



BILLET D'ÉTAT

XI
2001

WEDNESDAY, 30th MAY, 2001

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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 **30th MAY, 2001**, immediately after the meetings already convened for that day.

PROJET DE LOI

ENTITLED

THE CURRENCY OFFENCES (GUERNSEY) (AMENDMENT) LAW, 2001

The States are asked to decide:—

I.— Whether they are of opinion to approve the Projet de Loi entitled “The Currency Offences (Guernsey) (Amendment) Law, 2001”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

ENTITLED

**THE HARBOUR DUES, HARBOUR CHARGES AND MOORING CHARGES
(GUERNSEY) (AMENDMENT) LAW, 2001**

The States are asked to decide:—

II.— Whether they are of opinion to approve the Projet de Loi entitled “The Harbour Dues, Harbour Charges and Mooring Charges (Guernsey) (Amendment) Law, 2001”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE AIRPORT FEES (AMENDMENT) ORDINANCE, 2001

The States are asked to decide:—

III.— Whether they are of opinion to approve the draft Ordinance entitled “The Airport Fees (Amendment) Ordinance, 2001”, and to direct that the same shall have effect as an Ordinance of the States.

THE HARBOURS (AMENDMENT) ORDINANCE, 2001

The States are asked to decide:—

IV.— Whether they are of opinion to approve the draft Ordinance entitled “The Harbours (Amendment) Ordinance, 2001”, and to direct that the same shall have effect as an Ordinance of the States.

STATES ADVISORY AND FINANCE COMMITTEE**PROPOSED RESTRUCTURING OF THE ROYAL BANK OF SCOTLAND
INTERNATIONAL LIMITED AND NATWEST OFFSHORE LIMITED**

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

20th April, 2001.

Sir,

**PROPOSED RESTRUCTURING OF THE ROYAL BANK OF SCOTLAND
INTERNATIONAL LIMITED AND NATWEST OFFSHORE LIMITED**

The Royal Bank of Scotland International Limited (“RBSI”) proposes to merge its banking business with that of NatWest Offshore Limited (“NWO”) and to restructure its offshore operations in the Channel Islands, the Isle of Man and Gibraltar.

RBSI and NWO are members of The Royal Bank of Scotland Group of Companies, following The Royal Bank of Scotland Group plc’s acquisition of National Westminster Bank plc in March last year.

RBSI is a Jersey incorporated bank which has branches in each of Guernsey, Jersey and the Isle of Man. NWO is an Isle of Man incorporated bank with branches in Guernsey, Alderney, Sark, Jersey, the Isle of Man and Gibraltar. Both RBSI and NWO hold banking licences in Guernsey issued under the Banking Supervision (Bailiwick of Guernsey) Law, 1994.

NWO is also the parent company of a number of subsidiaries of the Coutts Offshore Group. One of those subsidiaries, Coutts (Guernsey) Limited also holds a banking licence in Guernsey.

RBSI wishes to simplify the current operating structures and to maximise the benefits arising from both entities being part of The Royal Bank of Scotland Group.

Following the review of its operations in the Crown Dependencies and Gibraltar, RBSI proposes that the existing business of NWO conducted in the name of “NatWest” within the Bailiwick of Guernsey be transferred to RBSI. The enlarged RBSI will, however, continue to trade in Guernsey using “NatWest” as a trading name as well as continuing its existing business as RBSI.

RBSI has been advised that in order to facilitate the transfer of existing NWO business to RBSI as efficiently as possible and without interference to the conduct and continuity of such business such transfer should be effected by legislation. No realty will be transferred by virtue of the proposed law.

With regard to Coutts (Guernsey) Limited, it is presently anticipated that its banking business will be transferred to RBSI internally and with customer consent, and consequently will not be included in the Bailiwick law.

The legislation would provide that all agreements with NWO continue with RBSI and include all agreements with all clients, counter-parties and employees. The Crown Officers have advised that there is no reason in law why the necessary legislation should not be enacted.

RBSI has liaised closely with the Guernsey Financial Services Commission with regard to these proposals and the Commission does not raise any objection to the proposals.

The authorities in Alderney and Sark have been consulted and raise no objection to the proposed legislation.

All costs, charges and expenses preliminary and incidental to preparing, applying, obtaining and passing the law and in relation thereto shall be borne by RBSI.

I have the honour to request that you 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:—

V.— Whether, after consideration of the Report dated the 20th April, 2001, of the States Advisory and Finance Committee, they are of opinion:—

To direct the preparation of legislation designed:—

- (1) to effect the transfer of all the undertakings of NatWest Offshore Limited to the Royal Bank of Scotland International Limited, the transfer of which falls to be governed by the laws of Guernsey;
- (2) for the transfer to the Royal Bank of Scotland International Limited of contracts of employment governed by the law of Guernsey of persons employed by NatWest Offshore Limited;
- (3) to provide for all agreements with NatWest Offshore Limited governed by the law of Guernsey (including agreements with clients, counterparties and employees) to continue with the Royal Bank of Scotland International Limited;
- (4) to provide that the above propositions shall apply to all existing business of NatWest Offshore Limited conducted in the name of NatWest;
- (5) to provide for other purposes incidental thereto and consequential thereon.

STATES BOARD OF ADMINISTRATION**REFURBISHMENT OF HARBOUR AUTHORITY CRANE**

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

24th April, 2001.

Sir,

REFURBISHMENT OF HARBOUR AUTHORITY CRANE

The Harbour Authority has one 32 ton Derrick Crane and one 7 ton Portal Crane for the loading/unloading of cargo, situated on No: 4 Berth, St Peter Port Harbour.

The Portal Crane (No: 17) was purchased new from Stothert and Pitt in 1965 (now 36 years old). The Derrick Crane was purchased new from Henderson's in 1972 (now 29 years old). Both Cranes are mechanically and structurally sound and mechanical spares are available or can be fabricated when required.

As part of the on-going maintenance programme, the Derrick Crane is scheduled for the jib to be removed, shot-blasted and painted, along with the remainder of the metal structure, by the Harbour workforce. Similar structural work on the Portal Crane has already been carried out.

The wiring and electrical controls of the Crane's motors are operated by 440V DC. Following an inspection and recommendation by the Cranes' manufacturers, the Harbour Authority would like to take this opportunity to replace the wiring and motor control of the 32 ton Derrick Crane with a modern solid state system (no mechanical moving parts or contactors), powered by 3-phase AC. The output to the motors would remain DC as this is the best speed/load control. Therefore it would not be necessary to replace the existing drive motors, which would be sent for overhaul and refurbishment.

In order to power the Crane with 3-phase AC, a new transformer and supply cables have to be installed by the States Electricity Board and the 420V DC supply to this Crane disconnected.

By upgrading this Crane it is envisaged that this would provide a further 15 years of service life, which would then coincide with the decision on whether the cargo handling should be moved to a new St Sampson's Harbour.

The Harbour Authority went out to selective tendering to three companies, namely Clarke Chapman Services Limited, Strachan & Henshaw Limited and John M Henderson & Company Limited. Strachan & Henshaw Limited and John M Henderson & Company Limited declined to tender and Clarke Chapman Services Limited was the only company to submit a tender. This company met the specification as set out in the tender document.

A contingency of 10% to allow for unforeseen variations is recommended.

The breakdown of the tender prices is as follows:

Clarke Chapman Services Ltd

| | |
|--|-------------|
| Derrick Crane – Electrical Refurbishment | £126,459.00 |
|--|-------------|

States Electricity Board

| | |
|-----------------|------------|
| Mains Quotation | £33,569.00 |
|-----------------|------------|

| | |
|------------------|------------|
| Cabling to Crane | £54,890.00 |
|------------------|------------|

| | |
|-----------|-------------|
| Sub Total | £214,918.00 |
|-----------|-------------|

| | |
|---------------|------------|
| Contingencies | £21,491.80 |
|---------------|------------|

| | |
|-------|--------------------|
| Total | £236,409.80 |
|-------|--------------------|

The cost of one new Crane has been estimated at £1.2 million, excluding erection. The on-going maintenance of the existing Crane and upgrading of the electrical systems for a total of £236,409.80 is clearly the most cost-effective way forward.

The Guernsey Commercial Port Users Association has been consulted about this crane refurbishment programme and supports the proposals.

The Harbour Authority has budgeted £300,000.00 in the Capital Programme for the refurbishment of the 32 ton Derrick Crane, which also includes an allowance for the future re-wiring of the 7 ton Portal Crane. This expenditure would be funded from the Ports Holding Account.

Recommendations

The Board of Administration recommends the States:

- (a) to approve the refurbishment of the 32 ton Derrick Crane, together with the installation of a 3-phase electricity supply, for a sum not exceeding £236,409.80;
- (b) to authorise the Board of Administration to accept the tender from Clarke Chapman Services Limited in the sum of £126,459.00;
- (c) to authorise the Board of Administration to accept the quotation from States Electricity Board for a sum not exceeding £88,459.00;
- (d) to vote the Board of Administration a credit of £236,409.80, which sum shall be treated as capital expenditure in the accounts of St Peter Port Harbour.

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

I am, Sir,

Your obedient Servant,

R. C. BERRY,

President,

States Board of Administration.

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

The States are asked to decide:—

VI.—Whether, after consideration of the Report dated the 24th April, 2001, of the States Board of Administration, they are of opinion:

1. To approve the refurbishment of the 32 ton Derrick Crane situated at No. 4 Berth, St. Peter Port Harbour, together with the installation of a 3-phase electricity supply, at a total cost, as set out in that Report, not exceeding £236,409.80.
2. To authorise the States Board of Administration to accept the tender in the sum of £126,459.00 from Clarke Chapman Services Limited for the electrical refurbishment.
3. To authorise the States Board of Administration to accept the quotation in the sum of £88,459.00 submitted by the States Electricity Board for the new transformer and supply cables.
4. To vote the States Board of Administration a credit of £236,409.80 to cover the cost of the above, which sum shall be treated as capital expenditure in the accounts of St. Peter Port Harbour.

STATES EDUCATION COUNCIL**GRANTS FOR STUDENTS IN HIGHER EDUCATION**

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

30th March, 2001.

Sir,

Grants for Students in Higher Education**Summary**

1. The Education Council stated in its Five Year Plan, presented to the States in 1996, that it intended to investigate the funding for Guernsey and Alderney students attending courses of higher education in the United Kingdom. The Council's strategic document "Education and Training in Guernsey for the 21st Century" (1999) summarised the Council's concerns about the existing arrangements, in particular the number of suitably qualified young people who were not going on to higher education and the level of contribution expected from parents.
2. In 1999 the Council established a working party of Council members and senior officers to review the funding of student awards and to make recommendations to the Council. Most of the Working Party's recommendations have been endorsed by the Council and they form the basis of this report.
3. The introduction of a loans scheme to assist students in meeting their maintenance or living costs, as now exists in the United Kingdom, was considered, but the Council has decided that it does not favour a scheme of student loans in place of grants because it is undesirable for students to complete their higher education with substantial debts. Furthermore, while the Inland Revenue recovers the debts of UK graduates through the tax system on behalf of the UK Student Loans Company, it is unlikely that an effective system for recovering money from Guernsey students could be established.
4. The Council considers that the funding available to students through the Council's Higher Education Awards Scheme needs to be improved. If the States agree to increase the funding for awards, the changes which the Council will make in September 2001 are summarised below:
 - (a) The Council will increase the value of the student maintenance allowance to provide students with sufficient money to meet their course-related needs. The additional money will be provided by the Council, or in the case of families with relatively high incomes by the parents of the students.

- (b) The Council will increase the income threshold at which parents begin to make an assessed contribution to their children's maintenance, and will introduce a new parental contribution scale at a rate of £1 for every £4 of residual income. These measures will target additional support at students whose parents earn between £17,500 and £37,000.
- (c) Independent students (i.e. students who are treated as independent of their parents because of their age and previous employment) will receive maintenance grants in their first year of study.

These changes will:

- provide a positive encouragement to island residents who can benefit from higher education to enter higher education, and
 - will provide adequate support for Guernsey and Alderney students.
5. The proposed grant increases will increase the Council's annual expenditure on awards by an estimated £438,000. The changes will add an estimated £146,000 to expenditure in the period September to December, 2001, but the Council will be able to meet this additional expenditure out of the existing higher education budget. For 2002 the budget for awards will need to be increased to £5,680,000 to pay for the proposed grant increases.

Introduction

- 6. The Higher Education Awards Scheme ("the Awards Scheme") provides financial assistance for Guernsey and Alderney students attending full-time courses of higher and further education outside the Bailiwick. In the current academic year there are 800 students holding grant awards ("awardholders").
- 7. About 98% of the awardholders are attending higher education courses, that is courses which are of a higher standard than A Level. The other 2% are attending courses below higher education level (i.e. further education courses) in subjects that are not available at the Guernsey College of Further Education.
- 8. An explanation of how grants are assessed is given in Appendix 1, which contains details of the current rates of grant for maintenance and the current parental contribution rates. Elements of the current Awards Scheme are referred to in the body of this report as required within the context of the report.

Reasons for the Review

- 9. The Council decided that a review of the Awards Scheme was required for a number of reasons, as explained in the strategic document "Education and Training in Guernsey for the 21st Century". These reasons are as follows:
 - (a) Enrolments of island students into higher education failed to increase significantly between 1996 and 1999, contrary to expectations.
 - (b) There is evidence that parents find the level of parental contribution too onerous and that some students may not be receiving the assessed contribution in full.
 - (c) The Guernsey Awards Scheme requires many parents to make a significantly higher contribution than Jersey and Isle of Man parents on similar incomes.

- (d) In 1998 the UK Government ended the entitlement which students from the Channel Islands had had for some years to borrow money under the UK Student Loans scheme.
 - (e) In many parts of the United Kingdom there have been significant increases in the rents charged to students by institutions and private-sector landlords.
 - (f) The Council's policy of not giving most independent students any assistance towards maintenance in their first year of study is believed to deter some potential students from undertaking courses.
10. The Council established a working party of Council members and senior officers to review the funding of awards in 1999. The Advisory and Finance Committee noted in the 2000 Policy and Resource Planning Report, debated by the States in July, 2000, that the review was taking place (Paragraph 5.4.50 of that Report). The working party reported its findings to the Council in November, 2000.

The Value of the Awards Scheme to the Island

11. It is widely recognised that a modern society needs as many of its citizens as can benefit from higher education to have a higher education. A highly educated society possesses a number of key assets:
- Competitiveness in a world where globalisation is increasing the economic competition between communities and where businesses have increasing opportunities to relocate.
 - A high level of ability among its citizens to respond to changing technology and modes of work through the acquisition of new knowledge and skills.
 - The potential to sustain a high quality of life.
12. The *Strategic and Corporate Plan* approved by the States in July 2000 recognises that the community of Guernsey has aspirations which can best be met if there is an economic structure of sufficient diversity to provide a range of employment opportunities appropriate to the skills and abilities of the island workforce, and commits the States to educational and training policies which will produce a workforce with the skills necessary to sustain and develop Guernsey's economy.
13. Specifically, Section 2 (d) of the Strategic Policy Statement on the Economy in the *Plan* says that the States:
- “Will encourage the workforce to achieve its optimum earnings potential and productivity through education, training and retraining to develop the skills needed to sustain economic growth and to enable individuals to exploit fully the opportunities which such growth can bring.”
- To meet this objective the island needs to encourage residents to gain higher education qualifications.
14. An important indicator of the effect of the Awards Scheme is the number of new students, that is to say the number of students who are in receipt of awards for the first time. The number of new students under 20 from Guernsey and Alderney over the last five years is given below.

| <u>Academic Year</u> | <u>New Students under 20</u> |
|----------------------|------------------------------|
| 1996/97 | 218 |
| 1997/98 | 237 |
| 1998/99 | 221 |
| 1999/2000 | 205 |
| 2000/01 | 225 |

The percentage of persons under 20 entering higher education, expressed as a percentage of the total population of the relevant age, is the participation rate. The participation rate for Guernsey and Alderney for the current academic year is 33%.

15. The latest finalised participation rate for the whole of the United Kingdom is 34% for 1997. The participation rate in the Isle of Man was 35% in 1999.
16. Local employment opportunities for 18 year old school-leavers currently provide a counter-attraction to higher education. Most students who would benefit from higher education recognise the long-term value of a higher education, but they need support which is reasonable and realistic.
17. The number of awards to new students who are treated as independent of their parents (and who were all aged at least 20 years at the commencement of the course) was as follows over the last five years:

| <u>Academic Year</u> | <u>New independent students</u> |
|----------------------|---------------------------------|
| 1996/97 | 31 |
| 1997/98 | 21 |
| 1998/99 | 25 |
| 1999/2000 | 17 |
| 2000/01 | 24 |

18. It is well known that some young people do not return to Guernsey after graduation. Data from the Education Council's records show that about 1,620 persons who were born between 1952 and 1971 and who were resident in Guernsey at the end of their secondary education attended courses of higher education. Data collected in the 1996 Census indicate that of those 1,620 persons about 620 (38%) were living in Guernsey in 1996. However, among those born between 1967 and 1971 (i.e. those aged 25 to 29 on Census Day 1996) the percentage that had returned was about 45%, which indicates that the rate of return increased in the early 1990s.
19. It is an inescapable fact that many local graduates will settle outside the island for employment or other reasons. For the foreseeable future Guernsey is not likely to offer a sufficient range of career opportunities to enable all local graduates to pursue a career in the island.
20. The Awards Scheme plays an essential role in creating a highly educated local workforce with the skills required to sustain and develop the island's economy and social life. However, the Scheme itself gives primacy to the needs and aspirations of the individual student and is neutral as regards the destination of the student after graduation.

The Cost of a Course of Higher Education

21. The majority of students attending courses of higher education enrol on three year degree courses. About one third of degree courses are four, five or occasionally six years in duration.
22. Awards are made for the duration of the course, but the grant is calculated on an annual basis.
23. Course expenses are customarily grouped under two main headings – maintenance and tuition fees.

Maintenance Costs

24. Maintenance comprises the cost of living at the place where the student is studying, together with the cost of books and other course-related materials and travel costs.
25. For the purpose of calculating grants the Education Council uses its own standard maintenance allowances. The standard rate (applicable outside London) is £3,431 per year. Full details of the current rates are shown in paragraph 6 of Appendix 1.

Tuition Fees

26. Tuition fees are the fees charged by the institution for tuition and the use of facilities. Higher education institutions charge full-cost fees for students from the Channel Islands and the Isle of Man. Under an agreement between the UK Government and the insular governments, fees are recommended annually by the Department for Education and Employment after consultation with the insular authorities and the institutions. The current fees vary from £4,087 to £14,715 a year. Full details are shown in paragraph 6 of Appendix 1.

The Current System of Student Support

27. Grants are calculated in a three stage process.
 - (1) The Council calculates the student's financial requirements.
 - (2) The Council calculates the student's financial resources, which comprise:
 - his (or her) own income (if any), and
 - an income-assessed contribution from his parents, except in the case of independent students.
 - (3) The Council deducts the student's resources from his requirements, and meets the remaining balance of his requirements through a grant.
28. The student's resources are allocated first to his maintenance requirements and then to the tuition costs.
29. The parental contribution towards tuition fees is subject to an upper limit of £3,800 per student per year.
30. The number of students who are assessed to make a contribution out of their own income is relatively small. For students in receipt of an award subject to a parental contribution, i.e. all students other than independent students, the main factor which determines how much grant they receive from the Council is the level of their assessed parental contribution.

31. Depending upon the parental contribution, a student may receive:
- a full grant in respect of maintenance and tuition fees;
 - a reduced rate grant in respect of maintenance and a full grant in respect of tuition fees;
 - a reduced rate grant in respect of tuition fees, but no maintenance grant.
32. If there is more than one child of a family in higher education at any time the parental contribution is assessed in the normal way and is then divided and allocated, normally in equal portions, to each child. Where the parents' assessed contribution is below the level of the maximum parental contribution for one student, they pay overall the same amount as if there was only one student in higher education. Where the assessed contribution exceeds that maximum the parents pay more than they would with only one student in higher education.

Review of the Awards Scheme

33. In its review of the funding of awards the Council has considered alternative systems of funding, including that operating in the United Kingdom where students now receive loans to help them meet their maintenance costs. A summary of the systems of student support in England and Wales, Scotland, Jersey and the Isle of Man is given in Appendix 5. However, the Council has not modelled its proposals upon any of the other systems currently operating within the British Isles, but has produced proposals which it believes are suitable and appropriate for Guernsey.
34. The remaining sections of this report deal with the following matters which, in the Council's opinion, need to be addressed:
- the adequacy of the student maintenance allowances;
 - sources of funding, in particular student loans;
 - the level of parental funding;
 - support for independent students, in particular those who are currently not entitled to a maintenance grant.

Student Maintenance Allowances

35. The standard maintenance allowances are intended to provide the student with sufficient money to pay for rent, meals, essential out-of-pocket expenses, books and stationery and to provide a living-at-home allowance in the Christmas and Easter vacations. The current allowances are for an academic year of 30 weeks and 3 days and are given below:

| <u>Place of Study</u> | <u>Maintenance Allowance, 2000/01</u> |
|-----------------------|---------------------------------------|
| London | £4,259 |
| Elsewhere in the UK | £3,431 |

There are supplementary allowances for students who attend for more than 30 weeks and 3 days.

36. In recent years the Council has become aware of the financial pressures faced by Guernsey students. In parts of the country there have been significant increases in institutional and private sector rents. The ending, in 1998, of access for Guernsey students to UK student loans focused attention on the maintenance allowances set by the Council.
37. The Council has reviewed the value of the student maintenance allowances. A survey of the living costs of a selected sample of Guernsey students was conducted and this yielded much useful information.
38. The Council has concluded that the maintenance allowances are insufficient to cover students' essential needs and need to be increased. Calculations will be simplified by moving to a 31 week academic year. The separate grant for daily travel, which is paid retrospectively and is complicated to administer, will be ended and the new maintenance allowance will contain an element for daily travel costs.
39. The maintenance allowances which the Council wishes to introduce are:

| <u>Place of Study</u> | <u>Maintenance Allowance, 2001/02</u> |
|-----------------------|---------------------------------------|
| London | £4,921 |
| Elsewhere in the UK | £3,993 |

There will be certain costs, not covered by the allowances, which students will continue to meet out of their own resources, including social activities, computers and rent paid to secure accommodation during vacations.

40. The Council will, when calculating grants, continue to add to the maintenance allowance the cost of one return journey per term between Guernsey and the place where the student is studying.

Sources of Funding

41. There are three main sources from which the cost of higher education for full-time students can be met:
- the student, through a system of loans or "deferred contributions",
 - the state, through grants to individual students and subsidies to institutions,
 - the student's parents.

In addition some students may meet costs from their own income or from sponsorship, but these sources are financially much less significant.

42. Guernsey students are funded mainly by Council grants to students and contributions by students' parents. In exceptional circumstances the Council may award a loan, for example if the student has withdrawn from a previous course.
43. The Council has considered whether all Guernsey students should receive part of their funding through loans. The United Kingdom loans scheme provides an obvious model, especially as it is designed to meet the needs of students in the British system of higher education.

44. In the early and mid 1990s UK students received support for their maintenance through a system which combined loans and grants. In 1998 the Government introduced legislation which had the effect of phasing out maintenance grants and of increasing the student loan to cover 100% of the student maintenance requirement. The loans are provided by the Government-funded Student Loans Company.
45. Evidence presented to the UK Government by the National Committee of Inquiry into Higher Education, chaired by Lord Dearing, showed that students with degrees, when compared with those persons who were qualified to enter higher education but did not do so, have higher employment rates and receive higher salaries. The Dearing Committee considered that as graduates are beneficiaries of higher education they should contribute more to the cost of their higher education through increased loans. The additional loan repayments made by graduates would provide a significant source of income for the support of succeeding cohorts of students entering higher education.
46. In the new UK system one quarter of the loan is subject to an assessment of parental contribution. The other three quarters of the loan is available without an assessment of income. (The current rates are shown in paragraph 4 of Appendix 5.) Students in England and Wales are charged a flat-rate tuition fee of £1,050 per year. Grants are available to cover the cost of the fee. They are subject to an assessment of parental income. The rest of the cost of tuition and study facilities is met by Government subsidies to the institutions.
47. Under the new UK system a student who attends a three year degree course and claims the full student loan will typically owe £10,700 at graduation. Students attending four year degree courses in London may owe up to £18,000. Repayments are made on an income contingent basis and, while interest is not charged, the balance in the student's account is revalued annually in line with increases in the cost of living. Therefore, for many students repayment of the loan is a long-term commitment. The Inland Revenue assists the Student Loans Company to recover money from borrowers.
48. The Council does not favour a scheme which results in students accumulating substantial debts during their higher education. Such debt can lead to serious levels of anxiety, and UK experience shows that many students prefer to take on part-time work to an extent which adversely affects their academic work rather than to take up the full value of the loan. Loans may be deterring students from poorer families from going to university.
49. The Council also considers that there would be a significant cost to the States in operating a general States student loan scheme, particularly as over half of Guernsey students do not return to live in the island.
50. The administrative requirements of a loans scheme would be reduced if the scheme was run by a private sector organisation or organisations. The Dearing Committee examined this option and came to the conclusion that there was no private sector interest in a heavily regulated, universal scheme with income-contingent repayments and an interest subsidy. The Council's own enquiries among the local banking industry have confirmed this finding.
51. If a scheme of loans is not introduced it is necessary to consider how much of the cost of student support should be met by grants from the States and how much by parental contributions.

The Parental Contribution

52. The parental contribution is normally assessed on the joint income of the parents in the previous financial year. If the parents are separated, the assessment is normally based on the income of the parent with whom the student is living, including all maintenance paid by the other parent.
53. The method of calculation can be expressed as follows:
1. Gross parental income
less Council allowances = Residual income
 2. Residual income determines the parental contribution.
54. The allowances which parents may claim as deductions from gross income are the basic allowance, which is available to all families, and the dependent child allowances, which may be claimed if there are such children, other than the awardholder, in the family. The current allowances are given below.

The Basic Allowance

There are two rates of basic allowances, and the appropriate rate is deducted from gross income:

| | Academic Year 2000/01 |
|--|--------------------------|
| Households containing both parents of the student (Married Couple's Allowance) | £21,200 |
| Household containing one parent of the student (Single Parent's Allowance) | £17,500 |

Dependent Child Allowances

One allowance is deducted for each child (other than the awardholder) who is dependent on the parents or parent. The age of the child determines the allowance.

| Age of Dependent Child | Academic Year 2000/01 |
|------------------------|--------------------------|
| 16 or over | £3,085 |
| 10-15 inclusive | £2,650 |
| Under 10 | £2,205. |

55. The parental contribution for the year is calculated from the residual income, using the parental contribution scale. The current scale is shown in paragraph 15 of Appendix 1.
56. If there are two awardholders in a family, the parental contribution is divided between them.
57. The current method of assessing the parental contribution derives from a Council report on student awards approved by the States in March 1994.

Proposals to change the Parental Contribution

58. The Council has examined the cost to students' families of supporting their sons and daughters in higher education under the present system.
59. In considering the cost of contributions to individual families, the following facts must be borne in mind.
- (1) The majority of students who enrol on first degree courses spend three years in higher education, but about one third attend courses of more than three years duration.
 - (2) Some students attend postgraduate courses after successful completion of a first degree course to gain a higher academic or professional qualification. Awards for postgraduate courses are subject to parental contribution.
 - (3) Some parents have two or three children who attend courses of higher education, either consecutively or concurrently.
 - (4) The parents who are assessed to pay the maximum parental contribution for one student are, typically, assessed to pay maintenance and travel costs of £3,950, and, a further sum of £3,800 towards tuition fees, making a total annual contribution of £7,750.
 - (5) A married couple without dependent children, other than the awardholder, is currently assessed for a contribution of £7,750 on a gross income of £57,460.
 - (6) The single parent without dependent children, other than the awardholder, is currently assessed for a contribution of £7,750 on a gross income of £53,760.
60. The Council is aware that some families find the commitment that they are expected to make onerous. While there may be a case for a significant reduction in the contributions payable by families on incomes of £35,000 to £55,000, the Council considers that, bearing in mind that resources are limited, priority should be given to a significant reduction in contributions payable by families earning between £17,500 (the level above which parents start to pay a contribution) and £37,000. To achieve this end the Council proposes the following with regard to the allowances:
- (1) Families should continue to be able to claim as deductions from gross income a basic allowance and dependent child allowances.
 - (2) The Married Couple's Allowance should be increased to £27,500 in 2001/02.
 - (3) The Single Parent's Allowance should be 80% of the value of the Married Couple's Allowance, and, therefore, should be increased to £22,000 in 2001/02.
 - (4) The Dependent Child Allowances should be increased by 3.9% in 2001/02 in line with inflation in 2000:

| | |
|--|--------|
| • child aged 16 or over: | £3,205 |
| • child aged at least 10 and under 16: | £2,755 |
| • child aged under 10: | £2,290 |
61. The Council considers that the Single Parent's Allowance should be 80% of the value of the Married Couple's Allowance because many single parents have financial commitments similar to those which married couples have. Indeed, some single parents have assumed sole responsibility for commitments made prior to their separation.

62. Council proposes a change in the parental contribution scale. At present the scale is progressive. Contributions are assessed at the following rates:

| <u>Residual Income</u> | <u>Rate of Contribution</u> |
|-----------------------------|-----------------------------|
| Up to £15,780 | £1 in £6 |
| Between £15,781 and £40,000 | £1 in £4 |
| £40,001 and over | £1 in £3.33 |

The Council considers that a single rate of contribution should in future be used to determine the parental contribution. The Council intends to introduce a scale of £1 in £4 in 2001. This scale is shown in Appendix 2.

63. The whole of the student maintenance and travel allowances will remain subject to parental contribution. The maximum parental contribution towards tuition fees will remain at £3,800 in 2001/02. Thereafter it may be increased periodically to reflect increases in tuition costs.
64. As a result of the proposed increases in the student maintenance allowances and the proposed changes in the rates of parental contribution, the gross income at which a parent will become liable to pay the maximum parental contribution will increase from the incomes given in paragraph 59, sections (5) and (6).
65. The new maximum parental contribution for a typical student studying outside London will be as follows:

| | |
|-----------------------------|--------|
| Maintenance allowance | £3,993 |
| Travel allowance (Midlands) | £520 |
| Tuition fees | £3,800 |
| Total | £8,313 |

66. A married couple without other dependent children will be assessed to pay a contribution of £8,313 on a gross income of £60,752, and a single person without other dependent children will be assessed to pay a contribution of £8,313 on a gross income of £55,252. Families whose incomes are greater than these will continue to pay the maximum parental contribution.
67. Appendix 3 compares the parental contributions currently payable by married couples at various income levels with those which will be payable under the proposed scale. Appendix 4 makes the same comparison for single parents.

Assessment of Separated Parents

68. As is stated in paragraph 49, where a student's parents have separated the assessment of parental contribution is based on the income of the parent with whom the student lives, including any maintenance paid by the other parent. The Council is aware that in some cases this may result in a relatively low parental contribution, having regard to the perceived resources of the other parent.
69. The Council's working party spent a considerable time examining this matter. Bearing in mind the status of separation and divorce orders and settlements, it came to the conclusion that there is nothing significant which can be done without primary legislation. The Council will continue its investigations and may bring forward proposals in the future.

Support for Independent Students

70. Students qualify for an award without a parental contribution if they satisfy certain conditions. The main conditions are that the student must be at least 20 years of age at the commencement of the course and must have been resident in Guernsey for three years and in full-time employment for at least three years.
71. Income which the student receives while he or she is studying is taken into account in the assessment of his grant. If the student is married his or her spouse is assessed for a spouse's contribution.
72. At present an independent student does not receive a maintenance grant during the first year of the course. The normal income assessment rules are suspended in the case of such students. This policy is intended to oblige such students make a personal commitment to their higher education. First year maintenance grants are available to students who have dependents, who are married or who are taking the Postgraduate Certificate in Education.
73. The Council wishes to end the situation where a small number of students are not entitled to maintenance grants. There are a number of reasons why the Council has come to this view:
 - (a) The current rules mean that a student who has been in relatively low paid employment or who has had a spell of unemployment may not be able to save the approximately £4,000 he or she needs to fund the first year of the course.
 - (b) It is believed that there have been mature applicants who have decided not to enter higher education because of the lack of a grant, and it is known that there are some students who have had to rely on parental support despite being well over the age of 20.
 - (c) Mature students are generally recognised to be among the most motivated students in higher education.

Therefore, the Council wishes to make maintenance grants available to those students who are currently not eligible for them, subject to the same income assessment rules as other independent students. This may result in a small increase in the number of independent student awards.

Funding the Proposed Changes

74. Since 1994 the Council has had a separate budget for higher education. (This is sometimes described as a ring-fenced budget.) Savings may not be used for other types of Council expenditure but may be carried forward. In recent years increases in both student numbers and tuition fees have been less than expected, and the budget has been underspent. Part of the savings (totalling over £2m) has been returned to the General Revenue Account while the remainder has been retained and carried forward.
75. In the financial year 2000 the Education Council's budget for higher education was £5,270,000. Expenditure was £4,743,641, and there is currently an accumulated unspent balance of £749,000 in this budget.
76. The estimated annual cost of the changes which the Council wishes to make is as follows:

| | £ |
|--|----------------|
| Increase in student maintenance allowances (paragraph 39) | 215,000 |
| Increased allowances in assessment of parental contribution and revised parental contribution scale (paragraphs 60 to 62 and Appendix 2) | 110,000 |
| Maintenance grants for first year independent students (paragraph 73) | 113,000 |
| Total | <u>438,000</u> |

75. As the Council plans to introduce these changes with effect from September, 2001, it will incur expenditure at an increased level for the final academic term in the financial year 2001.
76. The Council's budget for higher education awards in 2001 is £5,450,000. It is now estimated that expenditure this year, allowing for the proposed changes to student support and a slight increase in student numbers in September, will be £5,361,200.
77. For the financial year 2002 it will be necessary to increase the Council's budget for higher education awards to £5,680,000 at 2001 costs. The Council seeks the approval of the States to direct the Advisory and Finance Committee to provide for such an increase in the Council's budget when it submits the 2001 Policy and Resource Planning Report.
78. The number of 18 year olds in Guernsey will remain roughly constant at around 660 to 680 until 2004. Thereafter the number will increase to about 770 in 2009, and will then begin to decline. As a result of increasing numbers of school-leavers the numbers entering higher education will increase during the current decade. The total number of awardholders (all years, including postgraduate) is projected to increase from the current figure of 800 to around 930 by 2010. On the basis of this projection annual expenditure on awards is expected to rise to £6.5million in 2010.

Recommendations

79. The Council recommends the States:
- (1) to approve the States Education Council's proposals to improve the value of student grants and to reduce parental contributions as described in this report, and
 - (2) to direct the States Advisory and Finance Committee to take due account of the additional costs arising from those proposals when calculating and recommending to the States the revenue expenditure limit on the Council's budget for advanced and higher education for 2002 and subsequent years.

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,
M. A. OZANNE,
President,
States Education Council.

APPENDIX 1

Summary of the Awards Scheme

Introduction

1. This Appendix summarises the main features of the awards scheme. The figures quoted relate to the academic year 2000/01.
2. A number of provisions of the scheme which relate to students in exceptional circumstances and certain minor provisions have been omitted.

Eligibility

(a) Residence

3. The student must be ordinarily resident in Guernsey and Alderney on 30th June prior to the start of the course, and must have been ordinarily resident in the British Isles for the three years preceding the start of the course.

(b) The course

4. The course must be on a list of approved courses maintained by the Council. This list includes courses for all nationally recognised higher education qualifications and certain further education courses.
5. A student who has had an award for a first degree course and who wishes to take a postgraduate course is normally eligible for a second award.

Requirements

6. The student's requirements comprise the following:

Maintenance Allowance

For an academic year not exceeding 30 weeks and 3 days the allowance for maintenance (i.e. living costs, books and stationery) is:

| | |
|-----------------|--------|
| In London | £4,259 |
| Elsewhere in UK | £3,431 |

The allowance is increased by the following amounts if the academic year exceeds 30 weeks and 3 days:

| | |
|-----------------|--------------|
| In London | £99 per week |
| Elsewhere in UK | £72 per week |

Travel Costs

A travel allowance covering the cost of one return journey per term is added to the maintenance allowance.

Students may claim separately for daily travel costs if they live more than 2½ miles from the institution. They may also claim for essential field trips.

Equipment

Students attending certain courses, such as fine art, may claim a limited grant towards the cost of special equipment.

Disabled students may claim a Disabled Student's Allowance in respect of equipment which they require in order to benefit from the course.

Tuition Fees

The fees for students attending first degree courses at public sector institutions are as follows:

| | |
|--|---------|
| A. Clinical elements of courses in medicine, dentistry and veterinary medicine | £14,715 |
| B. Science, engineering and technology | £7,766 |
| C. Courses in other high cost subjects with a studio, laboratory or fieldwork element (includes art and design, drama and mathematics) | £5,722 |
| D. Other courses (classroom-based courses) | £4,087 |

Other fees are charged for courses below and above first degree level.

Assessment of Resources

7. All requirements, except for the Disabled Student's Allowance, are subject to an income assessment.
8. The student's own income is taken into account in the assessment of the grant. Earned income from vacation and spare time employment is disregarded. Other income from certain sources, as described below, is disregarded:
 - (a) The first £1,885 of any sponsorship or scholarship, and half of any balance in excess of £1,885, and
 - (b) The first £817 of any income from capital.
9. A parental contribution is assessed for every student, except an independent student (see paragraph 22).
10. In the case of an independent student who is married, a spouse's contribution is assessed in the same way as a parental contribution.

Allocation of Resources

11. The student's assessed resources are allocated toward his requirements. The assessed contribution (if any) from the student's own income is allocated before the parental (or spouse's) contribution. The balance of requirements left after deduction of the resources is paid as a grant.

Assessment of Parental Contribution

12. The parental contribution is assessed on the gross income of the student's parents in the financial year preceding the academic year (i.e. 1999's income for the academic year 2000/01). If the student's parents are separated the assessment is normally based on the income of the parent with whom the student is living.

13. Income is defined as:

- (1) Personal income subject to Income Tax assessment;
- (2) Maintenance payments, including those not taxed as part of the parent's income;
- (3) The net profit of any company in which the parent(s) has a controlling interest;
- (4) Distributions to the parent(s) of any income or capital of any trust in which the parent has an interest.

Verification of income is obtained.

14. The following allowances are deducted from the parents' gross income:

A Basic Allowance

The allowance is awarded at one or other of two rates:

- | | |
|---|---------|
| (a) Household containing both the student's parents, including parents by adoption | £21,200 |
| (b) Household containing one of the student's parents, including a parent by adoption | £17,500 |

Dependent Child Allowances

An allowance is awarded in respect of each dependent child of the parent (other than the awardholder) at the appropriate rate:

- | | |
|--|--------|
| (a) Child aged 16 or over: | £3,085 |
| (b) Child aged at least 10 and under 16: | £2,650 |
| (c) Child aged under 10: | £2,205 |

15. After the allowances have been deducted the balance of income remaining is called the Residual Income. The Parental Contribution is calculated by reference to the Residual Income using the Parental Contribution Scale.

Parental Contribution Scale

| Residual Income £ | Parental Contribution £ |
|----------------------|----------------------------|
| 6 | 1 |
| 1,000 | 167 |
| 2,000 | 333 |
| 4,000 | 667 |
| 6,000 | 1,000 |
| 8,000 | 1,333 |
| 10,000 | 1,666 |
| 12,000 | 2,000 |
| 14,000 | 2,333 |
| 16,000 | 2,685 |
| 18,000 | 3,185 |
| 20,000 | 3,685 |
| 22,000 | 4,185 |
| 24,000 | 4,685 |
| 26,000 | 5,185 |
| 28,000 | 5,685 |
| 30,000 | 6,185 |
| 40,000 | 8,685 |
| 50,000 | 11,685 |
| 60,000 | 14,685 |
| 70,000 | 17,685 |

The rates of contribution from which the scale is derived are as follows:

| <u>Residual Income</u> | <u>Rate</u> |
|------------------------|-------------|
| Up to £15,780 | £1 in £6 |
| £15,781 to £40,000 | £1 in £4 |
| £40,001 and over | £1 in £3.33 |

The parental contribution is calculated to the £.

16. If the student is taking a master's degree or a PhD. there is a maximum parental contribution of £5,700.

Allocation of Parental Contribution

17. The parental contribution is allocated first to the student's maintenance and travel requirements. If the contribution exceeds the value of those requirements, it is allocated to the tuition costs. The maximum parental contribution to tuition fees is £3,800 per student per year. Parents are advised of their assessed contribution and requested to pay it to the student.

The Grant

18. Having deducted the parental contribution from the student's requirements, the remaining requirements are met by the Council through a grant.
19. Maintenance grants are paid to the student. Grants in respect of tuition fees are paid by the Council directly to the institution.

Families with more than one Child in Higher Education

20. If there is more than one child in receipt of an award, the assessed parental contribution is allocated between them, normally in equal portions.

Examples of Assessments

21. The operation of the scheme in 2000/2001 can be illustrated by examples of three assessments for students attending a science degree course. The course requirements are as follows:

| | | |
|-----------------------|--------|---------|
| Maintenance Allowance | | |
| Maintenance | £3,431 | |
| Travel (Midlands) | £520 | |
| Total | £3,951 | £3,951 |
| Tuition Fees | | £7,766 |
| Total | | £11,717 |

Student A's parents have a residual income of £9,000 which produces a parental contribution of £1,500. His requirements will be met as follows:

| | | |
|---|---------|---------|
| Parental contribution towards maintenance | | £1,500 |
| States grant: Maintenance | £2,451 | |
| Tuition Fees | £7,766 | |
| | £10,217 | £10,217 |
| Total | | £11,717 |

Student B's parents have a residual income of £24,000, which produces a parental contribution of £4,685. His requirements will be met as follows:

| | | |
|-----------------------------------|--------|---------|
| Parental contribution | | |
| Maintenance | £3,951 | |
| Tuition Fees | £734 | |
| | £4,685 | £4,685 |
| States grant towards tuition fees | | £7,032 |
| Total | | £11,717 |

Student C's parents have a residual income of £40,000 which produces a parental contribution of £8,685. His requirements will be met as follows:

| | | |
|--|--------|---------|
| Parental contribution | | |
| Maintenance | £3,951 | |
| Tuition Fees (Maximum Contribution) | £3,800 | |
| | £7,751 | £7,751 |
| States fee subsidy towards tuition fees | | £3,966 |
| Total | | £11,717 |

The unexpended portion of the parental contribution (£934) will not be required.

Awards to Independent Students

22. An independent student award is an award without a parental contribution. Awards are made at the discretion of the Council. In order to qualify for an award an applicant must satisfy certain conditions.

Employment

The applicant must have been in full-time employment for at least three years. An exception may be made if the student has had the care of dependent children.

The applicant must have been ordinarily resident in Guernsey for the period of three years before the commencement of the course.

Age

The applicant must have attained his 20th birthday by the commencement of the course.

The applicant should not normally be older than 35 years by the completion of the intended course. If he does not satisfy this condition, he may be awarded a grant if he can satisfy the Council that he wishes to take the qualification for a vocational purpose and has a good prospect of working for at least ten years in employment where possession of the qualification is necessary.

23. No maintenance grant is paid to a first year independent student, except in the following cases:
- (a) the student is taking the Postgraduate Certificate in Education;
 - (b) the student has a dependent child or children; or
 - (c) the student is married.

APPENDIX 2

PROPOSED PARENTAL CONTRIBUTION SCALE AT £1 IN £4

| Residual Income [after deduction of allowances] | Parental Contribution £1 in £4 |
|--|---|
| £ | £ |
| 4 | 1 |
| 1,000 | 250 |
| 2,000 | 500 |
| 4,000 | 1,000 |
| 6,000 | 1,500 |
| 8,000 | 2,000 |
| 10,000 | 2,500 |
| 12,000 | 3,000 |
| 14,000 | 3,500 |
| 16,000 | 4,000 |
| 18,000 | 4,500 |
| 20,000 | 5,000 |
| 22,000 | 5,500 |
| 24,000 | 6,000 |
| 26,000 | 6,500 |
| 28,000 | 7,000 |
| 30,000 | 7,500 |
| 40,000 | 10,000 |
| 50,000 | 12,500 |
| 60,000 | 15,000 |
| 70,000 | 17,500 |

APPENDIX 3**Parental contribution for a Married Couple: Current and Proposed**

N.B. These examples assume that there is one child in higher education and that there are no other dependent children.

| <u>Gross Income</u> | <u>Parental Contribution</u> <u>2000/01</u> | <u>Proposed Parental</u> <u>Contribution 2001/02</u> | <u>Change in Parental</u> <u>Contribution</u> |
|---------------------|--|---|--|
| £ | £ | £ | £ |
| 24,000 | 467 | 0 | -467 |
| 26,000 | 800 | 0 | -800 |
| 28,000 | 1,133 | 125 | -1,008 |
| 30,000 | 1,467 | 625 | -842 |
| 35,000 | 2,300 | 1,875 | -425 |
| 40,000 | 3,385 | 3,125 | -260 |
| 45,000 | 4,635 | 4,375 | -260 |
| 50,000 | 5,885 | 5,625 | -260 |
| 55,000 | 7,135 | 6,875 | -260 |
| 60,000 | 7,750 * | 8,125 | +375 |
| 65,000 | 7,750 * | 8,313 * | +563 |

* Contributions abated to typical maxima, as shown in paragraphs 59(4) and 65 of the main report.

APPENDIX 4**Parental contribution for a Single Parent: Current and Proposed**

N.B. These examples assume that there is one child in higher education and that there are no other dependent children.

| <u>Gross Income</u> | <u>Parental Contribution</u> <u>2000/01</u> | <u>Proposed Parental</u> <u>Contribution 2001/02</u> | <u>Change in Parental</u> <u>Contribution</u> |
|---------------------|--|---|--|
| £ | £ | £ | £ |
| 20,000 | 416 | 0 | -416 |
| 22,000 | 750 | 0 | -750 |
| 24,000 | 1,083 | 500 | -583 |
| 26,000 | 1,417 | 1,000 | -417 |
| 28,000 | 1,750 | 1,500 | -250 |
| 30,000 | 2,083 | 2,000 | -83 |
| 35,000 | 3,060 | 3,250 | +190 |
| 40,000 | 4,310 | 4,500 | +190 |
| 45,000 | 5,560 | 5,750 | +190 |
| 50,000 | 6,810 | 7,000 | +190 |
| 55,000 | 7,750 * | 8,250 | +500 |
| 60,000 | 7,750 * | 8,313 * | +563 |

* Contributions abated to typical maxima, as shown in paragraphs 59(4) and 65 of the main report.

APPENDIX 5

Student Support in England and Wales, Scotland, Jersey and the Isle of Man

Introduction

1. This Appendix contains a brief summary of the main features of the student support arrangements for undergraduate students in other parts of the British Isles. It describes the funding available for students commencing their studies in the autumn of 2000, and the figures relate to the academic year 2000/01.
2. Under all the schemes described below support is given for higher diploma and first degree courses at universities and other institutions of higher education in the United Kingdom.

England and Wales

3. Government-funded loans are available to assist students in meeting their maintenance expenses.
4. The maximum loans for students attending for 30 weeks are given below. 75% of the loan is available without an assessment of income.

| | Full year | Final year |
|--|-----------|------------|
| Student living away from his parents' home and studying: | | |
| • in London | £4,590 | £3,980 |
| • elsewhere | £3,725 | £3,230 |
| Student living at his parents' home | £2,950 | £2,575 |

5. For most students attending first degree courses there is a flat-rate fee of £1,050. Grants subject to an assessment of income are available to assist students in meeting the fee.
6. An income assessment is carried out to determine the student's contribution towards the tuition fee and the 25% means-tested element of the loan. The assessment takes into account the student's income, if any, and, except in the case of independent students, the income of the student's parents.
7. The parental contribution is assessed by reference to the parents' residual income. This figure is calculated by determining the parents' gross income and deducting therefrom certain allowances, including the value of any mortgage interest and superannuation contributions which qualify for tax relief.
8. No contribution is payable if the parents' residual income is less than £17,805. If their residual income is at least £17,805 the contribution is calculated as follows:

£45; plus
 £1 for every £13 of residual income between £17,806 and £22,754; plus
 £1 for every £9.20 between £22,755 and £33,449; plus
 £1 for every £7.50 for £33,450 and over.

The maximum contribution is £6,437, but for many parents the maximum will not exceed the sum of the fees (£1,050) and 25% of the maintenance (usually not more than approximately £1,150.)

9. Students who have received loans since 1998 repay their loans on an income-contingent basis after completing their studies. No repayments are required if the former student is earning less than £10,000 a year. If his income exceeds £10,000 a year he is required to repay 9% of income above the £10,000 threshold, e.g. on an income of £20,000 a year he is required to repay £75 per month. Repayments are recovered by the Inland Revenue through the tax system.
10. The balance of money in each student's loan account is revalued annually in line with inflation.

Scotland

11. Scottish students can apply for maintenance loans at the same values as students from England and Wales. Up to approximately 47% of the loan is subject to assessment of the student's income and parental income under the same rules as in England and Wales.
12. Scottish students may claim travel grants for three return journeys from and to their home each year and for daily travel expenses.
13. Scottish students attending courses at institutions in Scotland are not charged tuition fees. Scottish students studying in England and Wales are charged tuition fees of £1,050 and can receive assistance for such fees in the same way as students from England and Wales.
14. The Scottish Parliament is currently considering proposals to require graduates whose earnings exceed a prescribed level to contribute on an income-contingent basis to a graduate endowment fund to be used for the support of students in higher education.

Jersey

15. The States of Jersey Education Committee awards student maintenance grants. The full rates for students attending for 32 weeks and 3 days are as follows:
 - in London £5,239
 - Elsewhere £4,249

Travel costs are added to these allowances.

16. Jersey students are charged the same tuition fees as Guernsey students, i.e. from £4,087 per year to £14,715, depending upon the course.
17. Awards are subject to an assessment of parental income, except in the case of independent students.
18. The parental contribution is assessed by reference to the parents' residual income. This figure is calculated by determining the parents' gross income and deducting therefrom certain allowances, including superannuation and life assurance contributions and mortgage interest payments.

19. No contribution is payable if the parents' residual income is less than £15,000. If their residual income is at least £15,001 the contribution is calculated as follows:

£1 for every £7 of residual income between £15,001 and £20,000, plus
 £1 for every £5 between £20,001 and £29,200, plus
 £1 for every £3 between £29,201 and £35,300, plus
 £1 for every £10 from £35,301.

The maximum parental contribution is £8,800 per student.

20. The Committee has announced that it is changing the method of assessing the parental contribution in 2001. For the academic year 2001/02 the parental contribution will be determined by taking the gross parental income, deducting a flat-rate sum of £26,750, and multiplying the balance by 20.25% to produce the parental contribution. This equates to a contribution rate of £1 for every £4.938 of residual income.

Isle of Man

21. The Isle of Man Department of Education awards student maintenance grants. The full rates for students attending for 30 weeks are as follows:

- in London £4,254
- Elsewhere £3,418

These rates include an element to cover the cost of travel to and from the Isle of Man.

22. Students from the Isle of Man are charged the same tuition fees as students from Guernsey and Jersey. The Department pays students' tuition fees.
23. The maintenance grant is subject to an assessment of parental income, except in the case of independent students.
24. The parental contribution is assessed by reference to the parents' residual income. This figure is calculated by determining the parents' gross income and deducting therefrom certain allowances, including superannuation contributions and mortgage interest payments.
25. No contribution is payable if the parents' residual income is less than £16,000. If their residual income is at least £16,000 the contribution is calculated as follows:

£1 for every £5 of residual income up to £17,999, plus
 £1 for every £4 between £18,000 and £24,999,
 plus £1 for every £3 from £25,000.

Summary of Student Support Systems, 2000/01

| | Guernsey | England & Wales | Scotland | Jersey | Isle of Man |
|---|-----------------|---|---|---------------|---|
| Support for Maintenance | Grants | Loans | Loans | Grants | Grants |
| Is support for maintenance means-tested? | Yes | Yes, up to approx. 25% | Yes, up to approx. 47% | Yes | Yes |
| Support for Fees | Grants | Grants (75% subsidy direct to colleges) | Grants (75% subsidy direct to colleges) | Grants | Grants |
| Are fee grants means-tested? | Yes | Yes | No * (Full fee paid by Scottish Executive) | Yes | No (Full fee paid by IoM government) |
| Examples of maximum parental contribution (fees + maintenance) for one student at a London College | | | | | |
| Gross Income: ** £30,000 | £1,467 *** | £1,016 | £1,016 | £2,354 | £3,216 |
| £60,000 | £8,385 *** | £2,195 **** | £2,195 **** | £6,697 | £4,254 **** |

Notes * Except for Scottish students in England and Wales, whose fee grants are means-tested

** Except in Guernsey, residual income has been calculated at 94% of gross income

*** Married couple's contribution (Guernsey only)

**** Abated to actual parental contribution for one student in London (England, Wales, Scotland, Isle of Man)

ad3/rph/Policies/Summary of Support Systems, 2000/01

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

20th April, 2001.

Sir,

I have the honour to refer to the letter dated 30 March 2001 from the President of the States Education Council concerning grants for students in higher education.

The Advisory and Finance Committee agrees with the Education Council that, as far as reasonably possible, prospective students should not be deterred from entering higher education for financial reasons and that the system and levels of grant should go further in countering that deterrent.

However, there are many other demands on the limited resources of the States of at least equal importance, including other priorities within the field of education. It is therefore essential that the benefit to be derived from additional funding for grants is maximised by targeting it on those with the greatest need. The Committee believes that this is largely achieved by the Council's proposals, particularly as regards the increase in the maintenance allowance, which is the largest single element of the extra cost.

The Committee has consistently criticised committees that have attempted, often successfully, to bypass the States' normal policy planning and budgetary procedures when seeking budget increases, on the grounds that the States thus cannot consider the proposals in the light of the overall financial position, including other revenue expenditure priorities. Furthermore, the Committee has recently warned that anticipated levels of public revenues now appear significantly less buoyant than in recent years, meaning that questions as to the affordability of committee requests must assume even greater importance. As regards the present proposals in this context, the Committee makes the following points:

- the grants system relates to the academic year, starting in September. Because parents and prospective students must be notified of their grant entitlements in reasonable time to enable them to make decisions on higher education, it would be impractical to consider this matter as part of the policy planning and resource allocation process in July;
- the Council consulted the Committee at an early stage and, as a result of the Committee's advice on the financial situation, has revised its proposals, achieving a substantial reduction in cost compared with the original recommendations, of which the Committee is duly appreciative.

As the Council points out in its report, it has a separate ring-fenced budget for higher education. In recent years, high levels of unspent balances have been generated as a result of fewer students than expected going on to higher education. The greater part of these balances has been returned annually to the General Revenue Account.

The present level of unspent balances, if retained by the Council, would be sufficient to support its proposals for grants for at least the next two years without a specific budget increase. However, if the proposals are agreed, it may be more appropriate for the sake of clarity in the States' published budgets, for the balances to be returned and budget increases granted. This has yet to be decided and will be subject to States approval.

Nevertheless, whatever budgetary procedure is adopted, if further unspent balances are generated because of low student numbers or other reasons, the Committee firmly believes that they should be returned to the General Revenue Account on the same basis as in the past. The Committee is confident of the continued cooperation of the Council in this respect.

The Committee recommends the States to approve the Education Council's proposals for grants for students in higher education.

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

The States are asked to decide:—

VII.—Whether, after consideration of the Report dated the 30th March, 2001, of the States Education Council, they are of opinion:—

1. To approve the States Education Council's proposals to improve the value of student grants and to reduce parental contributions as described in that Report.
2. To direct the States Advisory and Finance Committee to take due account of the additional costs arising from those proposals when calculating and recommending to the States the revenue expenditure limit on the States Education Council's budget for advanced and higher education for 2002 and subsequent years.

STATES AGRICULTURE AND COUNTRYSIDE BOARD

REVISION OF THE NOXIOUS WEEDS ORDINANCE

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

29th March, 2001.

Sir,

REVISION OF THE NOXIOUS WEEDS ORDINANCE**1. INTRODUCTION**

The Agriculture and Countryside Board is concerned at the increasing spread of Ragwort in the Island. The Board has reviewed the procedure that must be followed under the existing Noxious Weeds (Guernsey) Law of 1952 and is concerned that it is extremely difficult to enforce. The prosecution of offenders under the current regulations has proved impracticable. In addition, the Board believes that it would be sensible to review the current list of weeds in the Schedule of the Law, some of which are of considerable value to wildlife as food plants.

Following similar concerns about the increasing incidence of noxious weeds in Guernsey in 1952, the 'Loi Relative aux Mauvaises Herbes' of 1927, was repealed and replaced with the Noxious Weeds (Guernsey) Law, 1952. The 1927 Law listed a Schedule of Noxious Weeds that was only slightly modified in 1952 (see the Schedules of the 1927 and 1952 Laws at Appendix 2 and Appendix 3).

The 'Loi Relative aux Mauvaises Herbes,' 1927

The Law provided that if a person authorised by the Committee for Agriculture found noxious weeds growing where they might cause harm to land belonging to another person, a written notification might be issued to the occupant requiring him to dig and/or destroy the weeds within a certain time limit, specified in the notification. If the occupant then failed to comply without good reason, within the given time limit, he was liable to pay a fine not exceeding £10 for each offence, with an extra fine of £1 per day that the weeds are allowed to continue to grow.

The essential problem with this legislation was that the weeds had to be in a condition liable to be injurious to adjoining property. It would be reasonable to assume that weeds would only be injurious when they were producing and spreading seed, but this was not specified. The Committee found it difficult to decide when weeds became injurious to neighbouring properties and in defining when an occupier clearly had no intention of destroying them unless pressed to do so. This stage might not have been reached until the weeds were beginning to seed and spread to other properties.

The Noxious Weeds (Guernsey) Law, 1952

The Noxious Weeds (Guernsey) Law introduced the concept that to be injurious to neighbouring property, weeds must be in flower or in seed:

- “1. An occupier of land shall not permit the existence thereon of a noxious weed which is in flower or in seed.”

The Law provides that in a case where the Committee is satisfied that where there are noxious weeds growing on any land, which are in flower or in seed, it is empowered to enter land and to order the destruction of noxious weeds:

- “2. (1) A person authorised by the Committee “may enter upon any land on which there is in flower or in seed any noxious weed and may take such action thereon as he may deem necessary to prevent the spread of the seed therefrom.”
- (2) Any expense incurred by or on behalf of the Committee under the last preceding subsection may be recovered by the Committee as a civil debt from the occupier of the land in relation to which the expense was incurred.”

The Agriculture and Countryside Board has been concerned to act ‘reasonably’ and to give the occupier of the land sufficient time to take the necessary remedial action. In many cases, particularly where an occupier makes assurances that he is about to take action or is in the process of taking action, the weeds have already seeded before it is clear that the occupier has no intention of destroying them. In the future, in the absence of the necessary action by the occupier within 48 hours of the issue of a notice, the Board intends to set in motion the removal of the offending weeds as authorised under Section 2.

It has been suggested that Section 1 of the Law should be amended to read:

1. Occupiers must not allow noxious weeds to flower or set seed in situations where they threaten to harm animals, or land belonging to another person.

Whilst this suggestion would limit the scope of the Law, the Board has dismissed it because much of the Ragwort (the most important noxious weed) is infesting amenity land on the cliffs and in the coastal areas, and the suggested amendment would exclude this important source of contamination. The Board is convinced that such an amendment would bring the Law into disrepute.

The Board has considered whether or not to request the States to give it the power to levy a fine on offenders, in the same way that a fine was authorised under the conditions of the 1927 legislation. This must remain an option but, because the Board would need to ensure that its actions were reasonable and fair, it has decided that this may be no more effective than the Board’s current power to order the destruction of the weeds by a contractor and to charge the occupier for that work. The Board therefore intends to pursue the destruction of noxious weeds more rigorously in the future and, if this proves to be ineffective, to return to the States in order to seek additional powers.

The Projet de Loi entitled ‘The Noxious Weeds (Guernsey) Law, 1952’, provided that:

- “The States may from time to time pass such Ordinances as they may deem necessary for the due execution of this Law or for the amendment of the Schedule thereto.”

The Agriculture and Countryside Board requests that the States consider an Ordinance that will both amend the Schedule of Noxious Weeds and improve the execution of the 1952 Law.

2. IS IT NECESSARY TO RETAIN A NOXIOUS WEEDS LAW?

It can be argued that with modern pesticides, legislation is not necessary because weeds are not the problem of farmland that they once were. Most weeds can be controlled quite easily today whereas in the past they would have created real problems for farmers who did not have the pesticide techniques to deal with them.

Whilst this argument might be partially true the Island is now much more concerned with countryside management, the retention of wildflower meadows and even organic farming than was the case only a few years ago. One of the Scheduled weeds, Ragwort, is also spreading rapidly on cliff land that is unmanaged and in other amenity areas subject to very low levels of management.

The application of a pesticide that will control not only the target weeds but, in many cases, other species as well, is not an option in these cases. Grassland pesticides were developed to kill weeds (wild flowers) in arable and grass crops, and in amenity areas, and so they are not appropriate for application in wildflower meadows and in land that is managed, or adjacent to land that is managed, for organic crop production. Moreover, pesticides may not be used close to watercourses due to an abiding risk of water pollution. In these instances the uncontrolled spread of ‘noxious’ weeds could be an environmental and financial disaster involving years of manual work.

These problems are further compounded by the small size of island fields and by the fragmentation of ownership. Uncontrolled weed seeds, spreading from an infested amenity area, field or derelict land, might easily spread to several neighbouring properties. Thus, an owner or tenant of land, allowing noxious weeds to seed and spread may affect not only his own land, but also land belonging to his neighbour. These arguments lead to the Board’s recommendation that The Noxious Weeds (Guernsey) Law 1952 should be retained, but amended.

3. WHAT ARE NOXIOUS WEEDS?

The Schedule of Noxious Weeds in the 1952 Law contained Common Ragwort, Docks of all kinds, Hemlock Water Dropwort, Thistles (Spear Thistle, Creeping Thistle and Marsh Thistle), Cow Parsnip (or Hogweed) and Common Nettle. It is accepted that there are wildlife conservation arguments regarding Common Nettles and Marsh Thistles; whilst Cow Parsnips are not a particular problem on actively farmed land. The 1927 Law contained, in addition, Small Nettle and Wild Garlic (Stinking Onions), the latter possibly because of its effect in tainting milk.

Why are some weeds on the list of noxious weeds and others are not?

The 1952 Noxious Weeds Law lists common weeds that were considered a nuisance of farm and derelict land, that are poisonous to livestock or spread very rapidly if not controlled. Essentially they were ‘anti-social’ weeds that should have been controlled in the course of normal good husbandry by a farmer or landowner and which, if left uncontrolled, could easily spread and become a nuisance on a neighbours property.

It is worth noting that the list does not contain all poisonous plants that might have been included. The poisonous weeds, Common Ragwort and Hemlock Water Dropwort can, and still do, cause deaths of farm livestock and horses; but there was no attempt in either the 1927 or the 1952 Law to control many of the other poisonous trees and plants that may be found growing in Guernsey. There are other poisonous weeds of agricultural and amenity land, such as Hemlock and Thorn Apple that are very poisonous, but not included. Other weeds of arable and grassland, such as

members of the Buttercup family, Bracken, Woody Nightshade and Horsetails, are either mildly poisonous or rarely eaten; whilst others, such as St. John's Wort, cause photo-sensitisation of fair-skinned animals.

The second group of weeds included in the Law are weeds, such as Thistles and Docks, that can be very invasive of agricultural land, spreading by producing large quantities of seeds. Thistle seeds are wind borne and so can be spread from derelict land very readily if allowed to seed, whilst the seeds of docks are spread in livestock manure and in hay. Likewise, Thistles that are allowed to seed and spread, are a considerable problem for householders and gardeners. The control of Thistles and Docks are a problem in wildflower meadows and in organic farming systems where the use of a herbicide is not appropriate.

Is legislation necessary?

Education is sufficient when advising most landowners and tenant farmers about weed problems that will affect their own properties or affect them financially. However, there are some people who will not take appropriate action and for this reason it is necessary to protect the environment, particularly wildlife habitats such as wildflower meadows, and neighbouring properties from unscrupulous landowners.

Legislation is the only way to ensure that certain important noxious weeds are prevented from seeding and spreading to 'clean' land. However, experience has shown that whilst legislation can best be used to persuade an owner or tenant of land to take action, a prosecution is rarely effective.

4. WHAT CHANGES NEED TO BE MADE TO THE LEGISLATION?

Amendment of the Schedule of Noxious Weeds

High priority weeds

Common Ragwort (*Senecio jacobaea*) and **Hemlock Water Dropwort** (*Oenanthe crocata*) are very poisonous and kill livestock in the Island. They are both readily spread by seeds and are very difficult to control. Although Ragwort is readily killed by pesticides it is frequently found on cliff and other public land, and may invade wildflower meadows where the use of herbicides would not be appropriate. Likewise, Water Dropwort may be killed by pesticides but due to its preponderance in wet marshy areas alongside streams and watercourses it cannot be controlled using pesticides for fear of polluting the water.

Priority weeds

Spear Thistle (*Cirsium vulgare*) and **Creeping Thistle** (*Cirsium arvense*). These thistles produce large quantities of wind-borne seed that readily infests cultivated land and wildlife areas. They should be distinguished from thistles that do not cause a significant concern, such as Slender Thistle and Nodding Thistle that are common on the cliffs and on the west coast.

Deletions

Docks of all kinds. Docks form a large family of wild plants and not all members of the species could be considered noxious. **Curled Dock** (*Rumex crispus*) and **Broad Leaved Dock** (*Rumex obtusifolius*) are weeds that have become prevalent in farmed land, and particularly on land where slurry is spread and silage made, or where hay is fed in the field. However, this is largely a problem for the individual farmer himself, or for the landowner purchasing hay to feed cattle and

horses. Most of the seed falls directly onto the soil nearby or if spread, it is spread in silage and hay, usually back to the land owned by the same farmer or landowner. Therefore, it can be considered more a problem of education and less one of legislation. It is recommended that 'Docks of all kinds' should be deleted from the Schedule.

The legislation currently includes three 'weeds' that are not necessarily injurious and have wildlife importance. These are **Common Nettle** (*Urtica dioica*), **Marsh Thistle** (*Cirsium palustre*) and **Cow Parsnip** (*Heracleum sphondylium*). They should be deleted.

Weeds that might be included in the Schedule

Japanese Knotweed (*Reynoutria japonica*) is becoming a serious problem in some areas of the Island. This was a popular plant in Victorian times but has become a serious weed pest today, and one that can only be eliminated by the use of herbicides. It is a perennial that grows very vigorously once it has been introduced into an area, is difficult to control and quickly overruns other vegetation. It can grow through tarmac paths and roadways, through walls and can damage vegetation that is of wildlife value. For this reason it is an offence under the UK Wildlife and Countryside Act to introduce it into the wild. Japanese Knotweed reproduces vegetatively rather than by seed. Its spread is normally by underground rhizomes and in movements of soil containing pieces of rhizome during earthworks, particularly in soil and in rubble during building work.

The Board firmly believes that measures to control Japanese Knotweed should be introduced. However, the inclusion of this weed as an amendment to the existing legislation is not appropriate because, as it does not normally propagate by seed, the prevention of flowering and seeding would be of little value. The Agriculture and Countryside Board intends to introduce comprehensive Wildlife and Countryside Legislation to the States and believes that, at that time, it should become an offence to introduce Japanese Knotweed into agricultural land or wild areas. In the meantime the Board intend to mount an education campaign to inform States Committees and island residents of the need to eradicate Japanese Knotweed with the most appropriate control measures.

Thorn Apple (*Datura stramonium*) is a very poisonous weed that has become common in recent years, following potato crops. It has proliferated because it is not controlled by pesticides used for weed control in potato crops and so it can readily propagate and produce seed. It frequently grows in crops of grass following potatoes and so is potentially a hazard for livestock grazing. Whilst the spread of this weed is concerning, it is not known to have caused livestock deaths in Guernsey and so the Board view this more as a subject for education rather than legislation.

5. STAFF IMPLICATIONS

There will be no additional staffing resources or costs required as a result of the Board's proposals.

6. CONSULTATION

The Board has consulted interested parties and the industry through its Countryside Advisory Panel. Membership of the Panel includes nominees from La Societe Guernesiaise, Royal Society for the Protection of Birds, National Trust of Guernsey, Men of the Trees, Farming and Wildlife Advisory Group, Guernsey Farmers' Association, the Island Development Committee and the Agriculture and Countryside Board. The Board also wishes to acknowledge the advice given by respected members of La Societe Guernesiaise's Botany and Ornithology Sections in the preparation of this revision.

7. RECOMMENDATIONS

The Board recommends the States to:

- (a) Repeal the Schedule of the Noxious Weeds (Guernsey) Law 1952 as set out in Appendix 2 of this report and replace it with the Schedule of Noxious Weeds as defined in Appendix 1 of this report.
- (b) Note the Board's intention to return to the States with comprehensive Wildlife and Countryside legislation.

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,

P. J. ROFFEY,

President,

States Agriculture and Countryside Board.

APPENDIX 1**SCHEDULE OF NOXIOUS WEEDS**

| Common name | Scientific name | Patois name | Revised name |
|------------------------|--------------------------|-----------------------|----------------------|
| Common Ragwort | <i>Senecio jacobacea</i> | <i>meque</i> | <i>Mécque</i> |
| Hemlock Water Dropwort | <i>Oenanthe crocata</i> | <i>pain-faie</i> | <i>Pôin-feis</i> |
| Spear Thistle | <i>Cirsium vulgare</i> | <i>chardon beni</i> | <i>Cardaon Beni</i> |
| Creeping Thistle | <i>Cirsium arvense</i> | <i>mauvais letron</i> | <i>P'tit Cardaon</i> |

APPENDIX 2**THE NOXIOUS WEEDS (GUERNSEY) LAW 1952**

The Noxious Weeds covered by the Law are as follows:–

| | | | |
|--|----------------------------------|------------------------|------------------------|
| Common Nettle: | <i>Urtica dioica</i> | <i>ortis</i> | <i>Ortie</i> |
| Common Ragwort: | <i>Senecio jacobucea</i> | <i>meque</i> | <i>Mécque</i> |
| Cow Parsnip: | <i>Heracleum sphondylium</i> | <i>quesse</i> | <i>Tchiesse</i> |
| Docks of all kinds (broad leaved and curled dock) | | | |
| Hemlock Water Dropwort: | <i>Oenanthe crocata</i> | <i>pain-faie</i> | <i>Pôin-feis</i> |
| Thistles – Spear thistle: | <i>Cirsium vulgare</i> | <i>chardon beni</i> | <i>Cardaon Beni</i> |
| – Creeping thistle: | <i>Cirsium arvense</i> | <i>mauvais letron</i> | <i>P'tit Cardaon</i> |
| – Marsh thistle: | <i>Cirsium palustre</i> | <i>mauvais chardon</i> | <i>Maivais Cardaon</i> |

APPENDIX 3**LOI RELATIVE AUX MAUVAISES HERBES****SCHEDULE**

| | | | |
|------------------------|----------------------------------|------------------------|------------------------|
| Hemlock Water Dropwort | <i>Oenanthe crocata</i> | <i>pain-faie</i> | <i>Pôin-feis</i> |
| Cow Parsnip | <i>Heracleum sphondylium</i> | <i>quesse</i> | <i>Echiesse</i> |
| Common Ragwort | <i>Senecio jacobacea</i> | <i>meque</i> | <i>Mécque</i> |
| Thistles – | | | |
| (a) | <i>Carduus lanceolatus</i> | <i>chardon beni</i> | <i>Cardaon Beni</i> |
| (b) | <i>Carduus arvensis</i> | <i>mauvais letron</i> | <i>P'tit Cardaon</i> |
| (c) | <i>Carduus palustris</i> | <i>mauvais chardon</i> | <i>Maivais Cardaon</i> |
| Docks of all kinds | | | |
| Nettles– | | | |
| (a) Common nettle | <i>urtica dioica</i> | <i>Ortis</i> | <i>Ortie</i> |
| (b) Small nettle | <i>urtica urens</i> | | <i>P'tit Ortie</i> |
| Wild garlic | <i>allium triquetrum</i> | | <i>Ail Sauvage</i> |

The Revised Guernesiate names of weeds have been provided by La Societe Guernesiate.

The States are asked to decide:—

VIII.— Whether, after consideration of the Report dated the 29th March, 2001, of the States Agriculture and Countryside Board, they are of opinion:—

1. (1) That the Schedule to the Noxious Weeds (Guernsey) Law, 1952, as set out in Appendix 2 to that Report, shall be repealed and replaced with the Schedule of Noxious Weeds as defined in Appendix 1 to that Report.

(2) To direct the preparation of such legislation as may be necessary to give effect to their above decision.
2. To note the intention of the States Agriculture and Countryside Board to return to the States with comprehensive Wildlife and Countryside legislation.

STATES OVERSEAS AID COMMITTEE

OVERSEAS AID BUDGET

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

27th February, 2001.

Sir,

OVERSEAS AID BUDGET

Introduction

1. At the meeting held on 9 October, 1996 (Billet d'État XXII) the States recognised that Guernsey's overseas aid budget was inadequate and, instructed the Advisory and Finance Committee to recommend increases, in real terms, as and when affordable over the next few years with the aim, if possible, of increasing the States Overseas Aid budget by at least 20% in real terms within five years.
2. The Advisory and Finance Committee has subsequently recommended, and the States approved, increases in the 1997-2001 budgets for the Overseas Aid Committee totalling 21.3% in real terms. The Committee wishes to take the opportunity to formally thank the Advisory and Finance Committee and the States for these increases which the Committee believes indicates a significant commitment by the States to providing overseas aid.
3. Similarly, the Overseas Aid Committee is also grateful to the States that, following a recommendation by the Advisory and Finance Committee in the July 1999 Policy Planning Report (Billet d'État XIII), a facility has now been established whereby the Advisory and Finance Committee in conjunction with the Overseas Aid Committee, is able to increase the budget of the Overseas Aid Committee, over and above the increase resulting from the 1996 Resolution, by up to £200,000 each calendar year for the purpose of providing aid in respect of specific emergency disasters.
4. The principal purpose of this Report is to respond to the following part of the Resolution made by the States on 9 October, 1996:–

“To instruct the States Overseas Aid Committee to report back to the States after 5 years or when its budget has been increased by 20% in real terms – whichever is the sooner – with its views on whether its annual allocation is now appropriate and why”.
5. In this Report the Overseas Aid Committee will:–
 - outline the continuing need for overseas aid.
 - present an outline of its funding policy.
 - review the size of the overseas aid budget.
 - recommend increases for the period 2002-2005.

The Need for Overseas Aid

6. In international terms, significant overall progress has been made in recent decades in addressing needs in the developing world – people live longer; fewer infants die from preventable diseases; more people have access to clean water; more adults are now able to read.
7. The progress in reducing poverty over the 20th century is significant. In the past fifty years poverty has fallen more than in the previous five hundred.
8. However, the second half of the 20th century has also seen unprecedented changes in the size and structure of the world's population. In 1945, for example, the population of the world, at 2.3 billion, was about the size of just China and India today. By 1999 it had reached 6 billion. Although the rate of growth has slowed, the ever increasing population base means that a larger number of people continue to be added to the world population each year. Over 95 per cent of the growth is in developing countries, which are least able to cope with the consequences.
9. Whilst noteworthy success has been achieved in recent decades in terms of poverty reduction, population growth has meant that, for example, there are around as many people living in poverty today as in 1990. Recent updated figures produced by the World Bank (World Development Report 2000/2001: Attacking Poverty) indicate that the number of the extreme, or abject poor – defined as those living on less than \$1 per day (1993 dollars adjusted to account for differences in purchasing power across countries) – declined only slowly in developing countries between 1990-1998, and the overall number of poor people remained roughly constant as the population increased.
10. That there continues to be a need for overseas aid is illustrated by the following:
 - (i) Of the world's 6 billion people, 2.8 billion – almost half of the world's population – live in poverty on less than \$2 per day. Of these, 1.2 billion people (almost 70% of whom are women) – one fifth of the world's population – continue to live in abject poverty, ie on less than \$1 per day.
 - (ii) Over 1.2 billion people lack access to safe drinking water;
 - (iii) Over 750 million people lack access to health services;
 - (iv) Over 150 million children under the age of five are malnourished;
 - (v) Over 870 million adults are illiterate;
 - (vi) Over 500 million people are not expected to survive to age forty.
11. Within these broad groups some people suffer more than others, particularly children, women, the aged and the disabled.
12. In addition to the existing problems of population growth and environmental degradation, new global pressures are creating or threatening further increases in poverty. During 1990-1997 the number of people infected with HIV/AIDS more than doubled. At the end of 1999 an estimated 34.3 million people were living with HIV or AIDS – more than 70% of them in sub-Saharan Africa where the disease is spreading exponentially. Of the 13.2 million AIDS orphans in the world, 12.1 million are in Africa.

13. AIDS has become a poor person's disease, taking a heavy toll on life expectancy, reversing the gains of recent decades. For nine countries in Africa, a loss of 17 years in life expectancy is projected by 2010, back to the levels of the 1960s.
14. Poor people are generally the most vulnerable in any society, particularly so in the developing world where the supporting infrastructure which we take so much for granted in the West is far less developed, or completely non-existent.
15. Poor men and women apply enormous creativity and resourcefulness on a daily basis to solve problems that those who live comfortably can hardly begin to understand. They continue to eke out a living under the most difficult circumstances.
16. Given the necessary support, the poor can be the means as well as the beneficiaries of sustainable development.

The Overseas Aid Committee's Policy

17. The Overseas Aid Committee's policy was set out in Billet d'État XVIII of 1997 and noted by the States on 24 September 1997.
18. The Committee's policy is to fund specific projects in accordance with the following criteria:–
 - (a) the prime objective of each project must be to reduce human vulnerability;
 - (b) projects must be in respect of locations in Third World countries in Africa, the Indian sub-continent, Latin America and the Caribbean and Asia and the Pacific – the Committee does not fund projects in Eastern Europe;
 - (c) priority is given to projects located in least developed areas as defined by UNICEF (the United Nations Children's Fund);
 - (d) projects must meet basic human needs by helping communities achieve self-sufficiency and, to help achieve this objective, people in the communities where the project is located should be involved in the planning or implementation of the project;
 - (e) projects are not for the provision of emergency disaster relief – projects which provide rehabilitation following a disaster may be funded;
 - (f) projects should fall within the following categories:–
 - (i) **Women**
 - providing literacy for women is essential if communities are to benefit from education, health care and economic development;
 - providing economic development opportunities, such as employment and income generation projects, to women is crucial;
 - (ii) **Health/Water/Sanitation**
 - providing clean water and good sanitation is fundamental to the success of communities in poor countries;
 - providing primary health care within communities including both curative and preventative medicine covering such issues as mother and children health, nutrition, health education, birth control and immunisation;

(iii) Rural Development

providing economic development opportunities which tackle rural poverty and strengthen the rural economy and so curb migration to the cities which is a major problem in many Third World countries;

(iv) Education/Training

providing basic literacy skills, training of trainers, educational opportunities particularly for young adults, technical skills and training for employment opportunities;

(v) Environment

providing conservation and environmental rehabilitation programmes and training in improved agricultural techniques to counter problems caused by drought, flooding and deforestation leading to soil erosion and desertification;

- (g) grants will normally only be made in respect of projects submitted by non-governmental organisations (NGOs), including many well known charities – the Committee will occasionally respond to requests from local persons to support particular projects but it does not sponsor individuals or make donations nor does it give bilateral government-to-government aid or funding for conferences or seminars;
- (h) individual grants will not normally exceed £25,000 – the average grant is in the region of £16,900;
- (i) grants do not meet the running costs of the NGOs although, in a few cases, a small proportion of the grant may be allocated to help cover the administration costs involved in setting up a project on the ground; and
- (j) reports must be submitted to the Committee by the NGO within six months of the grant having been made and on completion of each project;
- (k) in considering an application for a grant the Committee will wish to be satisfied as to the validity and capability of the organisation making the application, and that the proposed project meets the criteria set out above;
- (l) although several of the organisations with which the Committee deals are Christian-based, the Committee does not take this fact into account and aid is distributed irrespective of aid or religion. The Committee would not make a grant to a project whose purpose was to advance the interests of a particular church or religion.

Budget Allocation

19. Guernsey is part of an increasingly integrated global society. Whilst this presents many opportunities, not least for the Island, it does not benefit everybody equally. Many of the world's poorest countries are least able to take advantage of the opportunities. For them, globalisation often increases inequalities between and within countries. The Overseas Aid Committee believes that it is right and proper for those who benefit from globalisation to put in place policies to help the poor.

20. The Committee firmly believes that:–

- (i) We have a moral duty to care about other people, particularly those less well off than ourselves, and to help them help themselves;
- (ii) We have a duty to our children and grandchildren to address issues of poverty which may in the long term make the world unsustainable;
- (iii) We have a duty to provide an example of good governance to others.

21. The following table sets out the Overseas Aid Committee's budget (in both cash amounts and as a percentage of Gross National Product) since the Committee was set up in 1980:–

| Overseas Aid Committee's Budget 1980 – 2001 | | | |
|--|----------|-------------|-----------------------------------|
| | £ | %GNP | |
| 1980 | 50,000 | .022 | |
| 1981 | 50,000 | .020 | |
| 1982 | 100,000 | .037 | |
| 1983 | 120,000 | .041 | |
| 1984 | 125,000 | .038 | |
| 1985 | 135,000 | .036 | |
| 1986 | 145,000 | .033 | |
| 1987 | 185,000 | .036 | |
| 1988 | 250,000 | .044 | |
| 1989 | 350,000 | .055 | |
| 1990 | 400,000 | .058 | |
| 1991 | 450,000 | .063 | |
| 1992 | 500,000 | .068 | |
| 1993 | 500,000 | .067 | |
| 1994 | 600,000 | .075 | |
| 1995 | 620,000 | .071 | |
| 1996 | 640,000 | .070 | Based on provisional GNP estimate |
| 1997 | 700,000 | .071 | Based on provisional GNP estimate |
| 1998 | 751,000 | .069 | Based on provisional GNP estimate |
| 1999 | 811,000 | .069 | Based on GNP estimate by ESU. |
| 2000 | 860,000 | n/a | |
| 2001 | 920,000 | n/a | |

Source: AFC 2000 Economic and Statistics Review

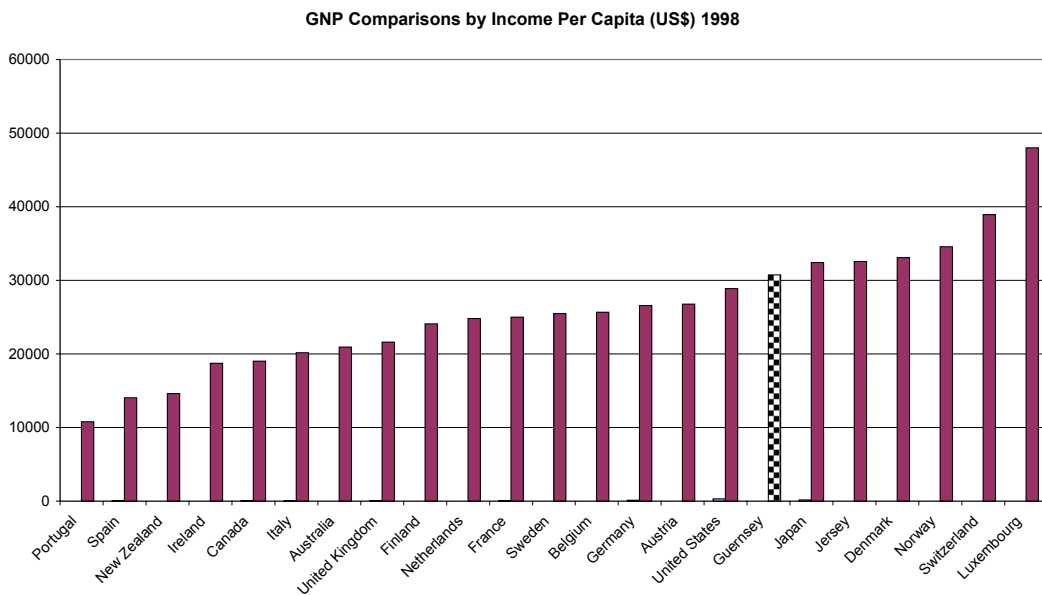
22. It can be seen from the above table that there have been some years where the overseas aid budget has increased significantly over the previous year's allocation. Increases since 1994 have been at or around RPI, with the exception of the present five-year cycle of increases approved by the States which commenced in 1997 and which has had the effect of increasing the Committee's budget by 21.3% in real terms over the period.

23. The total value of project applications received by the Committee, however, still exceeds its budget allocation by a figure of between 2 to 2½ times.

24. It can also be seen from the above table that Guernsey's contribution to overseas aid has increased over the years as a percentage of GNP. However, the Island's provisional estimate for 1999, for example, is still only one-tenth of the internationally recognised United Nation's target figure of 0.70% of GNP – the same GNP proportion as in 1997 – and has been at this level since 1992.
25. The current arrangement agreed in 1996 has apparently had no effect on the GNP proportion – despite increases in real terms – because the Island's GNP itself has also grown in real terms by around the same amount.

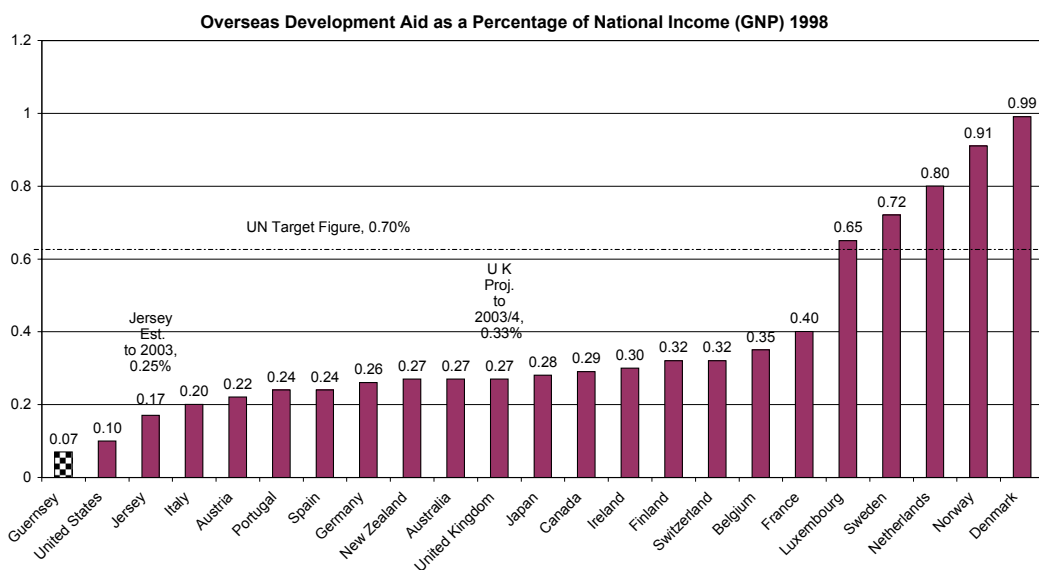
Comparisons

26. The following charts are provided for the purposes of comparison.



Source: UNDP Human Development Report 2000; Jersey Economic Advisor's Office; AFC 2000 Economic & Statistics Review

Figure 1



Source: UNDP Human Development Report 2000; Jersey Overseas Aid Committee; Jersey Economic Advisor's Office; HM Treasury Spending Review 2000; AFC 2000 Economic & Statistics Review; (Jersey Est. based on GNP annual growth at 1998 rate).

Figure 2

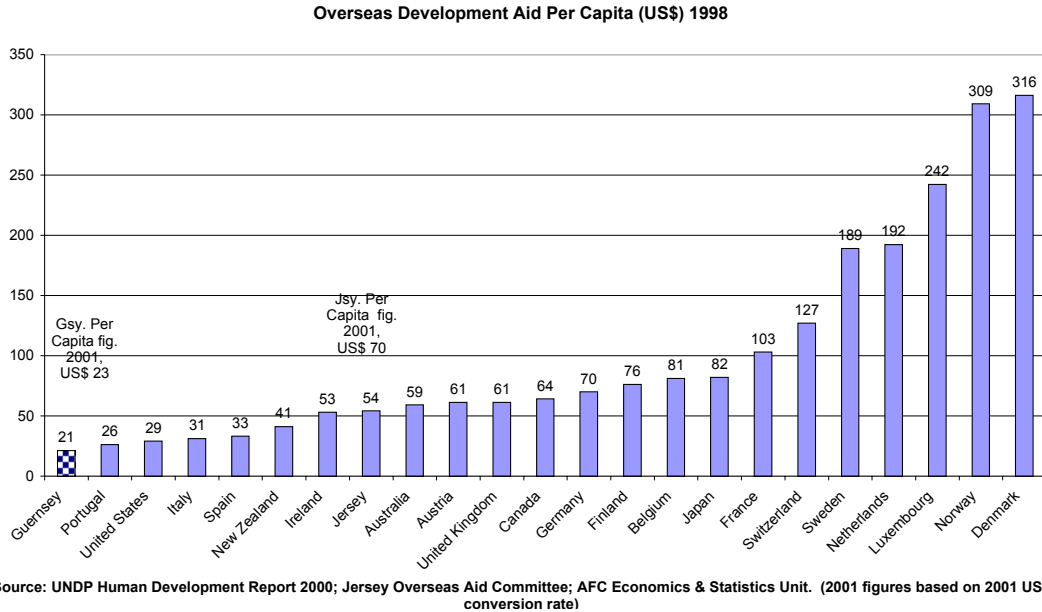


Figure 3

From the charts above it will be seen that:-

- A GNP comparison by income per capita (Figure 1) with the Development Assistance Committee (DAC) members of the Organisation for Economic Co-operation and Development (OECD) reveals that Guernsey has the seventh highest per-capita income, behind Jersey which is in fifth place – both Islands having a significantly higher national income per capita than the UK.
 - In contrast, a comparison of overseas development aid as a percentage of national income – GNP – (Figure 2) reveals that Guernsey’s overseas aid is by far the lowest.
 - 2001 represents the final year of the Committee’s five-year programme of real increases granted by the States in 1996. Despite an increase of over 21% in real terms since 1997, Guernsey’s ratio of aid to GNP is still the same proportion as in 1996 – one-tenth of the UN target figure of 0.70% of GNP (and has remained at around this level since 1992).
 - Since 1998 both Jersey and the UK have considerably increased their respective overseas aid budgets – in GNP terms.
 - A comparison of overseas development aid per capita is also provided (Figure 3). By comparison, for 2001 (at 2001 dollar conversion rate) Jersey’s aid per capita figure equates to around US\$70 – Guernsey’s figure is around US\$23.
27. The nations shown in the above charts all have significant military expenditure, and higher welfare payments, than either Guernsey or Jersey. Military expenditure, for example, averages 1.7% of GDP for the above nations (UK – 2.7% of GDP). If Guernsey had to fund such expenditure at that level it would have cost the Island in 1998 £18 million (£28.7 million at the UK level).
28. Maintaining the Alderney Breakwater equates to Guernsey’s defence costs and its contribution towards international representation. In 1998, this cost £407,000 and equated to .04% of GDP. The cost to Jersey in 1998 of maintaining the Territorial Army unit was £920,000 – 0.06% of GDP. (This comparison clearly does not include the possible cost of replacing the Alderney Breakwater).

29. For the purposes of comparison, based on 1998 figures, if Guernsey's overseas aid had represented the same percentage of GNP as Jersey, the Committee's budget would have been £1.86 million. Similarly in 1998 using the UK percentage of 0.27% of GNP, would have produced a figure of £2.95 million and the UN target percentage of 0.70% of GNP, a figure of £7.66 million.

30. **Jersey**

Between 1996 and 1998 Jersey's overseas aid budget rose from £2.6m to £2.8m. However, in 1998 the States of Jersey agreed to raise an already substantial budget to even higher levels. In this landmark decision the Jersey States agreed a five-year programme of increases over the period 1999-2003 linking the Committee's budget to taxation income, initially at 1% of gross taxation income (Income Tax and Impôts), rising to 1.2% by 2003, with a review after that date. As a consequence, Jersey's overseas aid budget allocation has risen from £2.8m in 1998 to £4.2m (est) in 2001. It is projected to rise to £5.3m in 2003.

31. This will have the effect of raising Jersey's ratio of aid to GNP from 0.17% in 1996 to around 0.25% in 2003 (based on GNP annual growth at 1998 rate).

32. The internationally-accepted UN target figure for overseas development aid is 0.70% of GNP.

33. Jersey, as a signatory to Agenda 21 – the Rio Declaration on Environment and Sustainable Development adopted by more than 178 Governments at the United Nations Conference on Environment and Development held in Rio de Janeiro, Brazil, in 1992 – committed itself to moving to a target on overseas aid which is comparable with that of other nation states, as a component of sustainable development.

34. Guernsey is not a signatory to this international instrument.

35. It should be noted that Jersey's allocation of £4.2m (est) for 2001 equates to £48.00 per capita compared with Guernsey's 2001 allocation of £920,000 which equates to £15.50 per capita.

36. **The United Kingdom**

The UK Government has also raised its aid programme substantially. In the July 2000 Spending Review, the British Government announced a major investment for international development over the next three years, aimed particularly at reducing world poverty, in line with HM Government's commitment to the key objectives of the International Development Targets, under which world governments are committed to halving the proportion of those living in extreme poverty by 2015. This commitment will produce the largest UK development assistance budget ever in real as well as cash terms.

37. This will have the effect of raising the UK Government's ratio of aid to GNP from 0.26% in 1996/97 to 0.33% by 2003/04.

38. **Guernsey**

Despite increases over the years, in particular the current programme of real increases agreed by the States in 1996, the Committee's level of funding is still insufficient insofar as the total value of project applications received amounts to more than double its budget allocation. In May, 1999 the Committee found itself in the unprecedented position of having expended virtually all of its budget for that year. In 2000, the Committee ran out of funds a month earlier, in April.

39. The Committee recognises that there are other measures of overseas aid as well as measuring it against GNP. The Committee also recognises that some of the larger aid-providing countries will require a proportion of the aid which they give to be spent on goods and services which they provide, although this type of arrangement is now in decline. Indeed, most UK aid is already untied. The tied proportion in 1999 (excluding Technical Cooperation) fell from 28% in 1997 to 8½% in 1999. The UK Government has announced that it will untie all UK development assistance from 1 April 2001.
40. Guernsey's aid is untied. Jersey's expenditure on Community Work Projects represents around 10% of its annual overseas aid. The Committee considers that the difference in the proportion of GNP given as overseas aid by Guernsey and the other countries shown in Figure 2 is large enough to outweigh any such criticism of using GNP as a means of comparison – and bearing in mind that a comparison by income per capita with the DAC members of the OECD – Figure 1 – reveals that Guernsey has the seventh highest per capita income of the member states, only marginally behind Jersey, and both significantly higher per capita than the UK.
41. The Committee believes that Members of the States should be aware that, despite the increase in the Committee's budget since 1980 and, particularly, the current programme of real increases, the amount that the States gives in overseas aid does not compare favourably, as a percentage of GNP, with the UK or with Jersey let alone with the percentage target figure adopted by the UN and is still insufficient for its needs.
42. Guernsey has clearly benefited materially from the globalisation of the world economy and the wealth this has created. The Committee is firmly of the belief that a relatively prosperous Government such as the States of Guernsey should contribute more generously to overseas aid than it does at present.
43. Guernsey's constitutional position has evolved over many centuries. Quite naturally, and properly, the natural focus of the States' attention has been the regulation of the Island's internal affairs. However, in recent times Guernsey has developed from, in world terms, a largely unknown insular community, to an international financial centre. We have entered the global economy.
44. The Committee considers that the current level of the Island's overseas aid programme is not adequate given the strength of the Guernsey economy, compared with the magnitude of global poverty and the value of requests which the Committee receives.
45. The Committee believes that it is correct to compare the amount of overseas aid provided by the States of Guernsey with other nation states, in particular Jersey. However, the Committee is not seeking to adopt the same strategy as its sister Island of linking the Committee's budget to taxation income as a device by which to increase overseas aid. Instead, the Committee is of the opinion that it is preferable to seek annual increases in real terms.

Conclusions and Recommendations

46. Despite significant global progress in addressing human development needs, global deprivation is still intense. Nearly three billion people – almost half of the world's total population – are unable to meet their basic consumption requirements. One in five of the people who share this planet are living in abject poverty. In addition to existing problems of population growth and environmental degradation, new global pressures are threatening further increases in poverty. The HIV/AIDS epidemic is taking a heavy toll, particularly in Africa, reversing the gains of recent decades.

47. Poor people are generally the most vulnerable in any society, particularly so in the developing world where the supporting infrastructure which we enjoy in the West is far less developed, or completely non-existent. The majority of the Committee's funding goes towards providing essential, sustainable basic services for the poor. Its contribution, though small, is rightly targeted and vital to the task of reducing human vulnerability.
48. Guernsey is part of an increasingly integrated global society. It is a matter of fact that the Island's vibrant economy is built on the global wealth that the Island attracts, and that the Island has clearly benefited substantially in material terms from globalisation and the wealth this has created.
49. As a relatively prosperous community, therefore, it is vital that we make our contribution to ensure that the less fortunate are able to survive and prosper. The Committee firmly believes:–
 - that we have a moral duty to care about other people, particularly the poor and needy, and to help them to help themselves;
 - that we also have a duty to our children and grandchildren to address issues of poverty which may in the long-term make this world unsustainable;
 - that we have a duty to provide an example of good governance to others.
50. Despite the current programme of real increases agreed by the States in 1996, and other increases since 1980, the total value of overseas aid applications received by the Committee still amounts to more than double its budget allocation, as in 1996.
51. Again as in 1996, the amount the States gives in overseas aid does not compare favourably, as a percentage of GNP, with the UK or with Jersey, let alone with the international target for overseas development assistance of 0.70% of national income adopted by the UN. Despite the current programme of real increases agreed in 1996, Guernsey's aid to GNP proportion has not changed and remains at still only one-tenth of the internationally-recognised UN target figure – the same as in 1992.
52. Since 1998 both the UK and the Jersey Governments have significantly increased their allocation to overseas aid. The UK is committed to raising its ratio of aid to GNP from 0.26% in 1996/97 to 0.33% of GNP in 2003/4 – which will produce the largest UK development assistance budget ever in real as well as cash terms. Jersey's decision to raise an already substantial budget to even higher levels will raise its ratio of aid to GNP from 0.17% in 1996 to around 0.25% of GNP in 2003. Guernsey's current aid programme equates to 0.07% of GNP.
53. For 2001, for example, Jersey's overseas allocation of £4.2m (est) equates to £48.00 per head of population, compared with Guernsey's £920,000 which calculates at £15.50 per person.
54. It is acknowledged that Guernsey has entered the global economy. As such, the current level of the Island's aid programme is not considered adequate given the strength of the Guernsey economy, compared with the enormity of global poverty and the value of requests which the Committee receives. The Committee believes that the people of Guernsey should play a more substantial role in the development of the global society.
55. In all the circumstances the Committee is seeking a significant increase in its revenue allocation, in the sum of £100,000 per annum in real terms over the four-year period 2002-2005. In bringing forward this proposal, the Committee has not taken account of the £200,000

available each year out of General Revenue, as agreed by the States in 1999, whereby the Advisory and Finance Committee in conjunction with this Committee, is able to provide aid in respect of specific emergency disasters.

56. This proposal will have the effect of increasing Guernsey's aid programme to approximately £1.45 million by 2005 – around 0.10% of GNP – roughly £24.00 per capita.
57. The UK commitment will see its development assistance programme rise in 2003/04 to 0.33% of GNP.
58. By comparison, Jersey's aid programme is set to increase to approximately £5.3 million (est) by 2003 – around 0.25% of GNP – roughly £61.00 per capita, on a par per capita with the UK.
59. The Committee would once again welcome the opportunity to report back to the States in 2005.
60. The Committee accordingly recommends the States to:–
 - (a) agree that the revenue allocation of the Overseas Aid Committee for the years 2002 to 2005 shall be increased by £100,000 per annum in real terms, and to direct the Advisory and Finance Committee to include such increases within its recommendations to the States for the Overseas Aid Committee's revenue allocations for those years;
 - (b) Instruct the Overseas Aid Committee to report back to the States in 2005 on the appropriateness of its annual allocation.
61. I have the honour to request that you would be good enough to lay this matter before the States, together with appropriate propositions.

I am, Sir,

Your obedient Servant,

E. W. WALTERS,

President,

States Overseas Aid Committee.

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

20th April, 2001.

Sir,

OVERSEAS AID BUDGET

I have the honour to refer to the letter dated 27 February 2001 addressed to you by the President of the Overseas Aid Committee ("OAC") on the subject of the overseas aid budget.

As set out in the letter, the budget for overseas aid has increased in **real terms** by 21.3% since 1996, the last time that the OAC presented a full report on overseas aid funding to the States.

In addition, following a recommendation from the Advisory and Finance Committee in the 1999 Policy and Resource Planning Report, there is now the ability to issue specific emergency aid up to £200,000 each calendar year. Since 1999 emergency aid totalling £275,000 has been granted.

The Committee believes that the OAC has made a case for further increasing the present level of overseas aid and therefore supports the OAC's proposals. However, as previously set out in its letter of comment in 1996, the Committee believes that a comparison based upon a percentage of Gross National Product (GNP) is too simplistic an approach and must be treated with caution.

The countries at the top of the table of international aid givers generally have high levels of taxation. It should therefore be expected that aid as a proportion of GNP should be high.

In lower tax regimes, such as Guernsey, the state leaves the taxpayer with a greater proportion of gross income and thus more choice on how to spend it. In such circumstances charity, including overseas aid, is a matter primarily for the conscience of the private individual not the public purse.

The Committee believes that the people and organisations of Guernsey have shown themselves to be consistently generous when making donations to a wide variety of charities and good causes.

Notwithstanding the above, the Advisory and Finance Committee recognises that there is a continuing need for overseas aid and that Guernsey, as a member of the international community, should continue to play its part to support developing countries. However, the Committee must also consider the question of affordability.

Whilst the Committee continues to have concerns about the rise in States expenditure and the levels of future income, it believes that the proposed increase in overseas aid is affordable. However, it should not be assumed that this will always be the case. Any future proposals for overseas aid must therefore take into account the prevailing state of the Bailiwick's own financial circumstances.

I am, Sir,

Your obedient Servant,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

The States are asked to decide:–

IX.– Whether, after consideration of the Report dated the 27th February, 2001, of the States Overseas Aid Committee, they are of opinion:–

1. That the revenue allocation of the States Overseas Aid Committee for the years 2002 to 2005 shall be increased by £100,000 per annum in real terms, and to direct the States Advisory and Finance Committee to include such increases within its recommendations to the States for the States Overseas Aid Committee's revenue allocations for those years.
2. To instruct the States Overseas Aid Committee to report back to the States in 2005 on the appropriateness of its annual allocation.

STATUTORY INSTRUMENT LAID BEFORE THE STATES

THE POST OFFICE (INLAND POST) (AMENDMENT) ORDER, 2001

In pursuance of the provisions of section seventy of the Post Office (Guernsey) Law, 1969, as amended, I lay before you herewith the Post Office (Inland Post) (Amendment) Order, 2001, made by the States Post Office Board on the 24th April, 2001.

EXPLANATORY NOTE

This Order amends the Post Office (Inland Post) Order, 1993:

- (i) by amending the rates of postage for letters and parcels within the Bailiwick and to the United Kingdom;
- (ii) by amending the rates for several miscellaneous services.

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

The Royal Court House,
Guernsey.
The 11th May, 2001.

APPENDIX I

STATES ADVISORY AND FINANCE COMMITTEE

INTERNATIONAL CONVENTIONS AND AGREEMENTS

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

28th March, 2001.

Sir,

On the 25th February 1987 the States resolved:

1.
2. that the States Advisory and Finance Committee shall submit annually to the Bailiff for inclusion as an Appendix to a Billet d'État, a report setting out the title and brief description of each International Agreement received by the States Advisory and Finance Committee in the preceding year and giving details of the action taken in relation to that Agreement.

In accordance with the resolution of the States I have the honour to request that you be good enough to publish the report appended hereto as an Appendix to a Billet d'État.

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

REPORT FOR 2000
ON INTERNATIONAL CONVENTIONS AND AGREEMENTS
(in accordance with Resolution VIII (2) of Billet d'État IV 1987)

PART I – OUTSTANDING MATTERS FROM PREVIOUS REPORTS

1. **United Nations Convention on the Rights of the Child**

Object: To make provision for the implementation of 54 wide-ranging articles concerning the right of the child, several of which involve human rights and fundamental freedoms.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
Education Council
Children Board
Guernsey Social Security Authority
Committee for Home Affairs
Board of Industry
Board of Health

Action: In 1987 the States resolved that where international agreements involved questions of human rights and fundamental freedoms the terms of such agreements should be laid before the States.

Much consultative work has been carried out to establish the legislative requirements which will be necessary to enable compliance with the Convention. That process continues and it is hoped that a report will be presented to the States in 2001.

2. **European Convention and additional Protocol on Mutual Assistance in Criminal Matters**

Object: To provide that the contracting parties shall afford each other the widest measure of mutual assistance in proceedings in respect of offences the punishment of which falls within the competence of the judicial authorities of the requesting party.

Consultation: H.M. Procureur
H.M. Government
Jersey and Isle of Man Authorities
Income Tax Authority
Financial Services Commission

Action: This matter is still under consideration.

3. **Treaty between the United States of America and the United Kingdom on Mutual Legal Assistance in Criminal Matters**

Object: To improve the effectiveness of the Law enforcement authorities of both countries in the investigation, prosecution and combating of crime through co-operation and mutual legal assistance in criminal matters and to reaffirm the Contracting Parties' determination to enhance assistance in the fight against crime as set out in an earlier Agreement.

Consultation: H.M. Procureur
Financial Services Commission

Action: The general question of this Treaty is still under review. A separate Agreement relating to the sharing between the representative jurisdictions of assets which have been confiscated as being the proceeds of drug trafficking was concluded on 29th July, 1996.

4. **Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime**

Object: To increase the co-operation between the Parties in investigations and proceedings aimed at the confiscation of instrumentalities and proceeds of crime by requiring each Party to adopt legislative and other measures to enable it to comply with requests for confiscation of proceeds of crime and for investigatory assistance.

Consultation: As in 2 above.

Action: A request will be made for the extension of this Convention to Guernsey as soon as up to date legislation on international co-operation, which will include the necessary provisions on the forfeiture of the instrumentalities of crime, has been approved. The legislation will be laid before the States in March 2001.

5. **Convention on the Crossing of the External Frontiers of the Member States of the European Community**

Object: To put into effect article 8a of the Treaty establishing the European Economic Community which sets the common objective of an area without internal frontiers.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
Jersey Authorities
Isle of Man Authorities
Board of Administration

Action: This matter is still under consideration.

6. **World Declaration on the Survival, Protection and Development of Children and Plan of Action for Implementing the aforesaid World Declaration in the 1990's**

Object: To undertake a joint commitment, and to make an urgent universal appeal, to give every child a better future.

Consultation: H.M. Procureur

Action: The issues involved are closely related to those under consideration in relation to the U.N. Convention on the Rights of the Child (see Part I No. 1) and will be examined when a decision is reached with regard to the Convention.

7. **Convention for the Protection of the Marine Environment of the North East Atlantic**

Object: To provide that the Contracting Parties shall take all possible steps to prevent and eliminate pollution and shall take the necessary measures to protect the maritime area against the adverse effects of human activities so as to safeguard human health and to conserve marine ecosystems and, when practicable, restore marine areas which have been adversely affected.

Consultation: Alderney and Sark
H.M. Procureur
Board of Administration
Board of Health
Sea Fisheries Committee
Public Thoroughfares Committee

Action: The issues involved are linked to the control of environmental pollution and the implementation of the Waste Strategy Assessment. In February, 1997 the States directed the preparation of legislation to control environmental pollution. The first report on the Waste Strategy Assessment was considered by the States in June, 1997. The possible extension of the Convention will be considered once those issues are decided.

8. **Extradition Treaty between the United Kingdom and the Republic of India**

Object: To make more effective the co-operation of the two countries in the suppression of crime by making further provision for the reciprocal extradition of offenders and in the recognition that concrete steps are necessary to combat terrorism.

Consultation: Alderney and Sark
H.M. Procureur

Action: This matter is still under consideration.

9. **United Nations Convention on Biological Diversity**

Object: To conserve the maximum possible biological diversity for the benefit of present and future generations and for its intrinsic value by ensuring that the use of biological resources is sustainable; and by securing economic and legal conditions favourable for the transfer of technology necessary to accomplish this objective.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
Board of Administration
Agricultural and Milk Marketing Board
Island Development Committee

Action: This matter is still under consideration.

10. **United Nations Framework Convention on Climate Change**

Object: To achieve stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climatic change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
Board of Administration
Board of Health
Electricity Board

Action: This matter is still under consideration.

11. **European Information System Convention**

Object: To contribute to the maintenance of public order and security including state security and to combat illegal immigration. (This Convention is associated with No 5 above).

Consultation: Alderney and Sark
H.M. Procureur
Board of Administration

Action: This matter is still under consideration.

12. **European Convention on Extradition**
(Second Additional Protocol Chapter 2)

Object: To extend the terms of the principal Convention to include fiscal offences.

Consultation: Alderney and Sark
H.M. Procureur
Jersey and Isle of Man Authorities
Financial Services Commission

Action: This matter, together with various other issues relating to extradition and extradition treaties, is still under consideration.

13. Agreement establishing the World Trade Organization

The Agreement establishing the World Trade Organization comprises three separate parts: the General Agreement on Tariffs and Trade, 1994 (GATT); the General Agreement on Trade in Services (GATS) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). It puts the GATT on a formal footing.

a. The General Agreement on Tariffs and Trade, 1994

Object: To increase market access by reducing or eliminating trade barriers. This objective was met by reductions in tariffs, reductions in non-tariff support in agriculture and the elimination of bilateral quantitative restrictions.

To increase the legal security of the new levels of access. This has resulted in strengthened and expanded rules, procedures and institutions.

To implement a phased reduction in tariffs on a wide range of goods.

To reduce non-tariff barriers.

To provide a new framework of rules on subsidies and trade restrictions.

To provide for a free global textile trade.

To bring agriculture fully within the GATT for the first time. This includes the conversion of all restrictions on trade to tariffs which are transparent. A minimum reduction in every tariff of 15%. A guarantee that at least 3% of domestic agricultural product markets will be open to imports. Controls will be introduced on domestic support and export subsidies.

The Multifibre Agreement will be phased out and trade in textiles will be re-integrated into the GATT system over a ten year period.

Anti-dumping rules will be strengthened and clarified.

To provide for more rapid and effective settlement of trade disputes.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
Financial Services Commission
Board of Administration
Guernsey Transport Board
Telecommunications Board
Tourist Board
Recreation Committee
Board of Health
Education Council
Committees at Raymond Falla House
Jersey and Isle of Man authorities

Action: This matter is still under consideration.

b. General Agreement on Trade in Services.

Object: To introduce the principles of the GATT regarding multilateral trade rules to services, including the principles of national treatment, most-favoured-nation, transparency and progressive liberalisation.

To liberalise trade in a wide range of services as a basis for freer trade in the future.

To guarantee existing levels of access in many areas.

Consultation and Action: As in a. above.

c. Agreement on Trade-Related Aspects of Intellectual Property Rights.

Object: To introduce a set of agreed multilateral rules requiring basic protection of intellectual property rights including the principles of national treatment and most-favoured-nation.

Consultation: H.M. Government
H.M. Procureur
Jersey authorities
Board of Industry

Action: The Board of Industry is currently reviewing the issue of intellectual property rights. The review will, inter alia, determine what legislation would be necessary to fulfil our obligations if this Agreement was extended to the Island.

14. E.U. Agreement on Government Procurement

Object: To broaden and improve the 1979 Agreement on Government Procurement (as amended in 1987) on the basis of mutual reciprocity and to expand the coverage of the Agreement to include Service Contracts.

Consultation: Alderney and Sark
H.M. Procureur
Committee for Home Affairs
Board of Industry
Public Thoroughfares Committee
Post Office Board
Education Council
Water Board
Telecommunications Board
Electricity Board
Agricultural and Milk Marketing Board
Board of Health
Board of Administration

Action: This matter is still under consideration.

15. **Draft UNCITRAL Convention/Model Law on Independent Guarantees and Stand-by Letters of Credit**

Object: To promote a uniform law regulating independent guarantees and stand-by letters of credit.

Consultation: Alderney and Sark
H.M. Procureur
Financial Services Commission

Action: Decision deferred as the matter is still under consideration by H.M. Government.

16. **Council of Europe Convention relating to questions of copyright law and neighbouring rights in the framework of transfrontier broadcasting by satellite**

Object: To promote the broadest possible harmonisation of the Law of the Member States, and the other States party to the European Cultural Convention, on copyright and neighbouring rights with regard to new technical developments in the field of broadcasting by satellite.

Notably the need to safeguard the rights and interests of authors and other contributors when protected works and other contributions are broadcast by satellite. To consider further legal aspects of broadcasting by satellite from the viewpoint of copyright law and neighbouring rights.

Consultation: Alderney and Sark
H.M. Procureur
Broadcasting Committee
Board of Industry

Action: The Committee has deferred a decision on this Convention pending the completion of the Board of Industry's review of the Island's legislation regarding Patents, Designs, Trademarks and Copyright.

17. **International Convention for the Prevention of Pollution from Ships (MARPOL)**

Object: To achieve the complete elimination of intentional pollution of the marine environment by oil and other harmful substances and the minimization of accidental discharge of such substances.

Consultation: H.M. Government
Alderney and Sark
H.M. Procureur
Board of Administration

Action: The possible extension of the Convention will be considered once Guernsey's new Merchant Shipping Legislation is in place.

18. **Montreal Amendment to the Montreal Protocol on Substances that deplete the ozone layer to the Vienna Convention for the Protection of the Environment**

- Object: To amend the provisions of the Montreal Protocol as follows:
- to extend the trade controls to methyl bromide;
- to require all parties to have a licensing system in place for the import and export of controlled substances;
- to require parties in non-compliance to ban the export of used, recycled and reclaimed controlled substances.
- Consultation: Alderney and Sark
H.M. Procureur
Board of Industry
- Action: Extension to Guernsey agreed.

19. **United Nations Convention on Contracts for the International Sale of Goods**

- Object: The Convention provides a uniform law for international sales of goods. It provides common ground between the parties to a contract. For example, it could be used where a seller and an overseas buyer are unable to agree on which of their national laws should apply to their contract.
- Consultation: Alderney and Sark
H.M. Procureur
Board of Industry
Financial Services Commission
- Action: This matter remains under consideration.

20. **Council of Europe Framework Convention for the Protection of National Minorities**

- Object: To specify the legal principles which States undertake to respect in order to ensure the protection of national minorities.
- Consultation: Alderney and Sark
H.M. Procureur
- Action: This matter remains under consideration.

21. **International Criminal Court Statute**

- Object: To provide a permanent independent forum to investigate and try genocide, war crimes and crimes against humanity.
- Consultation: Alderney and Sark
H.M. Procureur
- Action: This matter is still under consideration.

22. Convention on the Protection of the European Communities' Financial Interest

Object: To combat fraud affecting the European Communities' financial interest by undertaking obligations concerning jurisdiction, extradition and mutual co-operation and to make such conduct punishable with effective, proportionate and dissuasive criminal penalties, without prejudice to the possibility of applying other penalties in appropriate cases and of the need, at least in serious cases, to make such conduct punishable with deprivation of liberty which can give rise to extradition.

Consultation: Alderney and Sark
Jersey authorities
Isle of Man authorities
H.M. Procureur

Action: This matter is still under consideration.

23. Convention on the Fight Against Corruption Involving Officials of the European Communities or Officials of Member States of the European Union

Object: To improve judicial co-operation in the fight against acts of corruption involving National or Community officials which are damaging or likely to damage European Communities' financial interest.

Consultation: Alderney and Sark
Jersey authorities
Isle of Man authorities
H.M. Procureur

Action: This matter is still under consideration.

24. International Plant Protection Convention

Object: To adopt legislative, technical and administrative measures to prevent the spread and introduction of pests of plants and plant products and to promote appropriate measures for their control.

Consultation: Alderney and Sark
H.M. Procureur
Committee for Horticulture

Action: Extension to Guernsey agreed.

25. Montreal Convention for the Unification of Certain Rules for International Carriage by Air

Object: To replace the existing Warsaw System which has become cumbersome and outdated. The principle feature of the Convention is that it updates the liability regime for death or bodily injury to passengers. Under the new system the limits on air carriers liability for financial compensation will be removed. For claims above 100,000 SDRs (Special Drawing Rights) the burden of proof will be on the carrier to prove that it was not at fault. For claims less than that figure, airlines have no defence except where the passenger caused the damage. The new Convention offers positive consumer benefits over the existing Warsaw System.

Consultation: Alderney and Sark
H.M. Procureur
Board of Administration

Action: Extension to Guernsey agreed.

26. **Agreement between the United Kingdom and Australia concerning the Investment, Restraint and Confiscation of the Proceeds and Instruments of Crime**

Object: To provide the widest measure of mutual assistance in the investment, restraint and confiscation of the proceeds and instruments of crime.

Consultation: Alderney and Sark
H.M. Procureur

Action: This matter is still under consideration.

27. **Agreement between the United Kingdom and Canada regarding the Sharing of Forfeited or Confiscated Assets or their equivalent funds**

Object: To enable the Parties to share confiscated criminal proceeds where the non-confiscating country has made a significant contribution to the investigation.

Consultation: Alderney and Sark
H.M. Procureur

Action: H.M. Government has been asked to investigate the possibility of a separate Guernsey Canada Agreement being negotiated.

PART II – NEW MATTERS CONSIDERED DURING 2000**28. Euro Control Revised Convention**

Object: To provide for the reformulation of Euro Control's tasks and the creation of a new institutional structure to foster the extension of available air space capacity to meet traffic demand. It strengthens air traffic management planning by combining en-route and airport policies. Euro Control will be involved in creating a global satellite navigation system and co-operation between civil and military authorities will be reinforced.

Consultation: Alderney and Sark
H.M. Procureur
Board of Administration

Action: Extension to Guernsey agreed.

29. United Nations Convention on the Suppression of Terrorist Financing

Object: To create criminal offences in respect of the provision or collection of funds with the intention or knowledge that they are to be used for the carrying out of certain terrorist offences. These offences including those under existing Terrorism Conventions, such as hijacking and hostage taking and other acts intended to cause death or serious injury to civilians where the purpose of such action is to intimidate the population or to compel a Government or international organisation to do, or to abstain from performing any act. The Convention also requires States to confiscate assets allocated for terrorist purposes, requires States parties to prosecute or extradite anyone accused of committing an offence under the Convention, and sets out the basis for co-operation between States in this area.

Consultation: Alderney and Sark
H.M. Procureur
Committee for Home Affairs
Guernsey Financial Services Commission

Action: Extension to Guernsey agreed subject to the enactment of necessary legislation.

30. Protocol to the Labour Inspection Convention, 1947

Object: To apply the Convention to activities in the non-commercial services sector which in turn refers to activities in all categories of work places that are not considered as industrial or commercial for the purposes of the Convention.

Consultation: Alderney and Sark
H.M. Procureur
Board of Industry

Action: Extension to Guernsey agreed in principle.

31. **United Nations Convention Against Transnational Organized Crime**

Object: To promote co-operation to prevent and combat transnational organized crime more effectively. This will be achieved by Member States adopting such legislative and other measures as may be necessary to establish certain transactions as criminal offences under domestic law.

Consultation: Alderney and Sark
H.M. Procureur

Action: This matter is still under consideration.

32. **Council of Europe Convention on Cyber Crime**

Object: To deter actions directed against the confidentiality, integrity and availability of computer systems, networks and computer data as well as the misuse of such systems, networks and data by providing for the criminalisation of such conduct and to facilitate the detection, investigation and prosecution of such criminal offences at both the domestic and international level.

Consultation: Alderney and Sark
H.M. Procureur

Action: This matter is still under consideration.

33. **International Labour Organization Convention 138 concerning Minimum Age for Admission to Employment**

Object: To pursue a national policy designed to ensure the effective abolition of child labour and to raise progressively the minimum age for admission to employment or work to a level consistent with the fullest physical and mental development of young persons.

Consultation: Alderney and Sark
H.M. Procureur
Education Council
Board of Industry
Children Board

Action: This matter is still under consideration

34. **International Labour Organization Convention 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour**

Object: To require participating Member States to take immediate and effective measures to secure the Prohibition and Elimination of the Worst Forms of Child Labour as a matter of urgency.

Consultation: Alderney and Sark
H.M. Procureur
Education Council
Board of Industry
Children Board

Action: This matter is still under consideration.

35. **International Labour Organization Convention 111 concerning Discrimination in respect of Employment and Occupation**

Object: To declare and pursue a national policy to promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in respect thereof.

Consultation: Alderney and Sark
H.M. Procureur
Education Council
Board of Industry
Civil Service Board

Action: This matter is still under consideration.

36. **European Vehicle and Driving Licence Information System Treaty**

Object: To make provision for co-operation between the central authorities responsible for the registration of vehicle and driving licence data and to lay down procedures enabling these authorities both to co-ordinate their actions and to exchange personal and other information concerning the registration of vehicles and driving licences with the aid of new data management and data transmission technology.

Consultation: Alderney and Sark
H.M. Procureur
Committee for Home Affairs
Traffic Committee

Action: This matter is still under consideration.

PART III – MATTERS FROM PREVIOUS REPORTS TO BE RECONSIDERED

1. **United Nations Convention on the Elimination of All Forms of Discrimination against Women**

Object: To achieve equal rights for women throughout the world in all fields of life – political, economic, social, cultural and civil.

Consultation: Alderney and Sark
H.M. Procureur
H.M. Government
all States Committees

Action: Having resolved, inter alia, on the 15th December, 1993 not to seek ratification of this Convention, on the 28th November, 1996 the States further resolved:–

1. To note the progress made since the previous report on the UN Convention on Elimination of all Forms of Discrimination against Women was considered by the States on the 15th December, 1993.
2. To endorse the States Advisory and Finance Committee's intention, prior to its next report on the Convention, to carry out a detailed review in both the public and private sector to identify what measures and potential resource implications might be required to eliminate discrimination against women and to meet the aims and objectives of the Convention.
3. To direct the States Advisory and Finance Committee to implement a confidential service to record complaints by, and provide advice to, women who claim to have been discriminated against, and to report back to the States annually (by means of an appendix to a Billet d'État) with appropriate details of such service.
4. To instruct the States Advisory and Finance Committee to enquire officially what steps, legislative or otherwise, the States would be obliged to take before Her Majesty's Government would be willing to request that the Convention be ratified on the Island's behalf and to report back to the States as soon as may be on the substance of the reply.
5. Further to instruct the States Advisory and Finance Committee to enquire officially of Her Majesty's Government what reservations, if any, it would be willing to enter on the Island's behalf if it were to request that the Convention be ratified on the Island's behalf and how those reservations would affect the answer to the question posed in resolution 4.

6. To instruct the States Advisory and Finance Committee to report back to the States with the replies of Her Majesty's Government arising from resolutions 4 and 5 as soon as may be.

The Committee was unable to meet the deadline of reporting to the States by November, 1999 and a statement was made to the House in October, 1999. The current position is that the Committee is carrying out the detailed review and consultations required by the States.

A confidential service to record complaints by, and provide advice to, women who claim to have been discriminated against was established in April, 1998. Annual reports on the numbers of complaints made are included as appendices to Billets d'État.

PART IV – REPORTS SUBMITTED BY GUERNSEY

During 2000 the Advisory and Finance Committee submitted a periodic report on the International Covenant on Economic, Social and Cultural Rights.

In March 2000 the concluding observations of the UN Human Rights Committee's consideration of the Bailiwick's report submitted under the International Covenant on Civil and Political Rights was published.

In July 2000 the Insular Authorities provided H.M. Government with briefing notes to assist with the oral examination of the U.K.'s 15th Report on the U.N. Convention on the Elimination of Racial Discrimination.

Copies of those reports and other reports published by the United Nations Human Rights Committee are available, free of charge, on request from the Head of External and Constitutional Affairs at Sir Charles Frossard House.

Copies have also been deposited at the Royal Court Library and with the Citizens' Advice Bureau, Guille-Allès Library, Priaulx Library, Alderney Library and Sark Library.

APPENDIX II



STATES OF GUERNSEY GUERNSEY RETAIL PRICES INDEX

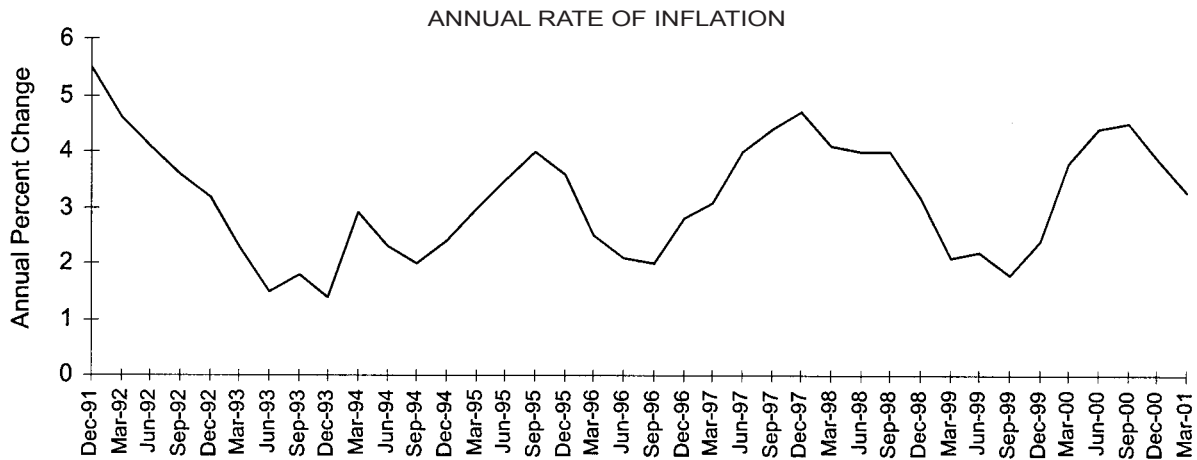
3.3% annual change as at 31 March 2001

STATES OF GUERNSEY
**ADVISORY
& FINANCE
COMMITTEE**

At the end of March, Guernsey's annual rate of inflation, as measured by changes in the Index of Retail Prices, was 3.3% compared with 3.9% at the end of the previous quarter.

The Index Figures at the end of March 2001 were 104.5 (Dec 99 = 100), 124.0 (Mar 1994 = 100), 167.6 (Dec 1988 = 100), 224.0 (Dec 1983 = 100), 355.7 (Dec 1978 = 100)

| Period | % | Period | % |
|-----------|-----|----------|------|
| 3 Months | 0.6 | 2 Years | 7.2 |
| 6 Months | 1.1 | 3 Years | 9.5 |
| 9 Months | 1.7 | 4 Years | 14.0 |
| 12 Months | 3.3 | 5 Years | 17.6 |
| 18 Months | 5.6 | 10 Years | 36.5 |



Annual % Changes

Quarterly & Changes

| | 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 |
| 2000 | 3.8 | 4.4 | 4.5 | 3.9 | | 1.2 | 1.6 | 0.6 | 0.5 |
| 2001 | 3.3 | | | | | 0.6 | | | |

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

GUERNSEY INFLATION RATE (+3.3%)

| | Weight | Annual % change | Contribution % | |
|---|-------------|-----------------|----------------|--|
| FOOD | 127 | -0.5% | -0.1 | |
| ALCOHOLIC DRINK | 52 | +6.3% | 0.5 | |
| TOBACCO | 19 | +7.7% | 0.2 | |
| HOUSING | 216 | +3.8% | 1.2 | |
| FUEL, LIGHT & POWER | 41 | +5.2% | 0.3 | |
| HOUSEHOLD GOODS | 79 | +0.2% | 0.0 | |
| HOUSEHOLD SERVICES | 33 | +9.1% | 0.4 | |
| CLOTHING & FOOTWEAR | 56 | -1.4% | -0.1 | |
| PERSONAL GOODS | 49 | +3.7% | 0.3 | |
| MOTORING EXPENDITURE | 85 | -0.5% | -0.1 | |
| FARES/OTHER TRAVEL | 33 | +5.2% | 0.3 | |
| LEISURE GOODS | 63 | -3.5% | -0.3 | |
| LEISURE SERVICES | 92 | +4.0% | 0.5 | |
| FOOD AWAY FROM HOME | 55 | +2.1% | 0.2 | |
| OVERALL | 1000 | | 3.3 | |
| <p>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</p> | | | | |

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

1. The main contributors to inflation during the last year were price increases in the housing, alcoholic drink, leisure services and household services groups.
2. The motoring group reflects the downward movement in the price of cars.
3. The housing group shows the effect of increased property prices, building work, tax on rateable value and occupiers rates.
4. Within the food group, the introduction of the subsidised milk price has had a downward effect (0.3 of the 3.3) but this has been negated by the increase in prices for fresh meat and poultry resulting from the foot and mouth outbreak in the UK (0.4 of the 3.3 contribution).

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

The main upward contributors to the RPI for the last **three months** were household goods (pet expenses), household services (repairs to household items), alcoholic drink and personal goods (prescription charges and dental fees).

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

APPENDIX III

STATES ADVISORY AND FINANCE COMMITTEE

REVENUE EXPENDITURE, CAPITAL PROJECTS AND ASSET PURCHASE FUND

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

20th April, 2001.

Sir,

REVENUE EXPENDITURE, CAPITAL PROJECTS AND ASSET PURCHASE FUND

The financial procedures approved by the States (Billet d'État, VIII, April 1991, Billet d'État, XXIV, December 1993, Billet d'État, XV, July 1995 and Billet d'État, XIV, July 1998) require the Advisory and Finance Committee to report in an appendix to the May Billet d'État on the use of the delegated powers conferred on it to approve:

- (a) Increases in General Revenue operating costs;
- (b) Capital projects (straightforward replacements and projects under £100,000);
- (c) Use of Asset Purchase Fund.

The Committee has approved the following increase in revenue budgets since those reported in December 2000 (Billet d'État, XXIV) in addition to that for the Overseas Aid Committee Emergency Disaster Relief previously reported (Billet d'État VI, March 2001).

2001

| | £ |
|------------------------------------|--------|
| <u>States of Alderney</u> | |
| Dairy Farm Management Contract | 65,000 |
| <u>Income Tax Authority</u> | |
| Business Continuity Plan | 28,900 |

The following items have been approved for acquisition using the Asset Purchase Fund since the previous report brought to the States on these matters in December 2000 (Billet d'État, XXIV).

| | |
|---|-------|
| | £ |
| <u>Advisory and Finance Committee</u> | |
| Priaulx Library Microfilm Reader | 9,910 |
| <u>Board of Health</u> | |
| King Edward VII Hospital – Photocopier | 3,995 |
| Mental Health and Elderly Care Services – Photocopier | 3,395 |

The following capital projects have been approved by the Committee since those reported in December 2000 (Billet d'État, XXIV).

| | |
|---|---------|
| | £ |
| <u>Advisory and Finance Committee</u> | |
| Royal Court Buildings | |
| – Telecommunications System Replacement | 13,000 |
| <u>States of Alderney</u> | |
| Fire Brigade – Land Rover Replacement | 10,000 |
| Refuse Collection Vehicle Replacement | 63,100 |
| <u>Board of Administration</u> | |
| Alderney Airport | |
| Air Traffic Control Recorder – Replacement | 50,548 |
| Central Services | |
| St James The Less – Land Acquisition/Boundary Wall | 29,500 |
| Customs and Immigration | |
| IT Communications Link Upgrade | 15,300 |
| Passport Issuance System Upgrade | 16,000 |
| Estate Vehicle Replacement | 8,434 |
| Oberlands – Temporary Accommodation | 30,700 |
| Telephone Switchboard Replacement | 49,750 |
| Land Management | |
| Saumarez Park – Path Resurfacing | 85,000 |
| Markets Redevelopment Final Stage Consultants Fees | 387,861 |
| (On 27 November 1997 (Billet d'État XXI, 1997), the States authorised the Advisory and Finance Committee to approve Consultants Fees in respect of this project). | |

Board of Health

| | |
|--|---------|
| Acute Hospital Services | |
| Equipment – Additional | |
| Transport Incubator and Medivac Stretcher | 35,000 |
| Equipment – Replacement | |
| Pathology Department Equipment | 53,301 |
| Meeting Room Equipment Upgrade | 7,118 |
| Oven | 10,880 |
| Radiology Equipment – Rooms 1 and 3 | 433,515 |
| Coronary Care Unit – Monitor and Telemetry | 100,854 |
| Plate System | 49,900 |

| | |
|---|---------|
| Blood Gas Analysers | 18,450 |
| Hospital Chiller Condenser | 16,300 |
| Mechanical Plant | 161,785 |
| Ultrasound Equipment | 110,000 |
| Breast Screening Unit Equipment | 145,091 |
| Premises | |
| Theatre Roof – Replacement | 68,932 |
| Victoria Wing Isolation Rooms | 78,912 |
| Site Security Cameras | 26,582 |
| Security Doors Upgrade | 15,535 |
| Water Mains Refurbishment | 56,000 |
| Central Services | |
| IT Services Upgrade | 97,462 |
| Learning Disability Services | |
| Chateau Reve Extension (Additional) | 7,000 |
| No 3 Les Vieux Chenes – Alterations | 18,500 |
| Sunnybrook Alterations | 20,980 |
| Mental Health and Geriatric Services | |
| Castel Hospital Interim Management Plan Phase 1 | 45,219 |
| <u>Board of Industry</u> | |
| Employment Services – Portacabin Replacement | 30,000 |
| <u>Children Board</u> | |
| Child Care Computer System | 28,000 |
| <u>Education Council</u> | |
| Information and Communication Technology Phases II & III | |
| Strategic Project Management (Additional) | 28,000 |
| <u>Committee for Home Affairs</u> | |
| Police | |
| Financial Investigation Project – Alterations to Premises | 15,000 |
| Tradenet Dealer Board | 38,500 |
| Voicemail | 25,000 |
| Audio/Visual Radio Alarms | 15,000 |
| Teaching Facilities Refurbishment | 10,000 |
| Diving Section Trailer – Replacement | 9,000 |
| Photocopier (Court Office) – Replacement | 9,500 |
| Computer Development Programme – Phase 9 | 82,000 |
| Print Department Equipment – Replacement | 24,950 |
| Fire Brigade | |
| Computer Development Programme | 42,000 |
| Towing Vehicle – Replacement | 27,156 |
| Compressor – Replacement | 17,362 |
| Prison | |
| Internal Communications System | 12,000 |
| Locking Suite and Electronic Gate | 47,000 |

Public Thoroughfares Committee

| | |
|---|--------|
| Belgreve Bay Foul Water Pumping Station Upgrade | 90,812 |
|---|--------|

Recreation Committee

| | |
|----------------------------------|--------|
| Softball Pitch Fence Replacement | 15,000 |
|----------------------------------|--------|

Board of Administration – Ports**Airport**

| | |
|---|--------|
| Emergency Gates/Roadways Upgrade (Phase II) | 28,454 |
|---|--------|

| | |
|---|--------|
| Meteorological Station Software Upgrade | 12,000 |
|---|--------|

| | |
|---|---------|
| Air Traffic Control – Recorders Replacement | 145,945 |
|---|---------|

| | |
|--------------------------------------|--------|
| Uninterruptable Power Supply Upgrade | 44,290 |
|--------------------------------------|--------|

| | |
|--|--------|
| Technical Building Heating Replacement | 14,700 |
|--|--------|

| | |
|--------------------------------|--|
| Airport Terminal Redevelopment | |
|--------------------------------|--|

| | |
|---------------------------------|---------|
| – Consultants Fees (Additional) | 668,090 |
|---------------------------------|---------|

Harbour of St Peter Port

| | |
|----------------------|--------|
| Vehicles Replacement | 11,695 |
|----------------------|--------|

| | |
|---|--------|
| New Jetty Cladding Replacement – Consultants Fees | 56,900 |
|---|--------|

Harbour of St Sampson's

| | |
|---------------------------------------|--------|
| Sampling Programme – Consultants Fees | 30,000 |
|---------------------------------------|--------|

| | |
|----------------------|---------|
| Longue Hougue Marina | 450,000 |
|----------------------|---------|

I should be grateful if you would arrange for the publication of this letter as an Appendix to the Billet d'État for the May 2001 States.

I am, Sir,

Your obedient Servant,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

APPENDIX IV**STATES ADVISORY AND FINANCE COMMITTEE****PURCHASE AND SALE OF LAND AND PROPERTY 2000**

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

24th April, 2001.

Sir,

PURCHASE AND SALE OF LAND AND PROPERTY 2000

Exercising the powers conferred on it by the resolutions of the States on Article LV of Billet d'État IX for 29 April 1976, on Article XX of Billet d'État VII for 29 March 1989, and resolution 16 of Billet d'État XV for 12 July 1995 the Advisory and Finance Committee approved during the calendar year 2000 the purchase or sale by the States of the land and property listed in the attached schedule.

The Committee's approval is granted subject to there being no objections raised by the Law Officers of the Crown or Advocates appointed to act for the States. Inclusion in the schedule does not imply that the transactions have been completed. The name of the interested Committee is included for each approval.

I would be grateful if you would arrange for the publication of this letter and the attached schedule as an Appendix to the Billet d'État for the May States meeting.

I am, Sir,

Your obedient Servant,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

**PURCHASE AND SALE OF LAND AND PROPERTY APPROVED BY THE
STATES ADVISORY AND FINANCE COMMITTEE DURING THE PERIOD
1 JANUARY 2000 TO 31 DECEMBER 2000**

| Date of Approval <i>(see Note 1)</i> | Item | Sum £ <i>(see Note 2)</i> |
|---|---|------------------------------|
| <u>PURCHASES</u> | | |
| 19 January 2000 | “Westview”, Vale Avenue <i>(States Electricity Board)</i> | 210,000 |
| 29 March 2000 | Vinery and Land at Rue des Landes, Forest <i>(States Education Council)</i> | 185,000 |
| 14 June 2000 | Le Clos Vivier, Route des Frances, St Saviour’s <i>(States Board of Administration – see Note 4)</i> | 532,750 |
| 19 July 2000 | “Flamanville”, La Vrangue, St Peter Port <i>(States Post Office Board)</i> | 2,000,000 |
| 2 August 2000 | Land at Saline Lane, St Sampson’s <i>(States Public Thoroughfares Committee)</i> | 1,750 |
| 9 November 2000 | Land at Le Courtil Fallaize, St Andrew’s <i>(States Board of Administration – see Note 4)</i> | 6,900 |
| 15 November 2000 | Land adjacent to Les Beaucamps School <i>(States Education Council)</i> | 3,000 |
| 22 November 2000 | Land at La Villiaze Road, St Andrew’s <i>(States Board of Administration)</i> | 36,000 |
| 22 November 2000 | “Varleda”, Route des Frances, St Saviour’s <i>(States Board of Administration – see Note 4)</i> | 330,000 |
| <u>SALES</u> | | |
| 25 January 2000 | 48 Cornet Street, St Peter Port <i>(States Housing Authority – see Note 3)</i> | 110,000 |
| 1 March 2000 | “Penryth” and “The Forge”, Kings Mills <i>(States Water Board)</i> | 245,000 |
| 12 April 2000 | Land at Les Buttes, Torteval <i>(States Board of Administration)</i> | Nil |

| | | |
|-------------------|---|---------|
| 5 July 2000 | 36-42, 46, 48 & 50 Le Bordage, St Peter Port (<i>States Housing Authority – see Note 3A</i>) | 245,500 |
| 11 July 2000 | Land adjacent to 18 George Road, St Peter Port (<i>States Board of Administration</i>) | 40,000 |
| 26 September 2000 | Wayleave at Belgrave Bay (<i>H. M. Receiver General</i>) | 20,000 |
| 19 October 2000 | 19 Havilland Street, St Peter Port (<i>States Board of Administration</i>) | 150,000 |
| 9 November 2000 | 27A Paris Street, St Peter Port (<i>States Housing Authority – see Note 3</i>) | 148,000 |

Notes:

1. The date of approval shows the date on which the Advisory and Finance Committee first approved the sale or purchase listed.
2. In some cases approvals have been amended at the request of the relevant committee. The value shown is the most recently approved price for the sale or purchase. In cases where purchases have been completed, the value of realty only is shown.
3. Properties identified by the States Housing Authority as being incompatible with the current needs of States tenants in accordance with the States resolution of January 1996, Billet d'État XXIV, December 1995). The net proceeds of such sales are credited to the States Housing Authority's Capital Allocation and set aside therein to assist with financing the construction of replacement housing stock.
- 3A. As Note 3 but only 75% of net proceeds, representing the residential element of the properties, to be credited to the States Housing Authority's Capital Allocation.
4. Properties identified by the States Board of Administration within the revised Airport Safety Zone.

APPENDIX V

STATES GAMBLING CONTROL COMMITTEE

CHANNEL ISLANDS LOTTERY – REPORT AND ACCOUNTS IN RESPECT OF 2000

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

25th April, 2001.

Sir,

CHANNEL ISLANDS LOTTERY – REPORT AND ACCOUNTS IN RESPECT OF 2000

In accordance with the provisions of Section 2(5) of the Gambling (Channel Islands Lottery) Ordinance, 1975, as amended, I have the honour to submit the Committee's annual report and accounts in respect of the operation of the Channel Islands Lottery during the financial year ending 31 December, 2000.

A: LOTTERY FORMAT

The Channel Islands Lottery has faced another challenging year, but with the continuation of a new format adopted in mid 1999, its viability has continued into the New Millennium.

The main element of this format is the retention of the "Double Chance" ticket, whereby a £5,000 prize together with hundreds of smaller cash prizes are awarded by means of an instant "scratch" panel, plus a number of other prizes are drawn on specified days, including a first prize guaranteed at a minimum of £20,000, increasing thereafter in accordance with extra ticket sales.

Whilst this format provides a variety of prizes, it nevertheless promotes an overall prize return which is commensurate with actual ticket sales, and ensures that the Lottery remains both attractive and viable.

The year ended particularly successfully, with a Christmas Bumper Draw which awarded a local winner a fantastic £253,500 top prize and raised a well-received £73,945.13 for local charities as distributed in agreement with the Association of Guernsey Charities.

Recognising the need for continual change in the Lottery's format to maintain its overall attractiveness, the Committee put plans into effect towards the end of 2000 to introduce a "Treble Chance" ticket for the first few months of the new year, together with proposals to amend the provisions of the Channel Islands Lottery Ordinance, subject to States approval, which was granted in principle on 31 January, 2001, to enable full scratchcard tickets (where a draw is not necessarily required to be held) to be used as an option to increase the potential variety of Lottery promotions.

B: DRAWS

Seventeen Draws were promoted during the year on the following dates:–

| <u>Draw No</u> | <u>Date</u> | <u>Draw No</u> | <u>Date</u> |
|----------------|----------------------|----------------|-----------------------|
| 1 | Thursday 13 January | 10 | Thursday 20 July |
| 2 | Thursday 3 February | 11 | Thursday 10 August |
| 3 | Thursday 24 February | 12 | Thursday 31 August |
| 4 | Thursday 16 March | 13 | Thursday 20 September |
| 5 | Thursday 6 April | 14 | Thursday 12 October |
| 6 | Thursday 27 April | 15 | Thursday 2 November |
| 7 | Thursday 18 May | 16 | Thursday 23 November |
| 8 | Thursday 8 June | 17 | Thursday 21 December |
| 9 | Thursday 29 June | | |

C: SALE OF TICKETS

During the year, six Agents were appointed by the Committee to sell Lottery tickets within the Bailiwick of Guernsey. Four appointments related to Guernsey and the remaining two appertained to Alderney and Sark respectively. The Agents, who purchased tickets from the Committee at a discount, were responsible for the appointment of sub-agents to sell tickets on their behalf.

Ticket sales for each Draw in 2000 were as follows:–

| <u>Draw No</u> | <u>Guernsey Committee</u> | <u>Jersey Committee</u> | <u>Total</u> |
|----------------|---------------------------|-------------------------|------------------|
| <u>Sales</u> | | | |
| 1 | 66,200 | 79,300 | 145,500 |
| 2 | 59,800 | 73,500 | 133,300 |
| 3 | 59,400 | 71,500 | 130,900 |
| 4 | 57,200 | 69,600 | 126,800 |
| 5 | 55,200 | 67,400 | 122,600 |
| 6 | 52,200 | 63,100 | 115,300 |
| 7 | 50,600 | 63,100 | 113,700 |
| 8 | 49,400 | 61,400 | 110,800 |
| 9 | 52,100 | 62,700 | 114,800 |
| 10 | 49,500 | 63,100 | 112,600 |
| 11 | 47,900 | 65,000 | 112,900 |
| 12 | 46,000 | 58,800 | 104,800 |
| 13 | 44,400 | 58,600 | 103,000 |
| 14 | 44,600 | 53,500 | 98,100 |
| 15 | 43,300 | 50,400 | 93,700 |
| 16 | 42,500 | 48,700 | 91,200 |
| 17 | 333,200 | 417,000 | 750,200 |
| | <u>1,153,500</u> | <u>1,426,700</u> | <u>2,580,200</u> |

The total number of tickets issued by the Committee to Agents in the respective Islands of the Bailiwick were as follows:–

| | |
|----------|------------------|
| Alderney | 20,600 |
| Guernsey | 1,127,000 |
| Sark | 5,900 |
| | <u>1,153,500</u> |

The sales that have been achieved in 2000 are due in no small part to the Agents who purchase, distribute and sell tickets on the Committee's behalf. The Agents' task is becoming increasingly difficult in an environment where competition from other forms of gambling has eroded the traditional support for the local Lottery. The Committee wishes to place on record its sincere appreciation for their continuing hard work.

D: PRIZES AWARDED

The vast majority of the prizes were awarded instantly by means of the scratchcard portion of each Lottery ticket. These prizes ranged from £1 to £5,000 in value. The "Double Chance" aspect of the lottery was a draw for a Top Prize, plus four prizes of £250 and fifty prizes of £100, into which the serial numbered portion of each ticket was entered. The guaranteed minimum value of the Top Prize for each of the standard Draws was £20,000 and this was increased at a rate of £500 for each 1,000 tickets sold above the minimum sale of 80,000 tickets. This system ensured that the Lottery could operate with an affordable prize return, although an obvious disadvantage was a decreasing value in the first prizes as sales declined steadily during the year.

The Christmas Charity Bumper Draw retained the "Double Chance" aspect, although the drawn prizes were increased to a minimum Top Prize of £150,000, increasing subsequently by £1,500 for every 5,000 sold from the reserve; second and third fixed prizes of £10,000 and £5,000 respectively, plus forty prizes of £500. Sales through the four-week sales period ensured a steady increase in the value of the first prize, which eventually peaked at a very attractive £253,500.

During the year, the total number and value of prizes (including the value of the first prize) awarded at each Draw, were as follows:–

| <u>Draw No</u> | <u>No of Prizes</u> | <u>Total Value of Prizes £</u> | <u>First Prize £</u> |
|-----------------------|----------------------------|---|---------------------------------|
| 1 | 16,886 | 93,700 | 52,500 |
| 2 | 15,506 | 85,300 | 46,500 |
| 3 | 15,276 | 83,400 | 45,000 |
| 4 | 14,816 | 80,600 | 43,000 |
| 5 | 14,356 | 77,800 | 41,000 |
| 6 | 13,436 | 72,700 | 37,500 |
| 7 | 13,206 | 71,300 | 36,500 |
| 8 | 12,976 | 69,400 | 35,000 |
| 9 | 13,436 | 72,200 | 37,000 |
| 10 | 13,206 | 70,800 | 36,000 |
| 11 | 13,206 | 70,800 | 36,000 |
| 12 | 12,286 | 65,200 | 32,000 |
| 13 | 12,056 | 64,300 | 31,500 |
| 14 | 11,596 | 61,000 | 29,000 |
| 15 | 10,906 | 57,300 | 26,500 |
| 16 | 10,676 | 55,900 | 25,500 |
| 17 | 86,503 | 460,668 | 253,500 |

E: PRIZES UNCLAIMED

Prizes, which are not claimed within twelve months of the Draw at which they were awarded, are forfeited.

During 2000, all of the maximum periods for claiming prizes awarded by the nineteen Draws held in 1999 expired and the prizes which remained unclaimed were forfeited. The total value of the prizes forfeited was £147,171, the apportionment of which resulted in the Committee receiving £63,250.89.

In accordance with the policy of the States, this prize money was used to help maintain the values of the first prizes on offer. During the year, the Guernsey Committee contributed £24,065.31 from its forfeited prizes fund towards the sixteen standard Draws and £17,765.93 towards the Christmas Charity Bumper Draw. In accordance with a policy adopted by the Committee in conjunction with the Jersey Gambling Control Committee, the remaining £21,419.65 from the forfeited prize money will be rolled over as Guernsey's contribution to a contingency fund for use during 2001 or later.

F: DONATION TO THE ASSOCIATION OF GUERNSEY CHARITIES

Following a three year trial period, during which time the proceeds of one designated Draw each year were donated to the Association of Guernsey Charities for distribution to local charitable causes, the States, on 29 March 1989, resolved that the proceeds from one Draw each year would continue to be donated to the Association for the foreseeable future. Since that time, the Committee has designated the Christmas Bumper Draw as the annual Charity Draw.

In 2000, the Draw succeeded in raising the sum of £73,945.13, and this was presented to Mrs Sarah James, the Chairman of the Association, at a meeting of the Committee held on 27 February, 2001.

In addition, a sum of £8,581.04 remaining from the 1999 Christmas Charity Bumper Draw, together with a sum of £1,600.00 from the Association's General Charity Fund, made a total sum of £84,126.17 available for distribution.

The Committee has since agreed to the distribution of this sum, as recommended by the Association of Guernsey Charities, as follows:-

| <u>Charity</u> | <u>Purpose</u> | <u>Allocation</u> |
|----------------------------------|---|-------------------|
| Guernsey Citizens Advice Bureau | Training costs | £2,000.00 |
| Guernsey Deaf Children's Society | Hearing aids & radio aid packs | £4,366.00 |
| Guernsey Welfare Society | Food, fuel & clothing vouchers | £5,000.00 |
| GSPD | Chairs and wheelchairs | £2,000.00 |
| Relate Guernsey Limited | New photocopier | £847.00 |
| League of Friends KEVII Hospital | Creation of sensory room | £1,720.00 |
| Workers Education Association | Literacy & Computer classes at family centres | £5,000.00 |
| Guernsey Cheshire Homes | Towards fuel & heating costs | £10,000.00 |
| M.E.N.F.U.N. | Holidays for people with learning difficulties | £2,000.00 |
| MIND | Housing deposits & rent grants | £3,000.00 |

| | | |
|--|--|------------------|
| Channel Islands Air Search | Replacement crew survival suits | £5,000.00 |
| Sarnia Housing Association | Towards Chilcott House | £7,000.00 |
| Guernsey Jumbulance Holidays | Holidays for disabled persons | £3,400.00 |
| Guernsey Sea Cadets Association | V.H.F. Communications systems | £572.38 |
| Guernsey Schizophrenia Fellowship | Holiday and respite care | £3,000.00 |
| Maison St Pierre Home for Girls | Towards re-roofing | £10,000.00 |
| Styx Playground | Renovation of the playground | £850.00 |
| Les Bourgs Hospice | Towards running costs | £10,000.00 |
| Guernsey Heartbeat | Special beds for Southampton Paediatric Unit | £2,000.00 |
| Bailiwick of Guernsey Victim Support Group | Training for part-time Volunteers Co-ordinator | £1,000.00 |
| Self Harm/Self Help Group | Relocation of Helpline | £120.00 |
| Guernsey Cardiac Action Group | Resuscitation kits, leaflets, oxygen cylinder & defibrillator battery | £1,065.00 |
| ME/CFS Awareness Group | Books for lending service | £185.79 |
| Special Olympics | Sending 8 footballers & 2 helpers to 5 a side competition | £1,000.00 |
| F.U.E.L. (Freedom, Understanding, Education & Life) | Salary, computer system & Admin | £3,000.00 |
| | | <hr/> £84,126.17 |

G: ACCOUNTS

The accounts for the Channel Islands Lottery (Guernsey) Fund for 2000, which have yet to be audited, are attached. The accounts reveal that:

- i) The promotion of the Lottery in the Bailiwick of Guernsey produced a surplus of £203,758 (taking into account support for forfeited prizes from 1999 Draws amounting to £41,831), which was shared within the Bailiwick in proportion to the number of tickets sold in each Island as follows:—

| | |
|---------------------|----------|
| Chief Pleas of Sark | £1,152 |
| States of Alderney | £4,022 |
| States of Guernsey | £198,584 |

- ii) During the course of the year, £135,000 was transferred from the Fund to the Beau Sejour Centre Account and a further £73,945 was donated to the Association of Guernsey Charities.

I am, Sir,

Your obedient Servant,
D. P. LE CHEMINANT,
President,
States Gambling Control Committee.

CHANNEL ISLANDS LOTTERY (GUERNSEY) FUND**FORFEITED PRIZES ACCOUNT**

| | 2000 £ | 1999 £ |
|-------------------------------|-----------|-----------|
| Share of forfeited prizes | 63,251 | – |
| Transfer to Operating Account | (41,831) | – |
| | <hr/> | <hr/> |
| Balance at 31 December | £21,420 | £ – |
| | <hr/> | <hr/> |

OPERATING ACCOUNT

| | | |
|---|-----------|-----------|
| Forfeited prizes | 41,831 | 87,744 |
| Sale of tickets | 1,153,500 | 1,318,400 |
| | <hr/> | <hr/> |
| | 1,195,331 | 1,406,144 |
| Agents' commission | (150,852) | (168,680) |
| Contribution to prize fund including forfeited prizes | (721,153) | (878,603) |
| Printing and stationery | (56,469) | (65,497) |
| Promotion | (20,135) | (33,539) |
| Salaries | (21,017) | (19,371) |
| States of Jersey administration charges | (17,302) | (19,776) |
| Superannuation | (701) | (613) |
| Other expenses | (3,944) | (3,323) |
| | <hr/> | <hr/> |
| Surplus | 203,758 | 216,742 |
| Chief Pleas of Sark – share of surplus | (1,152) | (1,242) |
| States of Alderney – share of surplus | (4,022) | (4,498) |
| States of Guernsey – share of surplus transferred to Appropriation Account | (198,584) | (211,002) |
| | <hr/> | <hr/> |
| | £ – | £ – |
| | <hr/> | <hr/> |

APPROPRIATION ACCOUNT

| | | |
|--|-----------|-----------|
| Balance at 1 January | 22,502 | 22,424 |
| Share of surplus transferred from Operating Account | 198,584 | 211,002 |
| | <hr/> | <hr/> |
| | 221,086 | 233,426 |
| Donation to Association of Guernsey Charities (Vote 29.3.89) | (73,945) | (47,424) |
| Transfers to Beau Sejour Centre Account | (135,000) | (163,500) |
| | <hr/> | <hr/> |
| Balance at 31 December | £12,141 | £22,502 |
| | <hr/> | <hr/> |

Notes:

- a) The balance on the Appropriation Account is payable ultimately to the Beau Sejour Centre under States Resolutions I of 27 September 1972 and XXII of 26 February 1998.
- b) In accordance with the States Resolution of 23 February 1995 (Billet d'État V, February 1995), with effect from 2000 any forfeited prize money from expired Draws which remains unused in the current year will be retained for use as a contingency to support the prize funds in future Draws.

D. P. TRESTAIN
States Treasurer

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 30TH DAY OF MAY, 2001

The States resolved as follows concerning Billet d'Etat No. XI
dated 11th May, 2001

PROJET DE LOI

entitled

THE CURRENCY OFFENCES (GUERNSEY) (AMENDMENT) LAW, 2001

- I. To approve the Projet de Loi entitled "The Currency Offences (Guernsey) (Amendment) Law, 2001", and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

**THE HARBOUR DUES, HARBOUR CHARGES AND MOORING CHARGES
(GUERNSEY) (AMENDMENT) LAW, 2001**

- II. To approve the Projet de Loi entitled "The Harbour Dues, Harbour Charges and Mooring Charges (Guernsey) (Amendment) Law, 2001", and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE AIRPORT FEES (AMENDMENT) ORDINANCE, 2001

- III. To approve the draft Ordinance entitled "The Airport Fees (Amendment) Ordinance, 2001", and to direct that the same shall have effect as an Ordinance of the States.

THE HARBOURS (AMENDMENT) ORDINANCE, 2001

- IV. To approve the draft Ordinance entitled "The Harbours (Amendment) Ordinance, 2001", and to direct that the same shall have effect as an Ordinance of the States.

STATES BOARD OF ADMINISTRATION

REFURBISHMENT OF HARBOUR AUTHORITY CRANE

- VI. After consideration of the Report dated the 24th April, 2001, of the States Board of Administration:-
1. To approve the refurbishment of the 32 ton Derrick Crane situated at No. 4 Berth, St. Peter Port Harbour, together with the installation of a 3-phase electricity supply, at a total cost, as set out in that Report, not exceeding £236,409.80.

2. To authorise the States Board of Administration to accept the tender in the sum of £126,459.00 from Clarke Chapman Services Limited for the electrical refurbishment.
3. To authorise the States Board of Administration to accept the quotation in the sum of £88,459.00 submitted by the States Electricity Board for the new transformer and supply cables.
4. To vote the States Board of Administration a credit of £236,409.80 to cover the cost of the above, which sum shall be treated as capital expenditure in the accounts of St. Peter Port Harbour.

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 31ST DAY OF MAY, 2001

(Meeting adjourned from 30th May, 2001)

STATES ADVISORY AND FINANCE COMMITTEE

**PROPOSED RESTRUCTURING OF THE ROYAL BANK OF SCOTLAND
INTERNATIONAL LIMITED
AND NATWEST OFFSHORE LIMITED**

V. After consideration of the Report dated the 20th April, 2001, of the States Advisory and Finance Committee:-

To direct the preparation of legislation designed:-

- (1) to effect the transfer of all the undertakings of NatWest Offshore Limited to the Royal Bank of Scotland International Limited, the transfer of which falls to be governed by the laws of Guernsey;
- (2) for the transfer to the Royal Bank of Scotland International Limited of contracts of employment governed by the law of Guernsey of persons employed by NatWest Offshore Limited;
- (3) to provide for all agreements with NatWest Offshore Limited governed by the law of Guernsey (including agreements with clients, counterparties and employees) to continue with the Royal Bank of Scotland International Limited;
- (4) to provide for other purposes incidental thereto and consequential thereon

STATES EDUCATION COUNCIL

GRANTS FOR STUDENTS IN HIGHER EDUCATION

VII. After consideration of the Report dated the 30th March, 2001, of the States Education Council:-

1. To approve the States Education Council's proposals to improve the value of student grants and to reduce parental contributions as described in that Report.
2. To direct the States Advisory and Finance Committee to take due account of the additional costs arising from those proposals when calculating and recommending to the States the revenue expenditure limit on the States Education Council's budget for advanced and higher education for 2002 and subsequent years.

STATES AGRICULTURE AND COUNTRYSIDE BOARD

REVISION OF THE NOXIOUS WEEDS ORDINANCE

- VIII. After consideration of the Report dated the 29th March, 2001, of the States Agriculture and Countryside Board:-
- 1.(1) That the Schedule to the Noxious Weeds (Guernsey) Law, 1952, as set out in Appendix 2 to that Report, shall be repealed and replaced with the Schedule of Noxious Weeds as defined in Appendix 1 to that Report.
 - (2) To direct the preparation of such legislation as may be necessary to give effect to their above decision.
 2. To note the intention of the States Agriculture and Countryside Board to return to the States with comprehensive Wildlife and Countryside legislation.

STATES OVERSEAS AID COMMITTEE

OVERSEAS AID BUDGET

- IX. After consideration of the Report dated the 27th February, 2001, of the States Overseas Aid Committee:-
1. That the revenue allocation of the States Overseas Aid Committee for the years 2002 to 2005 shall be increased by £100,000 per annum in real terms, and to direct the States Advisory and Finance Committee to include such increases within its recommendations to the States for the States Overseas Aid Committee's revenue allocations for those years.
 2. To instruct the States Overseas Aid Committee to report back to the States in 2005 on the appropriateness of its annual allocation.

STATUTORY INSTRUMENT LAID BEFORE THE STATES

THE POST OFFICE (INLAND POST) (AMENDMENT) ORDER, 2001

In pursuance of the provisions of section seventy of The Post Office (Guernsey) Law, 1969, as amended, The Post Office (Inland Post) (Amendment) Order, 2001, made by the States Post Office Board on the 24th April, 2001, was laid before the States.

D.R. DOREY,
HER MAJESTY'S DEPUTY GREFFIER.