main Law and Ordinances date back to as early as 1926. This often results in unnecessary and bureaucratic procedures having to be followed and little discretion or flexibility to move away from this.

3. **Principal Objectives of the Review**

At the commencement of the review, the Committee established a number of key objectives which it wanted to achieve. These were:-

- to consolidate and simplify the numerous items of existing legislation;
- to bring the legislation up to date in order to reflect modern day requirements;
- to remove unnecessary bureaucracy;
- to provide an alternative and more efficient method of calculating motor tax which might encourage the use of smaller vehicles.

4. **Consultations**

During the review of the legislation the Committee consulted and sought the views of:-

- Guernsey Motor Trades Association;
- Individual members of the local motor trade;
- Representatives of the local insurance industry;
- Committee for Home Affairs;
- Policy and Finance and General Services Committees in Alderney;
- Driver and Vehicle Standards Department in Jersey;
- Law Officers of the Crown.

The Committee wishes to place on record its appreciation to all of those who contributed so constructively to the review.

5. **Consolidation of Legislation**

The Committee's intention is to repeal and consolidate into a much smaller number of Laws and Ordinances most of those items of legislation set out in Appendix 1. Those provisions of the old laws which are now redundant will not be included in the new legislation which will be written to reflect modern day terminology.

The main law of 1926, which effectively provides the "umbrella" under which Ordinances are introduced, will be repealed. In its place, the Motor Taxation and Licensing (Guernsey) Law, 1987 will be amended to provide the necessary framework under which future Ordinances and Orders can be introduced. The only pieces of legislation which will be retained in whole or in part are those with an '*' shown alongside in Appendix 1.

In the Committee's opinion, this comprehensive approach to the streamlining of legislation will be of benefit to all those who have to use, refer to, implement and amend the various Ordinances. It will make the laws easier to understand and more easily accessible to the community.

6. **Vehicle Taxation (Licensing) – Areas of Change**

The Committee administers all of the legislation governing vehicle taxation. This is also commonly referred to as vehicle licensing. However, it is the Advisory and Finance Committee which determines the actual rates of taxation and makes recommendations to the States for any increases.

a) **Exemptions from and Preferential Rates of Taxation**

At the present time the Committee is unable to grant exemption from the requirement to pay motor tax in return for a vehicle licence other than by Ordinance. Similarly, preferential rates of tax can only be determined by Ordinance. This procedure is bureaucratic and time consuming. It requires the submission of policy letters and the drafting and enacting of legislation. This process takes up a great deal of administrative, legal and political time.

Those categories of vehicle which are currently exempt from the requirement to have a vehicle licence include fire engines, invalid carriages and pedestrian controlled vehicles such as those used in road construction.

The Committee believes that in addition to the existing categories of vehicles, exemptions from or preferential rates of taxation should also apply to vintage motorcars and motorcycles in excess of 50 years old which are the subject of special insurance arrangements and are not in daily use on the public highways. The Committee is aware that tailor made insurance policies are available for these types of vehicles which limit the amount of annual mileage which can be driven. A prerequisite of providing any exemption from or discretionary rates of vehicle taxation would be the production of such a policy.

It is therefore proposed that the Committee, in conjunction with the Advisory and Finance Committee should have the authority, by Order, to exempt from or provide preferential rates of, vehicle taxation.

Whilst the Committee does not envisage a requirement to widely use such powers, it does believe that the existing procedures are cumbersome. It is acknowledged that the authority to exempt from tax or to introduce preferential rates of tax could have implications for the States general revenue. It is therefore proposed that Orders relating to these two areas would have to have the full agreement of the Advisory and Finance Committee whose role would be to satisfy itself that the financial effects of any Order were not

significant. Orders could not be introduced where they were opposed by that Committee.

The Committee would intend, subject to the views of the Advisory and Finance Committee, to introduce discretionary rates of taxation for electrically powered vehicles and those which are powered by liquid petroleum gas (LPG) to reflect their more environmentally friendly nature. Those vehicles which were “dual powered” (i.e. could be powered say by LPG or petrol) would attract a higher rate of preferential tax.

Finally, the Committee proposes increasing the current levels of preferential rates of taxation as set out in Appendix 3. None of those taxation rates have been increased since 1995 and indeed the rates for tractors and buses have not increased since 1958. The Committee believes all of the rates should remain at a preferential level but must now be increased to more realistic sums which take into account the Committee’s administrative costs associated with providing this service.

b) **Definition of Motor Vehicles**

The Committee is of the opinion that certain types of vehicle should not be treated as motor vehicles and as such should be deregulated from the requirement to hold a driving licence. For example, at the present time, the owners of electrically assisted pedal cycles are required to hold a driving licence in category P, to display ‘L’ plates, wear a crash helmet and tax and insure their bicycle because they currently fall within the definition of a motor vehicle. The Committee believes such requirements are onerous and unnecessary.

Those vehicles which are not currently treated as motor vehicles include:-

- i) a mechanically propelled vehicle being an implement for cutting grass which is controlled by a pedestrian and is not capable of being used or adapted for any other purpose;
- ii) any other mechanically propelled vehicle controlled by a pedestrian which may be prescribed;
- iii) invalid carriages.

The Committee is therefore proposing that it should have the ability, by Order, to exempt certain classes of vehicles from the existing definition of a motor vehicle in appropriate legislation with a view to deregulating such vehicles from the existing licensing and other requirements.

c) **Period of Taxation**

The period for which vehicles are licensed is either six months or one year.

This choice, whilst of benefit to the motorist, results in a considerable amount of additional work for the Committee's staff which has been reduced by 3 within the past few years. In 1998, 60,887 requests for vehicle taxations were processed of which 35,947 were for six months and 24,940 for one year. The majority of those drivers who choose to tax their vehicles for a six month period effectively double the work involved. These figures should be viewed against a total of 47,116 motor vehicles (including 3,874 motorcycles) registered as at 31 December, 1998.

The Committee is of the view that this facility should be maintained in the interests of choice to the motorist. However, the Committee believes that anyone wishing to tax their vehicle twice a year should be expected to pay an administration charge of £5 to cover the additional costs in effectively processing the same application twice each year.

The States have previously accepted this argument initially introducing a surcharge of 50 pence almost thirty years ago and subsequently approving an increase in 1985 to £2.50, although the latter sum was never implemented in the legislation.

The Committee has also considered whether or not motorists should be permitted to tax their vehicles on a monthly or quarterly basis. However, this will lead to a significant increase in workload for the Committee's staff to the extent that additional resources, both financial and manpower, would be required. The Committee can see no overwhelming case for the introduction of monthly or quarterly taxation and in view of the resource implications, is opposed to such a change.

The Committee therefore proposes an increase in the surcharge for taxing a vehicle for a six month period from 50 pence to £5.

d) **Early Renewals**

There are occasions when the Committee believes that in the interests of its customers, it is helpful and practical to be able to process a request to renew a vehicle licence in advance of the expiry date of the old one. This might involve circumstances where a person is travelling away from the Island with their vehicle which has a licence that is due to expire on the day of departure or perhaps a little later.

A situation can also occur, for example, over a bank holiday weekend, where owners of motorhomes may want to start using their vehicles from the first day of the month. This could be a Saturday, Sunday or Monday. Such vehicles

are rarely taxed for a twelve month period and each spring a new vehicle licence is required.

The Committee has been advised that there is no legal impediment to effectively issuing post dated tax discs and it will therefore continue this service at its discretion and within suitable policy guidelines.

The purpose of addressing this matter within the policy letter is purely to take the opportunity to clarify the matter publicly.

e) **Calculation of Motor Tax**

In December 1997 the States resolved not to abolish motor tax in favour of additional duty on fuel. Subsequently, the Committee has considered whether or not the system of taxation should be calculated in some other manner, rather than to base it on the weight of a vehicle, as is currently the case.

The Committee has spent a considerable amount of time reviewing the current method of calculating motor tax which is based on the weight of a vehicle, measured in hundred weights (cwts). As part of this process, the Committee has also considered a number of alternative methods for calculating motor tax with a view to assessing the associated advantages and disadvantages.

The main objectives of reviewing the method of calculating motor tax was to determine whether or not a more efficient method of calculating motor tax could be achieved whilst at the same time assessing what environmental benefits might also be attainable within any proposed new system.

The Committee is particularly keen to encourage the purchase and use of smaller cars which are considered to be more “environmentally friendly” as they tend to use less fuel and therefore emit less pollutants providing, of course, that in common with all other vehicles, they are properly maintained. The Committee believes that one of the ways this particular objective can be put into practice is by reducing the amount of motor tax paid in respect of small cars and conversely increasing the tax paid for larger cars. This two fold approach would act as an incentive to encourage some drivers to use smaller cars.

In reviewing the available options for altering the method upon which motor tax is calculated, the Committee was particularly attracted to the idea of a taxation system based on the engine size of a vehicle (cubic capacity). It was felt that such a system, particularly if designed with bands in mind (i.e. 1-999cc, 1,000–2,000 cc, 2,001–3,000 cc etc.) and weighted in favour of smaller vehicles, could fulfil the objectives of changing the taxation system (to a more efficient method) whilst encouraging the use of smaller vehicles with smaller engines.

However, following extensive consideration the Committee concluded that even a system based on the size of a vehicle's engine was unlikely to be a more efficient system to administer and would not really offer any benefits in terms of the environment over and above the current weight based system. Changing to an alternative system based on engine size would be unlikely to achieve anything different as, generally speaking, the bigger the vehicle, the larger the engine it will have. The owners of larger (and therefore heavier) vehicles already pay more taxation under the existing system.

The Committee has therefore concluded that on the basis of its research, the existing weight based system for taxing all vehicles, which is both accepted and well understood by the community, should be retained for both petrol and diesel vehicles. At the same time however, the Committee would wish to further encourage the use of smaller cars on environmental grounds.

In recognition of the fact that the Advisory and Finance Committee is responsible for establishing the taxation system for motor vehicles, the States Traffic Committee believes that it would be appropriate, at this stage, to seek an "in principle" decision from the States to agree that:-

- a revised weight based taxation system should be developed by the Advisory and Finance Committee and presented as part of a future budget proposal; and
- the revised system should encourage the use of smaller vehicles and discriminate against larger ones.

At the same time, the Committee is of the view that the opportunity should be taken to move away from the imperial measurement system to metrication and that therefore the new system of vehicle taxation should be based on kilos rather than hundred weights (cwts).

7. **Vehicle Registration – Areas of Change**

a) **Imported Vehicles**

At the present time all imported vehicles whether new or second-hand must be registered with the Committee within 48 hours of their arrival if they are to be used on the Island's public highways.

The Committee is aware that this short time-scale can cause considerable inconvenience for some people particularly those who, upon arriving in the Island to live, often have more important matters to resolve in the first few days.

The Committee is therefore proposing that the time-scale should be increased to 14 days.

b) **Vehicle Registry**

- (i) The Committee is of the view that all vehicles to be used on the Island's public highways should be included on the Island's registry of vehicles irrespective of whether or not those vehicles are subject to taxation.

At the present time, for example, the Island's fire fighting appliances do not appear on the registry whereas police and ambulance vehicles do.

What this means in practice is that the Island's register of vehicles is not accurate. The Committee believes that it should be.

The Committee is therefore proposing that all vehicles other than those held for sale by the motor trade should be inscribed on the registry unless specifically exempted by Order of the Committee.

As alluded to above, it does not follow that all such vehicles should be subject to vehicle taxation and indeed the Committee is not proposing such a measure.

- ii) Each year the Committee registers for the first time on average, between 8,000 and 10,000 imported vehicles and motorcycles. The Committee is proposing that an administration fee should be introduced for the first time registration of all vehicles. The fee would be established at £25 to cover the costs of processing each application. The fee could subsequently be amended by Order.

c) **Hire Plates and Hire Discs**

It is arguable that the use of 'H' plates on vehicles provides a road safety measure giving due warning that the driver **may** not be used to driving on the Island's roads. The Committee recognises, of course, that many local drivers now hire or lease vehicles on a regular basis.

Nevertheless, on balance the Committee believes that where motorcycles, cars and other vehicles are hired out, there should continue to be a requirement to display an 'H' plate. However, a description relating to 'H' plates will be introduced in the legislation detailing dimensions and other relevant information.

However, the same legislation currently requires all vehicles to display a Hire disc as well as an 'H' plate and a tax disc (vehicle licence).

In 1998, 3,211 hire discs were issued by the Committee. This service is provided free of charge. The processing of the applications and the issue of the discs, creates a significant volume of work for the staff of the Committee and hire car companies. Furthermore, the hire discs serve no useful purpose.

It is therefore proposed to discontinue the issuing of hire discs.

d) **Change of Address**

At the present time the legislation requires vehicle owners to notify the Committee of a change of address "forthwith". Conversely, the driving licences laws provide for a period of 30 days in which to notify the Committee of any change of address.

The Committee is proposing that the legislation governing the registration of vehicles should contain a provision requiring the owner or registered keeper to notify the Committee of a change of address as soon as reasonably practicable and in any case within 14 days of the change occurring. Non-compliance would, in future, be treated as an offence under the legislation.

e) **Change Of Ownership**

Any person who sells their vehicle or passes it on to a new owner is required to notify the Committee immediately such a change occurs. The Committee is of the view that this is an overly restrictive requirement which could be relaxed to 14 days without unduly affecting the completeness of the register of vehicles.

Non-compliance with this requirement would continue to be treated as an offence.

f) **Scrapping of Vehicles**

The Committee estimates that at least 5,000 vehicles and 1,000 motorcycles may have been scrapped, broken up or exported, without the owner notifying the Committee. Although those vehicles that are exported are eventually notified to the Committee by the appropriate authority when they are re-registered in another jurisdiction, this can often take many months. The Island's vehicle registry is therefore often considerably inaccurate. Furthermore, many vehicles which are scrapped locally are not notified to the Committee.

It is proposed that a new provision is included in the legislation requiring the person, whether a company or individual, who is responsible for scrapping vehicles to issue receipts. A copy of that receipt can then be forwarded to the Committee by the person responsible for scrapping the vehicle as confirmation

that the vehicle in question has been scrapped. There would be a requirement to make a periodic return to the Committee.

This will ensure that the Committee's vehicle registry is more accurate and complete than is currently the case and reduce the risk of such unroadworthy vehicles being used again on the public highways.

It would also reduce the administrative workload on the Committee's staff who are required to contact vehicle owners after a two year period during which their vehicle has remained untaxed, to query the status of their vehicle.

g) **Original Documents**

The law currently requires vehicle owners to provide original documentation relating to all aspects of the registration, transfer of ownership, sale or origin of a vehicle. This can create significant difficulties particularly where a second hand vehicle has been imported into the Island and the original documents have been mislaid or lost.

The Committee currently accepts faxed copies of insurance documentation but no other paperwork can be accepted unless it is the original. Members of the public therefore occasionally have to resort to obtaining an affidavit as proof of their entitlement to a vehicle.

This approach within the existing legislation is considered to be too restrictive and can result in unnecessary problems for vehicle owners which, in order to resolve, often takes up a great deal of time and money.

It is therefore being proposed that a change should be made to the legislation to enable the Committee, at its discretion, to accept copies of all documents relating to vehicles and associated transactions.

h) **Power of Inspection**

The Committee is concerned that on occasions, attempts are made to register new and second hand vehicles which may not be in the Island. This is contrary to the current vehicle registration laws which require vehicles to be present in the Island at the time of registration. The Committee already has the authority to require vehicles to be weighed and a weigh bill presented at the time of registration of a vehicle. However, this in itself does not constitute proof that the vehicle is in the Island at the time of registration or indeed that the vehicle which was weighed is the same one being registered.

One of the reasons for such a practice would be to obtain bona fide registration documents for a vehicle. It is, of course, conceivable, that such a vehicle could be stolen or, may be the subject of a "cut and shut" repair or may

actually not exist. The registration documents which are subsequently obtained create an identity for any particular vehicle.

Although the Committee attempts to take steps to satisfy itself of the bona fide nature of requests for the registration of vehicles where it would seem appropriate to do so, it is in effect powerless to prevent such registration if the necessary paperwork appears to be in order.

The Committee is of the view that if it had the authority to require the person wishing to register a vehicle, to prove that the vehicle was in the Island, this would assist in preventing attempts to abuse the Island's system of registration. The Committee, in appropriate circumstances, could then require the vehicle to be brought to its offices or any place nominated, to be inspected by persons authorised by the Committee (such as police vehicle examiners), prior to registration documents being issued.

It is anticipated that the exercising of such discretionary authority would not be required on many occasions. Indeed it is likely that its mere existence would act as a deterrent.

i) **Residence of Owner**

The Committee is aware that on occasions, attempts are made by companies to register vehicles in the Island where such vehicles are to be held or used in another jurisdiction. There may be a number of reasons for such a practice and under the existing legislation, the Committee can find it difficult to refuse such applications which then provide legitimate registration documents for the vehicle which can be subsequently used to register a vehicle in another jurisdiction with relative ease.

The Committee believes that it would be appropriate to establish criteria governing this area which, if not satisfied, would be sufficient grounds to enable the Committee to refuse an application to register a vehicle where it was considered appropriate to do so.

The Committee therefore proposes that it **may** refuse to register a motor vehicle where the owner of the vehicle is a corporation, wherever incorporated, which is not carrying on an active business in the Island that requires the vehicle to be operated or based in the Island.

8. **General Areas of Change**

a) **Trade Licences**

There are two types of Trade Licences currently issued by the Committee as follows:-

- i) A General Trade Licence, which is valid for any purpose in connection with the business of a manufacturer, or repairer of, or a dealer in, motor vehicles. The only restriction governing the Licence is that it should not be placed on a vehicle which is being used for the conveyance of passengers for profit or reward. The present fee is £150.00 per annum and 43 such Licences are currently in use.
- ii) A Limited Trade Licence, which is restricted to specific uses such as for test or trial by a prospective purchaser, or following repairs, collecting or delivering a vehicle for repairs or to and/or from a harbour, proceeding to and from a weighbridge, etc. The Licence cannot be placed upon a vehicle which is being used for the conveyance of passengers or goods for profit or reward. The present fee is £30.00 per annum and 150 such Licences are currently in use.

The Committee is proposing in accordance with a recommendation made by the Board of Administration in 1985, that the present two tier system of Trade Licences is replaced with a single Trade Licence. This system is in operation in the United Kingdom. The Committee is also proposing that the annual fee for the new licence should be £60.00 except for traders dealing solely in motorcycles in which case it is recommended that the fee should be £25.00. The Committee will also review and amend the conditions relating to the use of trade plates.

It is also being proposed that the Committee should be given statutory powers to :-

- a) inspect the premises of an applicant for, or holder of, a Trade Licence; and
- b) revoke any Trade Licence where the licence holder is no longer eligible to use the licence.

The Committee further proposes that a person who uses a Trade Licence otherwise than in accordance with the terms of the licence shall be guilty of an offence and, in addition to a fine, the Court be empowered to order the suspension or forfeiture of the licence.

b) **Definitions**

Within the newly consolidated legislation which the Committee is proposing for both vehicle licensing and registration, it will be necessary to revise a number of existing definitions and introduce new ones. The following definitions currently need to be redefined or newly introduced:-

- tricycles and motorcycles in accordance with the existing definitions within the driving licence legislation;

- large goods vehicles and public service vehicles in accordance with the driving licensing definitions;
- agricultural machines;
- special purpose vehicles (generators, emergency standby vehicles etc);
- limited use vehicles (ride on mowers, show vehicles);
- mobile/mechanical plant;
- mobile cranes.

The Committee is also proposing that in future, it should have the ability by Order to vary existing or introduce new definitions to ensure the legislation can be easily amended and updated to take account of the latest developments in vehicle specifications and definitions. In this way, the relevant laws can be updated swiftly and efficiently without the need for a policy letter on each occasion. The intention is to continue to reflect wherever possible those definitions which are contained within the relevant UK legislation governing the use classes of motor vehicles.

c) **Fees**

In 1985, the Board of Administration recommended increases in fees in a number of areas. The resulting States resolutions were never implemented. The Committee is proposing the following increases in fees:-

	<u>Current Fee</u>	<u>Proposed Fee</u>
(i) Duplicate log books	£1.00	£5.00
(ii) Duplicate vehicle licence (tax disc)	50p	£3.00
(iii) Trade plate deposit	25p	£15.00

The Committee proposes that all future fees for vehicle registration and licensing services should be subject to amendment by Order of the Committee to reduce the administrative burden in preparing a policy letter and Ordinance on each occasion when a fee is to be increased.

Furthermore, in 1985 the Board of Administration proposed, and the States agreed, that all refunds relating to the unexpired portion of a vehicle licence, should be subject to an administrative charge of £2.50. That resolution was never implemented. At the present time therefore refunds in return for un-expired tax discs can only be issued for those vehicles which are either broken up, destroyed or exported.

In 1998 the Committee processed 1,900 applications for refunds totalling over £40,000. This creates a significant amount of work for the Committee's staff and States Treasury.

The Committee is of the view that all refunds should now be subject to a service charge of £5.00 to reflect the administrative work involved for both the Committee and the Treasury in processing refunds which includes calculating refunds, preparing the treasury instructions, the preparation and posting of cheques.

At the same time, the Committee believes that refunds should be made available for the un-expired portion of a vehicle licence in any circumstances, providing the relevant licence (tax disc) is returned to the Committee. The refund would continue to be calculated on the number of complete calendar months left to run on the un-expired tax disc less the proposed administration fee of £5.

d) **Offences**

The Committee proposes that relevant sections should be incorporated into the consolidated legislation for vehicle licensing and registration which deals with offences that can be committed and the consequent penalties involved. These would include, for example:

- failure to notify a change of address within the prescribed period;
- failure to notify a change of ownership of a vehicle within the prescribed period;
- failure to notify that a vehicle has been scrapped or exported within the prescribed period;
- failure to tax a vehicle;
- failure to display a vehicle licence (tax disc).

9. **Other Considerations**

(a) **Annual Road Worthiness Tests**

The Committee has carefully considered the issue of whether or not the Island should have an annual road worthiness test for all motor vehicles over a specific age. These are commonly referred to in the UK as MOTs.

Whilst the Committee can see some limited benefit in introducing these tests, perhaps in removing some of the very old and neglected vehicles from the Island's roads, their introduction would inevitably add to the cost of motoring in the Island.

The Committee is also aware that in other jurisdictions such as the UK which operate road worthiness tests, these are the subject of considerable abuse.

A system of policing those garages authorised to undertake the annual road worthiness tests would have to be introduced in order to maintain confidence and impartiality in the test. This would have manpower and financial

implications for the States. Similarly, a States owned and run test centre would involve significant capital, revenue and manpower requirements.

The Committee is currently satisfied, following consultation with the Committee for Home Affairs, that very few serious accidents in the Island are directly attributable to the poor condition of vehicles. In addition, the vast majority of the vehicles circulating in the Island are currently considered to be safe and roadworthy.

It is also likely that in the event that any vehicle was removed from circulation on the public highway as a result of a road worthiness test and could not be economically repaired, the owner would simply purchase a replacement. The introduction of road worthiness tests would be unlikely to therefore have any impact on the number of vehicles owned and circulated in the Island.

The Committee is also aware that the police operate an effective "Vehicle Rectification Scheme" which is successful in achieving improvements to unroadworthy vehicles and in removing those vehicles from the Island's roads which are potentially unsafe.

Against this background the Committee has decided not to recommend proposals for the introduction of an annual road worthiness test.

b) **Type Approval of Vehicles**

The matter of "type approval" has been considered by the Committee as part of its review.

Type approval involves the issuing of certificates by European manufacturers, which confirm that the vehicles they produce meet certain safety criteria established by European Community directives. Each certificate is unique and relates to a specific vehicle.

Generally speaking, any vehicle which does not have a type approval certificate, cannot be registered in a country within the European Community without first undergoing comprehensive and expensive tests to ensure it meets minimum road safety criteria.

The Committee is of the view that additional legislation introducing type approval requirements within the Bailiwick is unnecessary and will simply add to the existing bureaucracy. The Committee is not aware of any difficulties that would be encountered by a decision not to implement EC type approval legislation.

The Committee has also noted, with interest, recent developments in the UK where it is proposed to relax restrictions on the number of "grey import" vehicles which are brought into the UK for resale. Such vehicles are

manufactured outside of the European Union countries. Indeed it is the Committee's understanding that within a relatively short period, all restrictions on so called "grey import" vehicles are likely to be lifted. Whilst the Committee understands that on occasion customers may find it more difficult to obtain spare parts for those vehicles deemed to be a grey import, it does not believe this in itself warrants the introduction of new and quite extensive legislation.

The Committee will, of course, continue to monitor all developments associated with the licensing and registration of vehicles throughout the UK and the rest of the European Union. Any new areas which, in the Committee's view, would be of benefit to the Island's community, will be presented to the States, at the earliest opportunity.

c) **Windscreen Insurance Discs**

During the review the Committee considered proposals for the introduction of insurance discs to be displayed in vehicle windscreens. Such a system is currently in operation in Jersey following the abolition of vehicle taxation in that Island. If a similar system was introduced in Guernsey, it would remove the requirement for the Committee's staff to check the insurance documentation on each occasion that a vehicle licence is issued.

The Committee is aware however that the displaying of an insurance disc in the windscreen of a vehicle is no guarantee that the person driving the vehicle is, in fact, insured.

The Committee consulted the local insurance industry on the practicalities and advantages and disadvantages of introducing insurance discs for display in vehicle windscreens. Clearly such a new system would depend entirely on the co-operation of the local insurance industry.

A number of responses were received which ultimately proved to be inconclusive. Some insurance companies and brokers were in favour of their introduction; others were totally opposed on the grounds of bureaucracy and costs. Several insurance companies have stated that they would no longer underwrite motor insurance business in the Island if insurance discs were introduced. Yet others were supportive of their introduction, providing vehicle taxation was abolished.

Against this background, the Committee has decided not to proceed with the introduction of vehicle insurance discs.

d) **Visitor's Cars**

The Committee is aware that some confusion currently exists over the legality or otherwise of a local resident driving a car which is registered in another jurisdiction and is temporarily in the Island. Such situations occur, for example, where UK residents are visiting family or friends in the Island and bring their UK registered vehicle with them.

The Committee has consulted the Law Officers about this matter and specifically whether or not there is any legal impediment which prevents a local resident from driving, for example, a UK registered vehicle belonging to a member of the family or a friend.

The advice which the Committee has received is unequivocal. Providing any driver is properly licensed and insured, there is no reason in law why they cannot drive any such vehicle, irrespective of where it is registered.

In the light of this advice, the Committee is proposing to take no further action.

10. **1985 Resolutions of the States**

On 14 March, 1985 the States considered a policy letter from the Board of Administration on proposals for amending the vehicle taxation and registration laws as well as the driving licence legislation.

The States supported all of the Board's recommendations. A copy of the resolutions associated with vehicle licensing and registration arising from that States meeting in March 1985 is attached as Appendix 4.

Although many of the resolutions have been implemented, some, specifically relating to vehicle licensing and registration were not. These include resolutions 1(a) (i) – (v) and (vii) – (ix) and (xvii and xviii), b, c, f, g, k, l, n, q (ii) and r.

The Committee proposes that the outstanding resolutions arising from the 1985 report should now be rescinded as they have been superseded by recommendations contained in this policy letter.

Summary of Recommendations

The States are asked to agree to the following recommendations:-

- (i) that the existing legislation governing vehicle licensing (taxation) and registration should be consolidated with redundant provisions being deleted and, where appropriate, the introduction of modern day terminology.

- (ii) that those items of legislation which appear in Appendix (1) of this policy letter without an asterisk (“*”) should be repealed in whole or in part as appropriate;
- (iii) that the Committee should have the authority by Order, to exempt from the payment of taxation or to introduce and prescribe preferential rates of taxation for certain types or classes of vehicles, subject to the approval of the Advisory and Finance Committee;
- (iv) that increases in existing preferential rates of taxation should be in accordance with the rates set out in Appendix 3;
- (v) that the Committee should have the authority, by Order, to deregulate certain types or classes of vehicle from the requirement to hold a driving licence and other associated provisions as set out in Section 6 (b) of this policy letter;
- (vi) that the current surcharge of 50 pence for taxing a vehicle for six months should be increased to £5 or such sum as the Committee may in future determine by Order;
- (vii) to note that the Committee already has the authority to process early applications for vehicle licences and to issue post dated vehicle licences in appropriate circumstances;
- (viii) that the Advisory and Finance Committee should be directed to prepare a revised system of vehicle taxation as set out in section 6 (e) of this policy letter;
- (ix) that the first registration of all vehicles must occur within 14 days of arrival in the Island;
- (x) that all vehicles inclusive of fire appliances should be included in the Island’s registry of vehicles;
- (xi) that the Committee should have the authority to exempt, by Order, the requirement for the first registration of a vehicle, class or type of vehicle;
- (xii) that an administration fee of £25 or such sum as the Committee may in future prescribe by Order is introduced for the first registration of all vehicles;
- (xiii) that the requirement for the application, issue and display of Hire discs should be repealed and a definition of a hire plate included within the new system;
- (xiv) that owners of vehicles must notify the Committee in writing of any change of address as soon as reasonably practicable and in any case within a period of 14 days of such a change occurring;

- (xv) that the owners of vehicles must notify the Committee, in writing if a vehicle is transferred or sold to a new owner within a period of 14 days;
- (xvi) that the person, whether a company or individual, responsible for the scrapping of vehicles should provide the owner of any vehicle which is scrapped with a receipt confirming the vehicle is to be scrapped and a copy of such receipt must be forwarded to the Committee;
- (xvii) that the Committee should in future, at its discretion, be able to accept copies of any documentation relating to the registration, ownership, sale or origin of a vehicle;
- (xviii) that the Committee should be empowered to inspect a vehicle in relation to its registration as set out in section 7 (h);
- (xix) that the Committee should be empowered to refuse to register in appropriate circumstances, a motor vehicle where the owner is a corporation, wherever incorporated which is not carrying on an active business in the Island that requires a vehicle to be operated or based in the Island;
- (xx) that the current system of trade licensing should be replaced with a new system as set out in Section 8 (a) of this policy letter;
- (xxi) that a person who uses a trade licence otherwise than in accordance with the terms of the licence shall be guilty of an offence and, in addition to a fine, the Court be empowered to order the suspension or forfeiture of the trade licence;
- (xxii) that new definitions of vehicles should be introduced within the legislation governing the licensing and registration of vehicles as set out in section 8(b) of this policy letter;
- (xxiii) that the Committee should be empowered, by Order, to vary, amend and introduce new definitions in respect of vehicles and classes and types of vehicles;
- (xxiv) that a new scale of fees is established as set out in section 8 (c) of this policy letter, such fees to be amended in future by Order of the Committee;
- (xxv) that refunds should be made for the un-expired portion of a vehicle licence for any reason upon receipt of the relevant vehicle licence and subject to an administration fee of £5 or such other sum as the Committee may prescribe by Order;
- (xxvi) that relevant sections governing offences and corresponding penalties are set out within the newly consolidated legislation governing both vehicle taxation and registrations;

(xxvii) that the outstanding resolutions of the States arising from a meeting held on 14 March, 1985 should now be rescinded.

I should be grateful if you would lay this matter before the States with appropriate propositions including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
M. J. DENE,
President,
States Traffic Committee.

**CURRENT LEGISLATION RELATING TO VEHICLE TAXATION AND
LICENSING**

- Loi Relative aux Automobiles, 1926
- Loi supplémentaire relative aux Automobiles, 1932
- Loi supplémentaire a la Loi relative aux Automobiles, 1937
- Ordinance of the Royal Court (Trade Licensing), 1932
- Ordinance of the Royal Court (amending 1933 Ordinance)
- The Vehicular Traffic Ordinance, 1932
- Ordinance of the Royal Court (amending 1937 Ordinance)
- The Vehicular Traffic (short period licences) Ordinance, 1940
- Loi supplémentaire a la Loi relative aux Automobiles et concernant Les Tracteurs Agricoles, 1946
- Loi de 1950 supplémentaire a la Loi relative aux Automobiles
- The Motor Vehicles (Taxation and Licensing) (Amendment) Law, 1956
- The Motor Vehicles (Taxation and Licensing) (Tractors) Law, 1957
- The Motor Vehicles (Taxation) Amendment Law, 1957
- The Motor Vehicles (Amendment) (Guernsey) Law, 1960
- * The Motor Vehicles (Miscellaneous Provisions) Ordinance, 1962
- The Vehicular Traffic (Motor Licences) (Amendment) Ordinance, 1965
- The Motor Vehicles (Amendment) (Guernsey) Law, 1966
- The Motor Vehicles (Miscellaneous Provisions) (Amendment) Ordinance, 1966
- The Vehicular Traffic (Motor Licences) (Amendment) Ordinance, 1967
- The Vehicular Traffic (Motor Licences) (Amendment) Ordinance, 1968
- The Vehicular Traffic (Motor Licences) (Amendment) Ordinance, 1970
- The Vehicular Traffic (Motor Licences) (Amendment) Ordinance, 1976
- * The Motor Vehicles and Road Traffic (Penalties) (Guernsey) Law, 1982
- *The Motor Taxation and Licensing (Guernsey) Law, 1987
- * The Road Traffic (Disabled Persons) Ordinance, 1991
- * The Motor Taxation and Licensing (commencement) Ordinance, 1991
- The Road Traffic (Disabled Persons) (Amendment) Ordinance, 1991
- The Vehicular Traffic (Amendment) Ordinance, 1992
- *The Motor Taxation and Licensing (Guernsey) (commencement) Ordinance, 1995

CURRENT SYSTEMMOTOR TAX – CHARGES FOR PETROL AND DIESEL ENGINED VEHICLES

Cwt	PETROL		DIESEL	
	6 months	12 months	6 months	12 months
1	2.30	4.60	3.37	6.74
2	4.60	9.20	6.74	13.48
3	6.90	13.80	10.11	20.22
4	9.20	18.40	13.48	26.96
5	11.50	23.00	16.85	33.70
6	13.80	27.60	20.22	40.44
7	16.10	32.20	23.59	47.18
8	18.40	36.80	26.96	53.92
9	20.70	41.40	30.33	60.66
10	23.00	46.00	33.70	67.40
11	25.30	50.60	37.07	74.14
12	27.60	55.20	40.44	80.88
13	29.90	59.80	43.81	87.62
14	32.20	64.40	47.18	94.36
15	34.50	69.00	50.55	101.10
16	36.80	73.60	53.92	107.84
17	39.10	78.20	57.29	114.58
18	41.40	82.80	60.66	121.32
19	43.70	87.40	64.03	128.06
20	46.00	92.00	67.40	134.80
21	48.30	96.60	70.77	141.51
22	50.60	101.20	74.14	148.28
23	52.90	105.80	77.51	155.02
24	55.20	110.40	80.88	161.76
25	57.50	115.00	84.25	168.50
26	59.80	119.60	87.62	175.24
27	62.10	124.20	90.99	181.98
28	64.40	128.80	94.36	188.72
29	66.70	133.40	97.73	195.46
30	69.00	138.00	101.10	202.20
40	92.00	184.00	134.80	269.60
50	115.00	230.00	168.50	337.00
60	138.00	276.00	202.20	404.40
70	161.00	322.00	235.90	471.80
80	184.00	368.00	269.60	539.20
90	207.00	414.00	303.30	606.60
100	230.00	460.00	337.00	674.00

MOTORCYCLES

Months	1	12
Auto cycles	0.80	9.60
Motorcycles	1.60	19.20
Combinations	1.92	23.00

Omnibuses (for which a Public Service Omnibus License is in force issued by the PTLA to carry 20 or more passengers seated and standing):- Petrol 30pence per cwt per annum.

Diesel 60 pence per cwt per annum.

LIST OF VEHICLES SUBJECT TO PREFERENTIAL RATES OF TAXATION

Current

VEHICLE	Tax Payable Petrol (£)	Tax payable Diesel (£)	Proposed flat rate (£)
Agricultural Tractor	1.00	2.00	20.00
Dumper Truck	13.80	13.80	50.00
Excavator/Leading Shovel	13.80	13.80	50.00
Fork Lift Truck	13.80	13.80	50.00
Mobile crane	23.00	23.00	50.00
Auto cycles	9.60	9.60	15.00
Motorcycle combinations	23.00	23.00	25.00
Motorcycle	19.20	19.20	25.00
Public Service Omnibuses	30 pence per cwt	60 pence per cwt	50.00
Road repair vehicle	23.00	23.00	50.00
Tractor (Non-Agric)	13.80	13.80	20 00

**States Resolutions arising from a meeting held on 14 March, 1985 relating to
vehicle taxation and licensing**

1. To direct the preparation of legislation to repeal and consolidate the existing legislation relating to motor taxation and driving licences and to incorporate other provisions in accordance with States Resolution XX of the 27th February, 1975, together with additional provisions as follows:-
 - a) that the States be empowered by Ordinance to prescribe from time to time –
 - (i) the classes of motor vehicles exempted from the requirement to register;
 - (ii) the method according to which motor vehicles are taxed and the rates of taxes chargeable thereunder;
 - (iii) the classes of motor vehicles exempted from the requirement to pay motor tax;
 - (iv) the classes of motor vehicles entitled to preferential rates of taxes and the preferential rates of taxes chargeable thereunder;
 - (v) the period of validity of a vehicle licence (tax disc) and the surcharge payable for the issue of licences of lesser periods;
 - (vi) the allocation of registration numbers, including provisions for reserving, retaining and exchanging numbers and the charges payable thereunder;
 - (vii) the categories of trade licences and the fees chargeable thereunder;
 - (viii) the period of validity of a trade licence and the surcharge payable for the issue of a licence of lesser period;
 - (ix) the charges payable for the issue of a duplicate registration book, vehicle licence and trade licence;
 - (x) the penalties which shall be incurred by any person guilty of an offence under any Ordinance made under the new legislation and to prescribe different penalties for different offences: provided that any such penalty shall not exceed a maximum fine of £600 or imprisonment for a term not exceeding three years or both such fine and such imprisonment; and

- (xi) to make such ancillary and incidental provisions, from time to time, as appear to the States to be necessary or desirable for the implementation of the new legislation and to make different provisions for different purposes under the law;
- b) that the States be enabled by Ordinance to appoint a committee to be responsible for motor taxation and driving licence matters;
- c) that insofar as is practicable or desirable the definitions contained in the United Kingdom legislation on motor vehicles and driving licences be similarly applied to the new Guernsey legislation;
- d) that the responsible committee be empowered to prescribe all forms and any other documents necessary for the administration of the new legislation and that any application under the new legislation shall be accompanied by such information as the responsible committee may from time to time require;
- e) that the responsible committee be empowered to make such reasonable charges for the issue of documents, statistics etc. and duplicates thereof as it may from time to time determine;
- f) that the States be enabled by Ordinance to suspend or abandon motor taxation in favour of some other method of raising revenue from motorists;
- g) (i) that in future motor taxation in respect of all motor cars including estates be based on cubic capacity of the engine as follows:

	Petrol driven vehicles	Vehicle driven by heavy oil
c.c.	£	£
Up to 1000	33	53
1001-1200	39	62
1201-1400	42	67
1401-1600	48	76
1601-1800	51	81
1801-2000	54	86
2001-3000	66	105
3001-4000	75	119
4001-5000	84	134
5001-6000	96	153
Over 6000	102	162

- ii) that except where a preferential rate applies, all other motor vehicles excluding motor cycles be charged tax based on unladen weight;

- iii) that motor cycles continue to be charged on a flat rate basis including a reduced rate of fifty per cent of all auto cycles with pedals and that this reduced rate be also applied to mopeds as defined in paragraph 49 of that report;
- h) that the following additional vehicles be subject to registration but exempt from motor tax:-
 - (i) invalid carriages;
 - (ii) vehicles owned by Trinity House and used exclusively for their purpose of operation in the Island; and
 - (iii) any vehicle for which the responsible committee may grant upon application an exemption certificate and which does not travel a distance in excess of 100 yards on the public road on any one journey;
- i) that the following vehicles shall not be treated as motor vehicles:-
 - (i) a mechanically propelled vehicle being an implement for cutting grass which is controlled by a pedestrian and is not capable of being used or adapted for any other purpose;
 - (ii) any other mechanically propelled vehicle controlled by a pedestrian which may be prescribed;
 - (iii) an electrically assisted pedal cycle of such class as may be prescribed;
- j)
 - (i) to include similar provisions as apply in the United Kingdom in respect of the use of vehicles by the chronically sick and disabled persons;
 - (ii) to provide that a low powered invalid carriage which complies with the prescribed requirements and which is being used in accordance with the prescribed conditions shall not be treated as a motor vehicle;
 - (iii) to provide for the display of badges in a prescribed form on motor vehicles used by disabled persons;
 - (iv) that a badge to be displayed shall not be issued by the responsible committee to an applicant unless supported by a report from a medical Practitioner certifying that in his medical opinion the applicant is capable of driving a low powered invalid carriage safely;

- (v) that a disabled person using a low powered invalid carriage be exempt from the need of a badge when such invalid carriage is under the control of an adult pedestrian; and
- (vi) that the minimum age for a person to drive a low powered invalid carriage shall be ten years of age;
- k) that the following classes of vehicles (a) to (f) shall continue to attract a preferential rate of motor tax and that item (g) be added thereto:

	Present Rate	Proposed Rate
Tractors – Agricultural	£1.00 p.a. (petrol)	£7.50 p.a.
b) Tractors – Others restricted use	£7.50 p.a.	£7.50 p.a.
c) Mechanical Loading Vehicles	£7.50 p.a.	£7.50 p.a.
d) Mobile Cranes	£12.50 p.a.	£12.50 p.a.
e) Road Rollers	£12.50 p.a.	£12.50 p.a.
f) Public Service Omnibuses – In respect of which there is for the time being in force a public service omnibus licence granted under the Public Transport Licensing Ordinance, 1983 Specifying that 20 or more passengers, seated and standing, may be carried thereon	£0.30 per cwt p.a. (petrol) £0.60 per cwt p.a. (diesel)	£0.30 per cwt p.a. (petrol) £0.60 per cwt p.a. (diesel)
g) Vehicles over 30 years old	Full rate (minimum period 6 months)	£2.50 per week or part thereof as an alternative to normal licensing.

- l) that the half yearly surcharge for licensing a vehicle for six months be increased from £0.50 to £2.50,
- m) (i) that the responsible committee be empowered to serve a notice in writing revoking a vehicle licence and requiring it to be surrendered forthwith in the event of that licence having been issued with any error or omission in the particulars specified thereon; and
- (ii) that a vehicle licence shall be deemed to be null and void in the event of a cheque tendered in payment being dishonoured, but without prejudice to any proceedings which may be taken consequent upon such dishonour;

- n) that refunds of tax be paid upon surrender of a tax disc for any reason and that such refunds be calculated on the number of complete calendar months left to run on the unexpired tax disc less an administrative charge of £2.50 in each case;
- o) (i) that the allocation of registration numbers shall as at present remain at the discretion of the responsible committee;
- (ii) that the registered owner of a vehicle which has been declared as having been broken up, destroyed or permanently exported from the Island shall be entitled on payment of a charge of £5.00 to reserve the registration number from that vehicle for a period of two years;
- (iii) that the existing statutory provisions for "Exchange of Registration Numbers" shall continue to apply but that where applicable the reservation of any such number shall not exceed the period of two years from the date of the exchange on payment of a charge of £5.00;
- (iv) that any registration number howsoever obtained and not on a motor vehicle currently registered may only be used by the person in whose name the number has been reserved either on an existing vehicle registered in the same name or on a new vehicle to be registered in the same name except where the responsible committee may in exceptional circumstances decide otherwise;
- (v) that irrespective of the method by which a registration number is allocated, retained or reserved for future use, no reminders shall be sent by the responsible committee and failure to use that registration number within the period prescribed shall forthwith terminate the reservation and that number may be re-allocated by the responsible committee without notification to the person for whose use it had been so allocated, retained or reserved as the case may be;
- (vi) that the charge for each application for an exchange of number shall be increased from £5 to £25; and
- (vii) that the responsible committee be empowered to inspect any motor vehicle where it considers it necessary to do so in matters relating to registration numbers;
- p) (i) that where a motor vehicle has remained untaxed for any consecutive period exceeding two years, the responsible committee be empowered to serve a notice in writing on the registered owner at the registered address requesting such information relating to the

registration of the vehicle as the responsible committee may deem necessary;

- (ii) that where not reply is received by the responsible committee within the period of six months from the date of the notice, the registration of the vehicle shall on the expiry of that period be treated as being revoked and the registration documents deemed to be of no effect and the responsible committee empowered to cancel the registration records and re-allocate the registration number without notification to the previous registered holder;
- q) (i) that a formal application be required for a duplicate tax disc or registration book, such application to incorporate a declaration as to the correctness of the application together with an undertaking to return the previous tax disc or registration book to the issuing office if subsequently traced; and
- (ii) that the charge for the issue of a duplicate tax disc or registration book be increased from £0.50 and £1.00 respectively to £2.50;
- r) (i) that the present two tier system of Trade Licences be replaced by a single Trade Licence at a fee of £50 per annum except for traders dealing solely in motor cycles in which case the fee shall be £25 per annum;
- (ii) that the responsible committee be given statutory powers to:-
 - a) inspect the premises of an applicant for, or the holder of, a Trade Licence; and
 - b) revoke any Trade Licence where the licence holder is no longer eligible to use the licence; and
 - (iii) that a person who uses a Trade Licence otherwise than in accordance with the terms of the licence shall be guilty of an offence and in addition to a fine, the Court be empowered to order the suspension or forfeiture of the licence.
 - (iv) that a disqualification endorsement may be removed from a driving licence after a period of five years has elapsed since the expiry date of such disqualification upon application from the holder whereupon a new licence will be issued at a charge equivalent to that for a duplicate licence;

- (b) (i) that paragraphs (i) and (ii) of States Resolution XX (c) of 27 February 1975 be rescinded and the following substituted –
- “(c) that the rate of motor tax chargeable in respect of an articulated motor vehicle shall be increased, in the case where it is petrol driven from £2.50 to £4.17 per hundred weight or equivalent and, in the case where it is diesel driven, from £3.98 to £5.79 per hundredweight or equivalent”;
- (ii) that States Resolution XX (f) of 27 February 1975 be rescinded;

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

20th January, 2000.

Sir,

I have the honour to refer to the letter dated 21 January 2000 addressed to you by the President of the States Traffic Committee on the subject of the review of Motor Taxation and Licensing Laws.

The Advisory and Finance Committee broadly supports the recommendations contained in the Traffic Committee's report. It comments specifically on the proposals to revise the calculation of motor tax.

The Advisory and Finance Committee welcomes the revision of motor tax to discriminate against larger vehicles. It is hoped that this initiative on the part of the Traffic Committee will lead to its developing a cohesive and comprehensive policy for the ownership and use of motor vehicles on the Island.

However, the Advisory and Finance Committee believes that any changes in tax arrangements intended to influence the behaviour of the motorist should be considered in the overall context of taxation on motor vehicles and their use including taxes on fuel and the possible introduction of new taxes.

The Advisory and Finance Committee's Fiscal Policy Working Group will, under its terms of reference, be reviewing the whole issue of the taxation of vehicles and motor fuel. If the States accept the Traffic Committee's proposals with regard to motor tax, the Advisory and Finance Committee will ensure that their decision is taken into account by the Group and is reflected in an integrated package of budget proposals brought to the States in the light of the Group's findings. As part of this process, the Advisory and Finance Committee will consult with the Traffic Committee in preparing a revised motor tax structure.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

- VI.— Whether, after consideration of the Report dated the 21st January, 2000, of the States Traffic Committee, they are of opinion:-
1. That the existing legislation governing vehicle licensing (taxation) and registration shall be consolidated with redundant provisions being deleted and, where appropriate, the introduction of modern day terminology.
 2. That those items of legislation which appear in Appendix (1) to that Report without an asterisk ('*') shall be repealed in whole or in part as appropriate.
 3. That the States Traffic Committee shall have the authority by Order, to exempt from the payment of taxation or to introduce and prescribe preferential rates of taxation for certain types or classes of vehicles, subject to the approval of the States Advisory and Finance Committee.
 4. That increases in existing preferential rates of taxation shall be in accordance with the rates set out in Appendix 3 to that Report.
 5. That the States Traffic Committee shall have the authority, by Order, to deregulate certain types or classes of vehicle from the requirement to hold a driving licence and other associated provisions as set out in Section 6 (b) of that Report.
 6. That the current surcharge of 50 pence for taxing a vehicle for six months shall be increased to £5 or such sum as the States Traffic Committee may in future determine by Order.
 7. To note that the States Traffic Committee already has the authority to process early applications for vehicle licences and to issue post dated vehicle licences in appropriate circumstances.
 8. That the States Advisory and Finance Committee shall be directed to prepare a revised system of vehicle taxation as set out in section 6 (e) of that Report.
 9. That the first registration of all vehicles must occur within 14 days of arrival in the Island.
 10. That all vehicles inclusive of fire appliances shall be included in the Island's registry of vehicles.
 11. That the States Traffic Committee shall have the authority to exempt, by Order, the requirement for the first registration of a vehicle, class or type of vehicle.
 12. That an administration fee of £25 or such sum as the States Traffic Committee may in future prescribe by Order shall be introduced for the first registration of all vehicles.
 13. That the requirement for the application, issue and display of Hire discs shall be repealed and a definition of a hire plate included within the new system.
 14. That owners of vehicles must notify the States Traffic Committee in writing of any change of address as soon as reasonably practicable and in any case within a period of 14 days of such a change occurring.

15. That the owners of vehicles must notify the States Traffic Committee, in writing if a vehicle is transferred or sold to a new owner within a period of 14 days.
16. That the person, whether a company or individual, responsible for the scrapping of vehicles shall provide the owner of any vehicle which is scrapped with a receipt confirming the vehicle is to be scrapped and a copy of such receipt must be forwarded to the States Traffic Committee.
17. That the States Traffic Committee shall in future, at its discretion, be able to accept copies of any documentation relating to the registration, ownership, sale or origin of a vehicle.
18. That the States Traffic Committee shall be empowered to inspect a vehicle in relation to its registration as set out in section 7 (h) of that Report.
19. That the States Traffic Committee shall be empowered to refuse to register in appropriate circumstances, a motor vehicle where the owner is a corporation, wherever incorporated which is not carrying on an active business in the Island that requires a vehicle to be operated or based in the Island.
20. That the current system of trade licensing shall be replaced with a new system as set out in Section 8 (a) of that Report.
21. That a person who uses a trade licence otherwise than in accordance with the terms of the licence shall be guilty of an offence and, in addition to a fine, the Court be empowered to order the suspension or forfeiture of the trade licence.
22. That new definitions of vehicles shall be introduced within the legislation governing the licensing and registration of vehicles as set out in section 8 (b) of that Report.
23. That the States Traffic Committee shall be empowered, by Order, to vary, amend and introduce new definitions in respect of vehicles and classes and types of vehicles.
24. That a new scale of fees shall be established as set out in section 8 (c) of that Report, such fees to be amended in future by Order of the States Traffic Committee.
25. That refunds shall be made for the un-expired portion of a vehicle licence for any reason upon receipt of the relevant vehicle licence and subject to an administration fee of £5 or such other sum as the States Traffic Committee may prescribe by Order.
26. That relevant sections governing offences and corresponding penalties are set out within the newly consolidated legislation governing both vehicle taxation and registrations.
27. That the outstanding resolutions of the States taken on Article I of Billet d'Etat No. VII of 1985 shall be rescinded.
28. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

STATES HOUSING AUTHORITY

ANNUAL REVIEW OF STATES HOUSE RENTS AND REBATES

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

20th December, 1999

Sir,

ANNUAL REVIEW OF STATES HOUSE RENTS AND REBATES

INTRODUCTION

The Authority has carried out its annual review of the rents to be paid by States' tenants and the associated Rent Rebate Scheme.

The Authority is recommending that rents and rent rebates should be increased by the current rate of inflation to ensure that rents maintain their relative value, and to ensure that the value of the rebate is maintained for those of limited means.

GENERAL POLICY ON RENTS AND REBATES

The Authority's general approach to States' house rents and rent rebates was set out in the report considered by the States in

May 1988 (Billet d'Etat XIII). This included the following statement of principles :-

- "(a) rent subsidies should not be used to keep general rent levels low;
- (b) subsidies should not be distributed to tenants who do not need them;
- (c) the aim of the scheme should be to ensure that tenants with low incomes or large families, or both, should not be asked to pay higher rents than they can afford."

RENTS

Since 1988, the Authority has made recommendations to the States with the objective of ensuring that States' house rents are kept as close to commercial value as is practicable, so that subsidies are only provided through the Rent Rebate Scheme to those tenants who cannot afford Standard Rents.

Standard Rents are chargeable at less than the perceived commercial value of States' houses and, even before the application of the subsidy, are less than equivalent private sector rents. This is because it has been accepted by the States that regular revaluation of States' house rents would be both impracticable and expensive; consequently, in recent years, the Authority has recommended the States to approve annual adjustments based on the most recent increase in the Retail Price Index.

In carrying out the present review of Standard Rents, the Authority has again decided, in the absence of a revaluation of property, to recommend an adjustment based on the increase in the Retail Price Index for the year ended 30 September 1999, namely 1.8%.

Appendix I shows the effect of this increase on the full range of Standard Rents. The largest weekly increase resulting from this proposal would be £1.91 per week, while a typical three bedroomed dwelling would have a rental increase of £1.36 per week to £77.17 per week. The rent for a typical modern one bedroomed dwelling would increase by £1.32 per week to £74.39 per week.

The Authority wishes to emphasise that these adjustments to Standard Rents will have no effect on tenants who qualify for a

Rent Rebate. Approximately two-thirds of States' tenants are in receipt of a Rent Rebate and, therefore, will face no increase in rent as a result of the Authority's proposals.

Standard Rents are only payable by those tenants who either do not qualify for, or who do not wish to apply for, a Rent Rebate. Tenants who apply for, and who are eligible for, a Rent Rebate will be assessed on the basis of their income.

RENT REBATES

The Rent Rebate Scheme was introduced in 1973, with the objective of ensuring that States' tenants did not have to pay more in rent than they could reasonably afford. The Scheme has been reviewed annually by the Authority and, in general, the States has agreed to an adjustment of the rebate factors in line with movements in the Retail Price Index, in order to protect the rebate against the effects of inflation.

The rules governing the Rent Rebate Scheme are detailed in Appendix II: the Authority does not consider that any change to these rules is presently required.

However, while the Authority considers that the Rent Rebate Scheme continues to meet its stated objective, in order to maintain the value of the rebate, it is recommended that all the factors in its calculation are adjusted in line with the increase in the Retail Price Index for the year ended 30 September 1999, i.e. 1.8%. It is also recommended that the gross income ceiling for eligibility for a Rent Rebate be increased from £380 to £387 per week.

The proposed rebate factors are shown at Appendix III; and examples of Weekly Income and Rent Payable both for Single Householders and Married Couples are shown at Appendix IV. It should be noted that Appendix IV is in an abbreviated form, but further details will be provided to any tenant or Member of the States who may request them. Similarly any tenant or Member of the States who wishes to know the rental category of a dwelling may obtain this information by contacting the Authority's office.

HIGH EARNER SURCHARGES

As a result of Resolution XIII of the States of 30 April 1992 (Billet VIII), the Housing Authority has, since 1 April 1993, implemented Income Related Rents for tenants whose income is regarded as high.

Under this scheme, rent is surcharged so that tenants pay more than the Standard Rent for their dwelling. The surcharge is not intended to be a penalty, but rather an incentive or encouragement to tenants to vacate their dwellings and make way for more needy families from the housing waiting list. This is illustrated by the fact that 95% of the income-related surcharge, paid over and above the Standard Rent, is returned to tenants if they vacate their States' House within a 5 year period.

The income threshold at which the surcharge is activated has not been the subject of regular annual adjustment, but for 1999 the States agreed the Authority's recommendation to increase this threshold from £550 to £575 per week.

The following scale thus became applicable in 1999:

At £575 per week, rent is assessed at 1/6 of income =
£95.83 per week
At £600 per week, rent is assessed at 1/5 of income =
£120 per week
At £625 per week, rent is assessed at 1/4 of income =
£156.25 per week

For 2000, the Authority recommends that the three levels at which the proportion of rent to income is adjusted should each be increased by 1.8% as follows:-

£585 per week - 1/6 of weekly income = £97.50 per week
£611.00 per week - 1/5 of weekly income = £122.20 per week
£636 per week - 1/4 of weekly income = £159 per week

The Authority will continue to exercise discretion and waive the surcharge in appropriate cases; for example, where there is serious ill-health, or where the tenant is approaching retirement age so that the period of high earning is relatively limited.

In recommending these changes, the Authority does not necessarily consider that all tenants who are earning less than £585 per week should be regarded as earning too little to be able to afford to vacate their States' dwellings, and, therefore, the Authority will continue to offer encouragement to tenants to vacate their homes, if appropriate with the aid of the States Home Loan Scheme.

CONSULTATION

The Authority has consulted with the States House Tenants' Association regarding all these proposals, and the Association has commented that it has no objection to the proposed recommendations.

REVIEW OF STATES HOUSE RENTS

Since 1996 the Authority has stated that it was investigating the introduction of income related rents. The Authority will be considering the merits of this and other means of ensuring an appropriate return from its housing stock, taking account of the financial circumstances of its tenants. This will involve a review of current charging policies, and of the rent rebate and rent surcharge schemes, in order to ensure the best use of the States' housing stock.

In its 1999 Policy Planning Submission the Authority assigned a medium term priority to the review of the current charging policies and the investigation of income related rents. Therefore, while some preliminary work has been undertaken, it is unlikely that the review will be completed before 2001. The Authority, therefore, proposes that the present system remains in place for at least another year.

RECOMMENDATIONS

The Authority recommends the States to agree that:-

1. Standard Rents for States Houses be increased by 1.8% to the levels set out in Appendix I;
2. The factors used to calculate a Rent Rebate be adjusted by 1.8%, as set out in Appendices III and IV;
3. The gross income ceiling for eligibility for a Rent Rebate be increased from £380 to £387 per week;

4. The States Resolution XIII of 30 April 1992 be varied further so that Income Related Rents will not be applied to tenants whose joint gross incomes are under £585 per week;
5. All the above changes shall take effect from 6 May 2000.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
J. E. LANGLOIS,
President,
States Housing Authority.

APPENDIX IMaximum Rental StructureProposed Rents in standard type. *Current Rents in italics.*

Category	Bedsit	1 BED	2 BED	3 BED	4 BED	5 BED
12	-	-	85.88	98.93	-	-
	-	-	84.36	97.18	-	-
11	-	74.39	82.57	95.05	-	-
	-	73.07	81.11	93.37	-	-
10	50.08	69.24	76.59	88.23	102.59	107.77
	49.19	68.02	75.24	86.67	100.78	105.86
9	48.12	66.55	73.49	83.48	94.38	-
	47.27	65.37	72.19	82.00	92.71	-
8	46.08	63.68	70.45	80.85	90.27	-
	45.27	62.55	69.20	79.42	88.67	-
7	44.10	60.98	67.34	77.17	86.09	-
	43.32	59.90	66.15	75.81	84.57	-
6	42.16	58.19	64.41	73.49	82.00	90.01
	41.41	57.16	63.27	72.19	80.55	88.42
5	40.08	55.47	61.29	69.82	77.84	-
	39.37	54.49	60.21	68.59	76.46	-
4	38.14	52.71	58.19	66.19	73.65	80.62
	37.47	51.78	57.16	65.02	72.35	79.19
3	36.00	49.92	55.16	62.53	69.56	-
	35.36	49.04	54.18	61.42	68.33	-
2	34.12	46.88	52.08	58.84	65.39	-
	33.52	46.05	51.16	57.80	64.23	-
1	32.18	44.45	49.11	55.16	61.29	-
	31.61	43.66	48.24	54.18	60.21	-

Note - The "Category" reflects the facilities, amenities and location of the properties.

APPENDIX IIRENT REBATE SCHEME

1. Any tenant who applies for a rent rebate should complete a form providing details of:-
 - * (a) gross income of tenant and spouse/partner (if earning);
 - (b) number of children at education establishments or under school age;
 - (c) number and ages of children in employment (earnings not required);
 - (d) number of lodgers and/or additional families (earnings not required).

* NOTE: The gross income includes wages or salary from employment or business, bonuses, overtime, commission and part-time or casual earnings all totalled before deduction of Income Tax, States Insurance Contributions or any other contributions deducted from earnings, but excludes war disability pension family allowance and attendant allowances.
2. Where the tenant accommodates a parent or parent-in-law who is aged 65 or over, a charge will be levied in assessing any entitlement to Rent Rebate. If the parent is below aged 65 and in employment, the normal lodger charges will apply.
3. Where the tenant is not the principal earner in the household, the rent payable may be related to the income of the principal earner. A child of the tenant will not be regarded as the principal earner if he or she is less than 25 years old, and this provision will only be applied where the tenant is either (a) aged 60 years or over, or (b) aged less than 60 years but permanently unemployed.
4. No detailed investigation of income will be made, but simple verification of gross earnings will be required as necessary and in cases where false information is knowingly provided appropriate action will be taken.
5. Further adjustments to the rent payable may be made in special cases of personal hardship eg. invalidity, handicapped persons.

6. Where a tenant has been offered alternative accommodation, in essentially the same area on the grounds that his present dwelling is under-occupied and rejects such offer, the Authority may withdraw the rebate.
7. No rebate shall be allowed to a tenant carrying on a business unless he can produce irrefutable evidence that he is entitled to such rebate.
8. Rebates will only be granted to tenants whose rent account is in arrears if agreement is reached for the payment of an amount above the rebated rent in order to clear the arrears.
9. Rebates will be calculated having regard to the factors detailed in Appendices III and IV.
10. Where the joint gross income of the tenant and his spouse/partner exceeds £387 per week, no rebate will be allowed.
11. Rent charges and rebates are assessed on a 50 week year basis.
12. The scheme will be reviewed annually.

APPENDIX IIIPROPOSED REBATE FACTORS

- (1) Rent payable assessed at one quarter of gross weekly income of
 - (a) single householders whose gross weekly income is £231 or more
 - (b) married couples and other householders whose gross weekly income is £351 or more
- (2) Rent payable assessed at one fifth of gross weekly income of
 - (a) single householders whose gross weekly income is £154
 - (b) married couples and other householders whose joint gross weekly income is £231
- (3) Rent payable assessed at one sixth of gross weekly income of
 - (a) single householders whose gross weekly income is £117
 - (b) married couples and other householders whose joint gross weekly income is £173
- (4) Rent payable assessed at one seventh of gross weekly income of
 - (a) single householders whose gross weekly income is £75
 - (b) married couples and other householders whose joint gross weekly income is £117
- (5) Where the income levels fall between
 - (a) for single householders £75 & £231
 - (b) for married couples and other householders £117 & £351

the rent payable is graduated
(for proposed graduations - See Appendix IV).

NOTE: WEEKLY INCOME MEANS JOINT GROSS ANNUAL INCOME DIVIDED BY 52

Allowances

(6) In assessing gross income the following is disregarded:

The earnings of a one parent family £2,129 pa

(7) For every child of school age or under or in receipt of full time education the weekly assessed rent is reduced by £2.98

Additional Charges

(8) The following amounts will be added to the weekly assessed rent (but not so as to exceed standard rent)

- | | |
|---|--------|
| (a) for each child of the householder aged 18, but under 25 years of age | £ 8.47 |
| (b) for each child of the householder aged 25 and over and for each lodger. | £12.70 |
| (c) for each additional family | £20.12 |
| (d) aged parent charge (see Rule 2) | £ 3.97 |

(This latter charge may be varied if the parent has owned property).

NOTE: "Weekly assessed rent" relates to a 50 week payment year

APPENDIX IVRENT REBATE SCHEME - EXAMPLESSINGLE PERSONS

	Weekly Income	Assessed Rent		Weekly Income	Assessed Rent		Weekly Income	Assessed Rent
	£	£ p		£	£ p		£	£ p
1/7	75	11.14		120	21.21		170	37.79
	80	12.19		130	24.31		180	41.39
	90	14.29		140	27.41		190	44.99
	100	16.39		150	30.51		200	48.59
	110	18.49	1/5	154	32.03		210	52.19
1/6	117	20.28		160	34.19		220	55.79
							230	59.39
						1/4	231	60.06

To assess rent payable for incomes not included in table

- (a) Between £75 and £116 add 21p for each additional £1 income;
- (b) Between £117 and £153 add 31p for each additional £1 income;
- (c) Between £154 and £230 add 36p for each additional £1 income.

Incomes of less than £75 assess at one seventh of income.

Incomes in excess of £231 assess at one quarter.

Incomes in excess of £387 not eligible for rebate.

NOTES: (1) "WEEKLY INCOME" MEANS JOINT GROSS ANNUAL INCOME DIVIDED BY 52.

(2) "ASSESSED RENT" RELATES TO 50 WEEK YEAR.

RENT REBATE SCHEME - EXAMPLESMARRIED AND OTHER HOUSEHOLDERS

	Weekly Income	Assessed Rent		Weekly Income	Assessed Rent		Weekly Income	Assessed Rent
	£	£ p		£	£ p		£	£ p
1/7	117	17.38		210	41.45		310	76.48
	120	18.04		220	44.55		320	80.08
	130	20.24		230	47.65		330	83.68
	140	22.44	1/5	231	48.04		340	87.28
	150	24.64		240	51.28		350	90.88
	160	26.84		250	54.88	1/4	351	91.26
	170	29.04		260	58.48			
1/6	173	29.98		270	62.08			
	180	32.15		280	65.68			
	190	35.25		290	69.28			
	200	38.35		300	72.88			

To assess rent payable for incomes not included in table.

- (a) Between £117 and £172 add 22p for each additional £1 income;
- (b) Between £173 and £230 add 31p for each additional £1 income;
- (c) Between £231 and £350 add 36p for each additional £1 income.

Incomes of less than £117 assess at one seventh of income.

Incomes between £351 and £387 assess at one quarter of income.

Incomes in excess of £387 not eligible for rebate.

The above assessed rents may be subject to deductions and additions in respect of the allowances and charges set out in Appendix IV.

NOTE: 1. "WEEKLY INCOME" MEANS JOINT GROSS ANNUAL INCOME
DIVIDED BY 52.

2. "ASSESSED RENT" RELATES TO 50 WEEK YEAR.

[N.B. The States Advisory and Finance Committee supports the proposals]

The States are asked to decide:—

VII.— Whether, after consideration of the Report dated the 20th December, 1999, of the States Housing Authority, they are of opinion:—

1. That Standard Rents for States Houses be increased by 1.8% to the levels set out in Appendix I to that Report.
2. That the factors used to calculate a Rent Rebate be adjusted by 1.8%, as set out in Appendices III and IV to that Report.
3. That the gross income ceiling for eligibility for a Rent Rebate be increased from £380 to £387 per week.
4. That States Resolution XIII of the 30th April, 1992, shall be varied further so that Income Related Rents will not be applied to tenants whose joint gross incomes are under £585 per week.
5. That all the above changes shall take effect from the 6th May, 2000.

STATUTORY INSTRUMENT LAID BEFORE THE STATES

THE BOARDING PERMIT FEES ORDER, 1999

In pursuance of the provisions of section 17(3) of the Tourist (Guernsey) Law, 1948, as amended, I lay before you herewith the Boarding Permit Fees Order, 1999, made by the States Tourist Board on the 15th December, 1999.

EXPLANATORY NOTE

This Order sets the fees payable by the holder of boarding permits from 1st April, 2000, replacing the Boarding Permit Fees Order, 1998.

DE V. G. CAREY
Bailiff and President of the States

The Royal Court House,
Guernsey.
The 4th February, 2000.

APPENDIX I

STATES EDUCATION COUNCIL

THE LADIES' COLLEGE – ANNUAL REPORT 1998/99

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

10th January, 2000.

Sir,

The Ladies' College - Annual Report 1998/99

I have pleasure in forwarding to you two copies of the Annual Report of the Principal of The Ladies' College for the academic year 1998/99 and have the honour to request that you will be good enough to arrange for it to be published as an appendix in a forthcoming Billet d'État.

I am, Sir,
Your obedient Servant,
M. A. OZANNE,
President,
States Education Council.

THE LADIES' COLLEGE

PRINCIPAL'S REPORT TO THE STATES OF GUERNSEY 1998-99

This year, 1998-99 has been a time of significant development for the Ladies' College. During the course of the spring and summer terms preliminary talks began with Elizabeth College about the formation of a Sixth Form partnership, enabling students from both Colleges to take courses in either school. The two Colleges have enjoyed friendly relations for several years, but the impetus behind the new initiative is the need to prepare in advance for the new 16+ Advanced level curriculum, which is due to start in September 2000. Both Colleges recognise that the formation of a strong working partnership will enable them to provide enhanced opportunities for their students and offer a far wider range of Sixth Form courses. At the same time the Ladies' College continues to consolidate the achievements of previous years, and once again very pleasing results have been achieved at A-level, G.C.S.E. and in the National Curriculum Tests.

Examinations, Destinations and Curriculum

At A-Level there was a 92.1% pass rate with 33.1% of these being at grade A and 75.8% at grades A – C. There were 127 subject entries by 44 candidates in 18 subjects. Two girls studied one of their A-Level subjects at Elizabeth College. There were 14 subject entries by candidates in 4 subjects at AS Level. One girl achieved the outstanding result of A grade in 5 subjects at A-level; 3 girls achieved A grade in 4 subjects; and 2 girls achieved A grade in 3 subjects. Edwina Casebow and Fiona Swan were awarded Rothschilds Bicentenary Awards for Outstanding Records of Achievement in the School.

At GCSE the pass rate was 100% in grades A – G and 99.4% at grades A – C. Out of a total of 547 subject entries 51.6% were at grades A or A*. 5 girls passed all 10 subjects at A or A* grade.

The National Curriculum Key Stage 3 test results were very satisfactory with 12 girls achieving Level 8 in Mathematics and 7 girls achieving Level 8 in English. It is not possible to enter girls for level 8 in Science, because there is not sufficient time for the girls to cover the additional work which is required at this level. 19 girls achieved Level 7 in Science, which is the highest level available to them at this stage. In the **Key Stage 2** results at Melrose, 20 girls out of 21 achieved Level 5 for English, 15 achieved Level 5 for Science and 16 achieved Level 5 for Mathematics.

A full list of the Destinations of Upper 6 leavers is attached. Many girls were successful in securing highly competitive places. Edwina Casebow gained a place at Newnham College, Cambridge to read Medicine, and Sophie Benjamin gained a place at the Slade School of Art. Edwina Casebow and Emma Bottomley were awarded Rothschilds Scholarships for their University education and Rachel Alford gained a Barings Scholarship.

Changes to The Board of Governors

Deputy John Roper has joined the Board as one of the Education Council representatives in place of the Reverend John Guille. Advocate Peter Atkinson and Mrs Kate Richards have joined the Board in place of Mrs Margaret Plummer and Mr Bryan Brehaut. The College was much saddened by the death of Mrs Plummer at the end of the summer term.

Changes of Staff

The following staff joined the College during this academic year: Mr Slingo, Head of Economics and Business Studies; Mrs Harries, Principal Teacher of Drama; Mrs Hill-Murphy, Teacher of English and Drama (1 year appointment); Mrs Rabey, part-time Teacher of Mathematics; Mr Thoz, part-time Teacher of French; Mrs Wolfe, Laboratory Technician (from November); Miss Blampied, Melrose Year 3 Class Teacher; Miss Le Lievre, Melrose Year 2 Class Teacher; Mrs Marquis, part-time Teacher of P.E. at Melrose (January to June).

The following staff left the College. Miss Rayer, Head of Food/Textiles Technology; Mrs Hill-Murphy, Teacher of English and Drama; Mrs Casebow, part-time Teacher of English; Mrs Watts, part-time Teacher of P.E. at Melrose (December); Miss Smith, Laboratory Technician (end of October); Mrs Sweet gave up responsibility for the Library, but remains on the Staff to teach A-Level Textiles.

Resources and Buildings

We have concentrated this year on upgrading our equipment for ICT, both in the curriculum and administrative networks. A computer room was established at Melrose, equipped with P.C.s, and a cable link was laid between Melrose and the Senior School, so that both schools are ready to be connected to the Guernsey Intranet as soon as Guernsey Telecoms can lay the connecting cable.

The Parents' Association purchased sun awnings for the windows outside the dining area, and also bought a new sound system for the school hall. Our pressing problem however, remains that of shortage of space. The school roll is rising, there is need for additional Sixth Form space, increasing numbers are applying to sit the College entrance tests for entry at 11 and a full year group applied to enter Melrose at 4+.

Highlights of the Year

During the year a number of foreign exchange visits were organised. A large group of girls visited the United States of America in October, and after touring Cape Cod and Boston, they spent 4 days in northern New Hampshire, attending classes in the local High Schools and staying with families. A German exchange took place with a school in Papenburg, and 20 students and their teachers came to spend a week at the Ladies' College in October, and a group of Ladies' College students paid a return visit to Germany in July. A French exchange visit also took place. Year 10 spent a long weekend in Paris in March, and Year 8 visited St. Malo in April.

The Sports teams have had a very successful year. The season opened with 2 former students representing Guernsey in the Commonwealth Games at Kuala Lumpur. 5 of our present students attended the Island Games at Gotland. Philippa Dudley and Kimberley Goodall in Athletics, Gail Strobridge and Lindsey Nash in Swimming, and Elena Johnson in Badminton. Elena is also a member of the England Under 14, and Under 15 Badminton Squads. Naveen Rahman is the Channel Islands Senior champion in Fencing and is a member of the England Junior Fencing team. Kimberly Goodall represents Guernsey, the Channel Islands and Hampshire in Athletics.

6 girls represent the Island and 5 represent the Channel Islands at Under 17 level in Hockey. 5 represent the Island and 3 represent the Channel Islands in Under 15 Hockey. 7 girls represent the Island in Netball. 9 girls represent the Island in Athletics. 7 in Swimming, 5 in Tennis, 3 in Squash and 3 in Badminton.

Tennis teams won the Under 15 and Under 13 Midland Bank Competition. In Hockey the Ladies' College were the Under 15 league winners and Under 14 tournament winners. In Netball, they were Under 13, Under 14 and Under 15 tournament winners and also the Under 15 league winners. They won the Under 16 trophy in Athletics and won the Inter-Collegiate Hockey cup match against Jersey and Inter-Collegiate Junior Tennis against Jersey.

The Duke of Edinburgh's Awards Scheme, is as ever, strongly supported. 52 girls are working towards their Bronze Award, and 31 girls have completed their Bronze Award. 22 girls are working towards their Silver Award, and 14 girls have completed their Silver Award. 30 girls are working towards their Gold Award, and 20 girls have completed their Gold Award. There is strong support from Ladies' College students for Young Enterprise, for the various music groups organised through the Schools Music Service, and 13 girls are members of the Channel Islands Youth Orchestra.

The College put on two very successful dramatic productions this year, Cinderella at Christmas, and a traditional Music Hall at the end June. Several girls won prizes in the Eisteddford and also for Art & Design. 29 prizes were won by College girls for the 'Design and Ad' competition, and a Melrose girl won the title of 'Young Designer of Year'.

Sarah Barrasin won a gold award in the U.K. Intermediate Mathematics Challenge and was entered for the European Challenge where she was ranked in the top 50 U.K. students and was awarded a prize by the U.K. Mathematics Trust.

During the course of this year the College has maintained high standards in all fields of school life. The need for capital development becomes an ever more pressing issue as numbers in the school continue to rise and the vitality and energy of the staff and students provide the momentum for continued growth and development.

Miss M.E. Macdonald
Principal

A level 1998-1999

A level	No. of Entries	A	B	C	D	E	N	U
Art & Design	10	2	3	3	2	0		
Biology	3	1	1	0	1	0		
Business Studies	13	0	1	2	3	2	4	1
Chemistry	7	5	0	2	0	0		
Classical Civilisation	1	0	0	1	0	0		
Economics	6	4	1	1	0	0		
English Language	6	1	0	3	2	0		
English Literature	13	0	3	9	1	0		
French	8	4	3	1	0	0		
Geography	5	3	2	0	0	0		
German	5	4	1	0	0	0		
History	16	4	5	3	3	1		
Mathematics	12	6	3	2	1	0		
Further Mathematics	2	2	0	0	0	0		
Music	1	1	0	0	0	0		
Physics	9	5	1	3	0	0		
Textiles	5	0	0	1	0	1	1	2
Theatre Studies	5	0	1	2	0	0	2	
Total	127	42	25	33	13	4	7	3
		33.1%	19.7%	26.0%	10.2%	3.1%	5.5%	2.4%
AS level								
Art & Design	2	0	0	0	1	1		
Government & Politics	7	0	3	3	1	0		
Mathematics	3	0	0	1	1	1		
Further Mathematics	2	1	0	1	0	0		
Total	14	1	3	5	3	2	0	0
		7.1%	21.4%	35.7%	21.4%	14.3%	0.0%	0.0%

GCSE 1998-1999

G.C.S.E.	No. of Entries	A*	A	B	C	D	E	Absent
Art	25	5	12	4	4			
Biology	55	6	22	23	4			
Chemistry	55	4	21	18	12			
Drama	24	0	12	12	0			
English	55	6	18	28	3			
English Literature	55	10	24	20	1			
French	55	8	28	12	7			
German	22	9	11	1	1			
Geography	17	6	6	4	1			
History	44	8	11	18	6	1		
Latin	11	2	5	2	2			
Mathematics	55	2	19	28	6			
Music	12	1	2	1	6	2		
Physics	55	3	21	21	10			
Religious Studies	7	3	4	0	0			
Total	547	70 12.8%	212 38.8%	192 35.1%	63 11.5%	3 0.5%	0 0.0%	1 0.2%

NATIONAL CURRICULUM KEY STAGE 3 RESULTS

Subject	Level 8	Level 7	Level 6	Level 5
Mathematics (Absent 2 girls)	12 girls	19 girls	11 girls	0
English (Absent 2 girls)	7 girls	14 girls	16 girls	5 girls
Science		19 girls	21 girls	4 girls

NATIONAL CURRICULUM KEY STAGE 2 RESULTS

Subject	Level 5	Level 4
Mathematics (Absent 1 girl)	16 girls	4 girls
English	20 girls	1 girl
Science	15 girls	6 girls



THE LADIES' COLLEGE GUERNSEY

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Telephone (01481) 721602 Facsimile (01481) 724209

Principal:
Miss M. Macdonald,
M.A., Dip. Ed.

DESTINATIONS OF SIXTH FORM LEAVERS – JULY 1999 AS AT AUTUMN 1999

Name	Institution	Course
Rachel Alford	Oxford Brookes	B.A. (Hons.) Accounting and Finance
Danielle Bachelet	University of Bath	BSc. (Hons.) Sociology
Sophie Benjamin	University of London	B.A. (Hons.) Fine Art
Elaine Besnard	Sheffield Hallam University	BSc. Recreation Management
Naomi Bishop	Leeds College of Art & Design	Foundation Course in Art & Design
Lara Blaise	G.A.P	Local Employment – Kleinwort Benson
Emma Bottomley	Univeristy of Birmingham	B.A. (Joint Hons.) French Studies and German
Kate Brehaut	G.A.P	Local Employment – Pannell Kerr Forster
Laura Brouard	University of Glasgow	M.A. (Hons.) Psychology
Stacey Brown	University of Surrey	M.Eng. Civil Engineering
Helen Browning	Bangor, University of Wales	B.A. (Hons.) Mediaeval and Early Modern History.
	Deferring to September 2000	Local Employment at Bank of Boston
Edwina Casebow	Newnham College, Cambridge University	M.B. Bchir (Hons.) Medicine
Elizabeth Couch	Bristol University	LLB (Hons.) Law
Elizabeth Curtis	Homerton College, Cambridge University	BEd. (Hons.) Music with Education
Joanna Daish	University of Wales, Swansea	BSc. Medical Science and Humanities
Anna Falla	University of Birmingham	B.A. (Joint Hons.) French Studies and German Studies
Jemma Field	Leeds Metropolitan University	BSc. (Hons.) Building Surveying
Hayley Gaudion	University of Exeter	B.A. (Combined Hons.) English and Drama
Daniele Gargeoura	University of the West of England, Bristol	Foundation Course, Art, Media and Design
Eleisha Gettings	G.A.P.	Local Employment – Barings (Guernsey) Ltd.

Name	Institution	Course
Zoe Hallam	University College, London	LLB (Hons.) Law with French Law
Zoe Heyworth	Oxford Brookes	BSc. (Hons) Real Estate Management
Xara Higgs	Applying for entry to Drama School	
Nicola Hollingsworth	Local Employment	National Westminster Offshore Bank
Alice Humphry	Royal Holloway	B.A. (Hons.) Classics
Lora Johnson	Bristol University	LLB (Hons.) Law
Katherine Legge	University of Exeter	B.A. (Hons.) Accounting and Finance
Nicola Le Page	Local Employment	Specsavers
Lindsey Morgan	University of Exeter	B.A. (Combined Hons.) English and Drama
Emma Morris	York University, Toronto	Double Honours Degree in German Studies and Philosophy
Lindsay Nash	Nottingham University Deferring to September 2000	BSc.(Joint Hons.) Mathematics and Management Studies Local Employment, Deutsche Bank
Caroline Nickolls	Kent Institute of Art & Design	Foundation Course in Art and Design
Jennifer Paluch	University of Southampton	BSc. (Hons.) Environmental Sciences
Katherine Parrott	University of Surrey	BSc. (Hons.) French & European Studies
Catherine Peet	University of Leicester	B.A. (Hons.) History
Fiona Pollock	Leeds College of Art & Design	Foundation Course in Art & Design
Joanne Seal	University of Leeds	LLB (Hons.) Law
Roxane Sexton	University of Leeds	B.A. (Hons.) History
Kristina Sheldrake	Local Employment	Royal Bank of Canada (C.I.) Ltd
Anna Lisa Spencer	University of Liverpool	B.A. (Hons.) Architecture
Fiona Swan	University of Edinburgh	M.B. ChB (Hons.) Medicine
Tamara Timothy	G.A.P. year at Univeristy of Sorbonne, Paris, France	Certificat de Langue Francais. (Intensive French Course)
Fiona Tostevin	University of Nottingham	MSci. Biochemistry and Biological Chemistry
Helen Young	University of Brighton	B.A. (Hons.) Tourism Management



APPENDIX II

STATES OF GUERNSEY

GUERNSEY RETAIL PRICES INDEX

STATES OF GUERNSEY
ADVISORY
& FINANCE
COMMITTEE

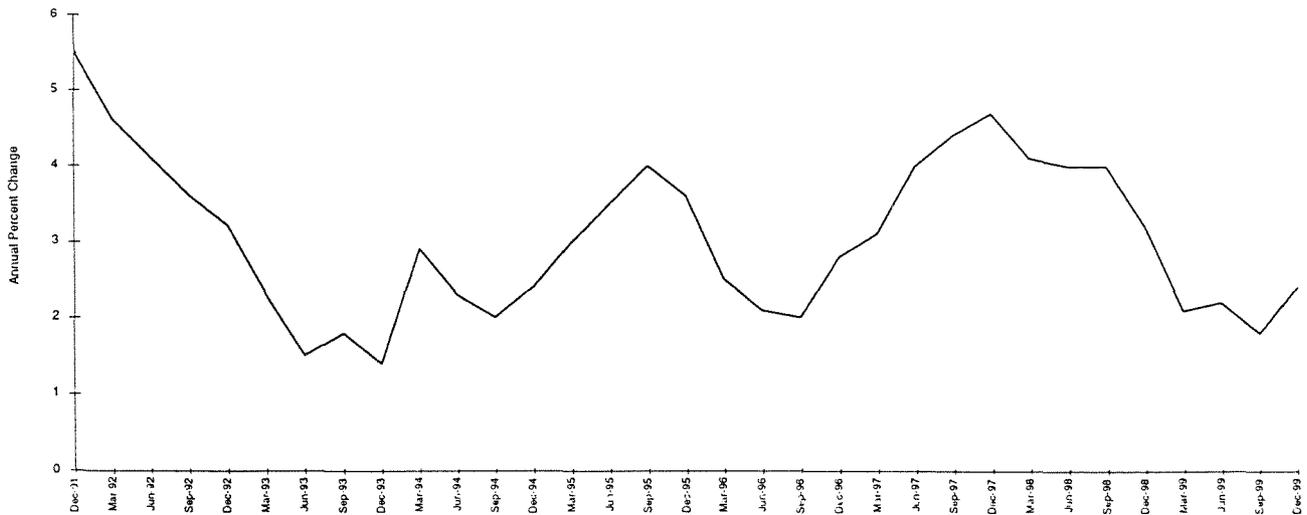
2.4% annual change as at 31 December 1999

At the end of December, Guernsey's annual rate of inflation, as measured by changes in the Index of Retail Prices, was 2.4% compared with 1.8% at the end of the previous quarter.

The Index Figures at the end of December 1999 were 100.0 (Dec 1999 = 100), 118.7 (Mar 1994 = 100), 160.4 (Dec 1988 = 100), 214.4 (Dec 1983 = 100), 340.4 (Dec 1978 = 100). December 1999 = 100 due to the introduction of new weights.

Period	%	Period	%
3 Months	1.1	2 Years	5.8
6 Months	1.6	3 Years	10.7
9 Months	2.7	4 Years	13.8
12 Months	2.4	5 Years	17.9
18 Months	3.9	10 Years	46.2

ANNUAL RATE OF INFLATION



Annual % Changes

Quarterly % Changes

	<u>Annual % Changes</u>				<u>Quarterly % Changes</u>			
	March	June	September	December	March	June	September	December
1990	10.2	9.7	10.4	9.8	3.1	1.6	3.3	1.4
1991	8.6	8.7	6.1	5.5	2.0	1.7	0.8	0.9
1992	4.6	4.1	3.6	3.2	1.1	1.2	0.3	0.5
1993	2.3	1.5	1.8	1.4	0.2	0.5	0.5	0.2
1994	2.9	2.3	2.0	2.4	1.7	0.0	0.2	0.5
1995	3.0	3.5	4.0	3.6	2.2	0.5	0.7	0.2
1996	2.5	2.1	2.0	2.8	1.1	0.1	0.5	0.9
1997	3.1	4.0	4.4	4.7	1.5	1.0	1.0	1.2
1998	4.1	4.0	4.0	3.2	0.9	0.9	1.0	0.4
1999	2.1	2.2	1.8	2.4	-0.2	1.0	0.5	1.1

**PERCENTAGE CHANGES IN GROUP INFLATION
AND THEIR CONTRIBUTION TO OVERALL INFLATION**

GUERNSEY INFLATION RATE (+2.4%)

	Weight	Annual percent change in groups	Contribution %
FOOD	127	+1.5%	0.3
ALCOHOLIC DRINK	52	+1.1%	0.1
TOBACCO	19	+5.4%	0.2
HOUSING	216	-1.6%	-0.5
FUEL, LIGHT & POWER	41	+10.1%	0.6
HOUSEHOLD GOODS	79	-1.0%	-0.1
HOUSEHOLD SERVICES	33	+2.7%	0.1
CLOTHING & FOOTWEAR	56	+2.0%	0.2
PERSONAL GOODS	49	+2.9%	0.2
MOTORING EXPENDITURE	85	+1.6%	0.2
FARES/OTHER TRAVEL	33	+12.3%	0.6
LEISURE GOODS	63	-0.4%	0.0
LEISURE SERVICES	92	+2.4%	0.3
FOOD AWAY FROM HOME	55	+2.6%	0.2
OVERALL	1000		2.4

Weight is the proportion of the total index represented by each group. Contribution shows the effect of price changes in relation to the relative weight of the groups.

Matters affecting the R.P.I during the last year

1. The main contributors to inflation during the last **year** were increases in the prices of fuel, light & power, fares and other travel, leisure services and food.
2. The main contributor to the fuel, light and power group is the increase in the prices of domestic heating oil.
3. The largest increases in the food group over the last year were in the prices of potato products and fresh fish.

Matters affecting the R.P.I during the last three months

1. The main positive contributors to the RPI during the last **three months** were fuel, light and power, household goods and housing.
2. The contribution of fares & other travel, food and alcoholic drink have decreased during the last **three months**.

This release is also being published on the States of Guernsey Web Site [http:// www.gov.gg/esu/rpiframe.html](http://www.gov.gg/esu/rpiframe.html) or you can contact them directly on (01481) 717012.