



BILLET D'ÉTAT

WEDNESDAY, 27th JUNE, 2001

XIII
2001

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B I L L E T D ' É T A T

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I have the honour to inform you that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE**, on **WEDNESDAY**, the **27th JUNE, 2001**, at 10.00 a.m.

PROJET DE LOI

ENTITLED

THE ANSBACHER GROUP (GUERNSEY) LAW, 2001

The States are asked to decide:—

I.— Whether they are of opinion to approve the Projet de Loi entitled “The Ansbacher Group (Guernsey) 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 CRIMINAL JUSTICE (INTERNATIONAL CO-OPERATION) (BAILIWICK OF GUERNSEY) LAW, 2001 (COMMENCEMENT) ORDINANCE, 2001

The States are asked to decide:—

II.— Whether they are of opinion to approve the draft Ordinance entitled “The Criminal Justice (International Co-operation) (Bailiwick of Guernsey) Law, 2001 (Commencement) Ordinance, 2001”, and to direct that the same shall have effect as an Ordinance of the States.

STATES ADVISORY AND FINANCE COMMITTEE

STATES OF ALDERNEY – INTERNAL ALTERATIONS TO CONVERT THE JUBILEE HOME TO SHELTERED HOUSING UNITS

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

25th May, 2001.

Sir,

STATES OF ALDERNEY – INTERNAL ALTERATIONS TO CONVERT THE JUBILEE HOME TO SHELTERED HOUSING UNITS

Under the financial procedures between the States of Alderney and States of Guernsey agreed by the States in May 1996 (Billet d'État X, 1996) when the States of Alderney wishes to undertake a capital project for a sum in excess of £100,000, other than one for the straightforward replacement of an existing item, the prior approval of the States of Guernsey is necessary. In such cases the policy letter seeking approval shall be submitted by the Advisory and Finance Committee on behalf of the Alderney authorities.

The Chairman of the Alderney Policy and Finance Committee has written to the Advisory and Finance Committee in the following terms with regard to the proposed internal alterations to convert the Jubilee Home for use as sheltered housing units:

“On 4th January 2000 the States of Alderney, with the prior consent of the Advisory and Finance Committee, completed the purchase the Royal Connaught Residential Home.

The purchase formed part of a strategic plan for the future provision of care services for the older people in Alderney.

There was a recognised demand for sheltered, or very sheltered housing to meet the needs of older people who while not ready to enter residential care required a degree of assistance and support so often required in later years.

The plan was to concentrate all residential care at the Royal Connaught and to modify the States owned Jubilee Home to provide more sheltered flats. The demand for sheltered facilities is predicted to rise significantly in the years ahead and while some may be provided by private developers it will also require a measure of States involvement.

Although the modification of the Jubilee Home appeared to be the most practical option, the States of Alderney first considered a number of options which were:–

1. *To construct a sheltered housing complex with 12 units on land adjacent to the Mignot Memorial Hospital at Crabby.*

Plans were prepared by the Department of Architecture in liaison with the Board of Health and the States of Alderney. At the time the plans were for a combined development of a residential home and sheltered units. This was with a view to creating an integrated site for care of the elderly. Unfortunately, the cost of this option proved prohibitive and it was not pursued further.

2. *The development of buildings known as the Island Hall Annexe.*

Adjacent to the Island Hall is a property known as the Annexe which comprises two semi-detached houses, which are in a poor condition. The site is well positioned close to a number of existing States properties and within a matter of yards of the Royal Connaught Residential Home. However, the site dimensions are limited and would, at best, only provide space for three or four sheltered units. Therefore, while this is an option the States of Alderney may wish to pursue at a future date, it would not, at this juncture, be sufficient to meet current demand.

3. *Jubilee House alterations.*

The Jubilee Home formerly provided thirteen residential care beds and six sheltered flatlets in an extension known as the Sidney Herivel House. The flatlets are small and comprise a single room with a bed, an armchair, a table, a sink and occasionally a small two-ring cooker. While the units have given residents a measure of independence they fall considerably short of modern standards. For example, none of the flatlets have anything in the way of en-suite facilities.

However, since the States purchased the Royal Connaught Residential Home it has been possible to relocate all of the residential care occupants into the newly acquired home giving the States the space and flexibility to consider alterations to the Jubilee.

After considering the options the States of Alderney decided that the optimum location for sheltered housing was at the Jubilee Home, which will, in future, be called the Jubilee House. This building is located in the town area which is particularly useful to enable the residents to walk into town to collect their newspapers, go to the Post Office, do the shopping, etc.

In 1999 when the States of Alderney debated the purchase of the Royal Connaught Residential Home it had already highlighted the Jubilee as the preferred location for future sheltered housing. It was estimated that this would involve a capital outlay of up to £150,000 and would create a total of twelve self-contained flats. It was agreed to design them in such a way that if there was insufficient demand from older people, they could be used for short-term lettings to individuals or families.

In February 2000 the States of Alderney applied to the Advisory and Finance Committee for permission to engage architects for the design and survey of the Jubilee Home for its conversion into sheltered housing units. Quotations were obtained and on 12th April 2000 the Advisory and Finance Committee approved the appointment of Mr. D. Hamon, ARIBA as Project Architect at a cost of £12,600 including provision for contingencies.

The necessary plans were prepared.

Five contractors were invited to tender and three tenders were received as follows:–

<u>Contractor</u>	<u>Tender</u>
Alderney Building Company (1992) Limited	£129,708
E. J. Cosheril	£155,767
Jackie Main	£198,115

The General Services Committee recommends the acceptance of the lowest tender submitted by Alderney Building Company (1992) Limited in the sum of £129,708.

While these tenders are on a fixed price basis, it is acknowledged that the alterations are dealing with a building that is well over 100 years old and it is considered appropriate to provide for a contingency of approximately 10% to cover any unforeseen eventualities which may arise.

In addition the General Services Committee has separately obtained provisional estimates for the supply and fitting of vinyl flooring and carpets at a cost of £9,100. This supply will however be subject to a separate tender in due course.

The Advisory and Finance Committee is requested to take this matter to the States of Guernsey with a view to securing approval for the expenditure on this project of:

<i>Main Contract</i>	<i>£129,708</i>
<i>Vinyl Flooring and Carpets</i>	<i>£9,100</i>
<i>Contingency</i>	<i>£13,880</i>
	<hr/>
<i>Total</i>	<i>£152,688</i>

It is further suggested that the existing authorised expenditure for architectural work of £12,600 be added to this vote to take the total authorised cost of the project to £165,288.

It is to be noted that expenditure on this project has been included in the States of Alderney Capital Allocation Requests in both 1999 and 2000

Recommendations

The Policy and Finance Committee accordingly requests that the Advisory and Finance Committee seek the approval of the States of Guernsey as follows:—

- 1. To authorise the conversion of the Jubilee House, Alderney to twelve flats for use principally as sheltered, or very sheltered housing.*
- 2. To authorise the States of Alderney to accept the tender submitted by Alderney Building Company (1992) Limited in the sum of £129,708*
- 3. To vote the States of Alderney a credit of £165,288 to cover the full cost of the project, including contingencies and architectural fees, which sum should be taken from the States of Alderney's allocation for capital expenditure.*

In addition to approval by the States of Guernsey, this project will require the approval of the States of Alderney. To avoid delays it is proposed to place this matter before the States of Alderney at the meeting which immediately follows the meeting at which it is scheduled to be discussed by the States of Guernsey."

In October 1999, under the powers granted by the States of Guernsey in July 1997, the Advisory and Finance Committee approved the purchase of the former Royal Connaught Residential Home. In so doing, the Committee recognised the benefit to be gained from the concentration of residential care on a single site and the potential for conversion of the Jubilee House for other residential purposes.

The Committee recommends the States to agree, subject to the approval of the States of Alderney:

1. to authorise the conversion of the Jubilee House, Alderney, to twelve flats for use principally as sheltered or very sheltered housing;
2. to authorise the States of Alderney to accept the tender submitted by Alderney Building Company (1992) limited in the sum of £129,708;
3. to vote the States of Alderney a credit of £165,288 to cover the costs of the project, including flooring and carpets, contingencies and architectural fees, which sum shall be taken from the capital allocation of the States of Alderney.

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,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

III.— Whether, after consideration of the Report dated the 25th May, 2001, of the States Advisory and Finance Committee, they are of opinion:—

1. To authorise the conversion of the Jubilee House, Alderney, to twelve flats for use principally as sheltered or very sheltered housing at a total cost, as set out in that Report, not exceeding £165,288.
2. To authorise the States of Alderney to accept the tender in the sum of £129,708 submitted by Alderney Building Company (1992) Limited for the carrying out of that conversion.
3. To vote the States of Alderney a credit of £165,288 to cover the cost of the above project, including flooring and carpets, contingencies and architectural fees, which sum shall be taken from the capital allocation of the States of Alderney.

STATES CIVIL SERVICE BOARD

STATES TRADING COMPANIES – EMPLOYEES’ PENSION ARRANGEMENTS

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

25th May, 2001.

Sir,

STATES TRADING COMPANIES – EMPLOYEES’ PENSION ARRANGEMENTS

INTRODUCTION

- 1.1 In March 2000 (Billet d’État VIII) the States resolved as follows:
 - “III. 3. To direct the States Civil Service Board to bring forward proposals for the revision of the rules of the Public Servants Pension Scheme which would enable employees of States Trading Companies to become members of that Scheme.”
- 1.2 In its policy letter the Advisory and Finance Committee also advised the States as follows:
 - “1.28. It would also be the intention of the Advisory and Finance Committee to use the period between approval of these proposals and the submission of proposals by the Civil Service Board to bring all the interested parties together, including staff representatives and the shadow Boards to identify any other mutually acceptable options on pensions which might also be put to the States.”
- 1.3 The Civil Service Board (the Board) was concerned about the sequence of events which had resulted in the last minute inclusion in Advisory and Finance’s policy letter of the proposition detailed in 1.1 (above) – particularly because it was at odds with the agreement which the Committee itself had requested and obtained from the Board only three weeks earlier and which is detailed on the letter reproduced as Appendix I. Nonetheless the Board advised the Committee prior to the debate on its commercialisation proposals in March 2000 that it was pleased that this proposition had been framed in a way that would ultimately allow the States to reach a final decision based on a full and proper understanding of the issues involved. The Board’s letter is reproduced as Appendix II.
- 1.4 The then President of the Board, Deputy J Kitts, advised the States during the debate in March 2000 of the concerns of both the Board and members of the Scheme. He confirmed that, in accordance with the proposition and following correct procedure, the Board would submit a full and proper report for the States to consider. These sentiments were, of course, in line with the advice regularly provided to the States by Advisory and Finance. An extract from Deputy Kitts’ speech is reproduced as Appendix III.
- 1.5 This is the full and proper report which was promised by the Board.

- 1.6 Since the meeting in March 2000 the Board has undertaken a process of further consultation with all the relevant parties i.e. representatives of the current employees at the Electricity and Post Office Boards, representatives of other States employees and retired States employees (the other members of the Public Servants' Pension Scheme (PSPS)), and since their appointment in June 2000 the Shadow Boards of Electricity and Post Office.
- 1.7 This report aims to set out concisely
- the current position
 - the future arrangements
 - the protection of employees
 - the options available together with the implications
 - the views of the relevant parties and an analysis
 - summary
 - conclusion.

THE CURRENT POSITION

- 2.1 Under the current arrangements the Electricity and Postal Services are departments of the Island's government. The departments are managed by committees of the States and staffed by employees of the States.
- 2.2 The States has mandated the Board to undertake the States' responsibilities as an employer to determine the pay and conditions of service of all States employees. The Board undertakes this responsibility through a process of consultation, negotiation and agreement with the elected representatives of States employees.
- 2.3 The Board, as representative of the employer, determines appropriate pension benefits as an integral part of the contract of employment with its employees. The method of determining these benefits is similar to that for determining other elements of terms and conditions – consultation, negotiation and agreement with elected employee representatives. The Board also administers the PSPS including exercising discretionary powers in respect of the determination of some of the benefits.
- 2.4 Whilst pension benefits can be considered only within the context of employees' whole remuneration package, the following points should be noted:
- * pension benefits are the second most important and expensive aspect of the employment package (behind salaries)
 - * the PSPS is a defined benefit scheme i.e. the benefits are determined by length of service and final salary not by the value of the employees' and employer's contributions to the Superannuation Fund
 - * one of the States-agreed objectives for the PSPS is to provide benefits which in general approximate to those available in the UK for equivalent groups (i.e. the public sector schemes)
 - * the Board's duties under the PSPS include involvement in detailed operational concerns e.g.
 - determining which elements of pay are pensionable
 - the application of rules with regard to ill-health retirements
 - the application of rules with regard to redundancy
 - the application of rules with regard to re-organisation.

THE FUTURE ARRANGEMENTS

- 3.1 The States has decided that it is appropriate to change the arrangements for the provision of Electricity and Postal Services.
- 3.2 The arrangements which have been approved by the States mean that with effect from 1 October 2001 these services will no longer be provided by departments of the States. In their place will be two new companies which, although wholly owned by the States, will be legal entities in their own right to be run on a commercial basis subject to regulatory controls.
- 3.3 As a result of this change staff will cease to be employees of the States and consequently they will cease to fall within the mandate of the Board. The new employers will be responsible for determining the pay and conditions of their employees and, no doubt, will undertake this responsibility through a process of consultation, negotiation and agreement. [NB This process will not result in any change in the mandate of the Board which will remain responsible for determining the pay and conditions of all States employees.]
- 3.4 The proposed new arrangements will, of course, enable the States to set strategic objectives for the companies whilst freeing them from all the operational controls by which they are currently constrained as departments of the States.

THE PROTECTION OF EMPLOYEES

- 4.1 The new companies will be taking over responsibility for existing organisations and, therefore, certain arrangements have to be made in order to protect the position of both the former employer (the States) and the employees at the current Electricity and Post Office Boards. This will be covered by Transfer of Undertakings (Protection of Employment) regulations (TUPE) which will be based on the regulations which the States approved in February 2001 in respect of the States Telecommunications Board.
- 4.2 The intended TUPE legislation is designed to ensure the smooth transition of staff from the employment of the States to the employment of the new companies. The legislation will impose an obligation on the new companies to provide contracts of employment with all existing staff on terms and conditions no less favourable than those they have received from their former employer.
- 4.3 In respect of employees' pension benefits there are two elements as follows:

- (a) **Accrued Benefits**

The benefits which employees have accrued through their service with the States until 30 September 2001 are safeguarded in accordance with the Rules of the PSPS. Employees will have all the options which are available to any employee who leaves employment with the States before their age of normal retirement.

- (b) **Future Service**

The TUPE legislation will ensure that the new companies must make pension arrangements in respect of employees' service with the new companies which are broadly comparable to the provisions which applied in the PSPS at the date of transfer. (They will have to be defined benefit arrangements.)

N.B. The TUPE legislation will place no obligations on the new companies in respect of employees engaged after 30 September 2001 – the companies are free to determine new employees' pay (including pensions) and conditions of employment.

- 4.4 In summary, the TUPE legislation will oblige the new companies to protect the entire conditions of employment package of former States employees including their pension arrangements. The employees can be satisfied that the States will have approved legislation which will **guarantee** the protection of their future pension arrangements and, therefore, that there is no need for any concerns. This policy letter concerns the **method** of protection for former States employees and the arrangements for new employees.

THE OPTIONS

- 5.1 In essence there are two methods by which the protection guaranteed under the TUPE legislation can be provided i.e.

OPTION A – the employees of the new companies who were previously States employees are permitted to remain members of the PSPS.

OPTION B – the new companies establish their own pension schemes.

- 5.2 In considering these options it is also necessary to consider the position of employees engaged after 30 September 2001.
- 5.3 The detailed arrangements which would apply under each of the options are explained below. It is important that these arrangements are clearly understood by all concerned.

Option A - Membership of the PSPS

- 5.4 In the event of the employees of the new companies (just former States employees or all employees) being permitted membership of the PSPS the arrangements would be as follows:

- the provisions of the PSPS would be determined by the Board in consultation/ negotiation with elected representatives of current and retired States employees (in accordance with the arrangements which currently exist)
- the new companies and their employees would be bound by the provisions including any subsequent changes determined through the above process – and they would have no say in this process
- the new companies would be required to meet the cost of any improvements agreed through the above process
- there would be decisions which the Board would have to take which could impact on the operational concerns of the new companies e.g. determining which elements of pay were pensionable, responsibility for deciding upon the award of any discretionary benefits provided under the Rules (for example, the level of enhancement, if any, in redundancy situations).
- with regard to the Superannuation Fund, arrangements would be made to ensure that there could be no cross subsidy between the States and the new companies and provisions would be made for the eventuality of the new companies being wound up or sold. (The Board has received legal and actuarial advice that mechanisms should be in place to accommodate the many eventualities that could arise in the commercial arena.)

- 5.5 In summary, membership of the PSPS would mean applying the Rules to the employees of the new companies as if they were in the employment of the States but neither the new employers nor their employees would have any control over the second most important and costly aspect of the remuneration package.

[NB The above option is in line with the proposals outlined in the Advisory and Finance policy letter of March 2000.]

Option B - The New Companies Establish Their Own Pension Schemes

- 5.6 This option would involve the following:

- the new companies would establish their own schemes under Trust and approved by the Income Tax Authority
- on 1 October 2001 the pension arrangements for former employees at the Trading Boards would have to be broadly comparable to those in the PSPS in accordance with TUPE legislation
- any future changes would be determined by the companies and their employees
- Boards of Trustees, which could include elected employee representatives, would be responsible for, inter alia:
 - * administering the schemes (including all operational issues)
 - * the assets of the schemes (which would be separate from the companies' assets)
 - * ensuring the schemes remained fully funded
- the Trustees might wish to invest the assets of the schemes with the States Superannuation Fund (as are those of the separate Teachers' and States Members' Schemes)
- former States employees employed by the new companies would have the option (but would not be compelled) to transfer the benefits already accrued in the PSPS to the new schemes if they so wished.

- 5.7 In summary, this option (in common with Option A) would meet all the TUPE requirements to provide broadly comparable benefits and ensure security of the assets of the schemes. The significant differences are that under this option the Board would not be involved in either determining the benefits or exercising discretionary powers; the new employers and their employees would be able to determine their own destiny; and the new companies would be free to operate on a commercial basis.

THE VIEWS OF THE RELEVANT PARTIES AND AN ANALYSIS

- 6.1 The relevant parties are:–

- the current employees at the Post Office and Electricity Boards (approximately 500 members of the PSPS)
- other States employees and retired States employees (approximately 5000) who are members of the PSPS

- the new employers (the current Shadow Boards) the current employer (the Board on behalf of the States).

[Although the current Post Office and Electricity Boards have expressed views which reflect the wishes of the staff at these departments these Boards will cease to exist on 30 September 2001.]

The views of the current employees at the Post Office and Electricity Boards

6.2 The views of the current employees as expressed by their elected representatives can be summarised as follows:

- * they wish to ensure that both the benefits they have accrued through their employment with the States and future benefits with the new employers are safeguarded
- * they have requested that new employees of the companies be provided with the same pension arrangements as former States employees
- * they want this to be achieved through both current and future employees being permitted membership of the PSPS
- * they wish to have a say in the determination of their benefits through consultation/ negotiation with the former employer (the Board)
- * they do not believe that their new employers should have any say in the determination of their benefits.

The views of other States employees and retired States employees who are members of the PSPS

6.3 Their views can be summarised as follows:

- * new employees of the companies should not be members of the PSPS (as they will not be nor will have been States employees)
 - * existing members of the PSPS at the two Trading Boards should have the right to remain in the PSPS
- but
- * the new companies should negotiate with employee representatives on the adoption of schemes for new employees which existing members of the PSPS would have an option to join
 - * neither the employees of the new companies nor the new companies can have any say in the determination of the benefits provided by the PSPS (as this is an integral part of the conditions of service of States employees). The other members of the PSPS would wish to ensure that their pension arrangements could not be affected by PSPS members who were not employed by the States nor by the employers of such PSPS members.

The views of the Shadow Post Office Board

6.4 The Shadow Post Office Board has been led to believe that a final decision has already been made permitting all members of staff of the new company membership of the PSPS. (The introduction to this report explains the background to this report.)

- 6.5 The Shadow Board would wish to be closely involved in any decision to change aspects of the PSPS.
- 6.6 The Shadow Board would intend to review the situation in the future in consultation with relevant parties to ensure that arrangements existed which would best suit the needs of both employees and the business.

The views of the Shadow Electricity Board

- 6.7 The Shadow Electricity Board has expressed the following views:
- * it is concerned to ensure the safeguarding of employees' benefits (accrued and future)
 - * it does not favour any distinction between former States employees and employees engaged after 30 September 2001
 - * it favours employees' inclusion (at least at present) in the PSPS
 - * it would, however, wish to have the responsibility for deciding upon the award of any discretionary benefits provided under the Rules.

The views of the Civil Service Board

- 6.8 The Board's views, in brief, are as follows:
- * it accepts the importance of protecting the position of former States employees and is sponsoring the TUPE legislation which will ensure that this takes place
 - * the responsibility for determining employees' entire remuneration package (pay, pensions, conditions) should reside with one body
 - * it would be illogical and non-commercial for the Board to be responsible for determining an element of the employment package of Trading Companies' employees
 - * the requirement for the Board to take decisions which could impact on the operational concerns of the new companies (necessary to ensure employees are treated as if they were States employees) would be contrary to the intent of commercialisation, inappropriate and a potential cause of conflict.

Analysis of Views

- 6.9 Each of the parties is, quite rightly, concerned to ensure that the pension arrangements for employees who transfer from the Trading Boards are protected. As pointed out in an earlier section their accrued benefits are protected and there will be a legal obligation on the new companies to make arrangements which will ensure protection in respect of their future service.
- 6.10 The employees of the new companies would wish to have some rights in the determination of their future benefits no doubt through their elected representatives. This is entirely understandable and indeed appropriate. However, if they are to have any representational rights it must surely be with their own employers and not with their former employer (or, in the case of new employees, a body which was never their employer).

- 6.11 The new employers would wish to have (some) control over the determination of the pension arrangements of their employees. Once again this is entirely understandable and appropriate – pensions will be an important and costly part of their employees’ remuneration package. However this would be incompatible with their employees’ membership of the PSPS the purpose of which would be to treat the companies’ employees as if they were States employees.
- 6.12 The other 5000 existing members of the PSPS quite rightly point out that non-States employees and other employers cannot have any control over the determination of States employees’ pension arrangements. (This would not necessarily preclude their membership of the PSPS without such right.)
- 6.13 The Board has reached the following conclusions:
- * the desire for security will be fulfilled under either option
 - * the employees at the Trading Boards (supported by their prospective employers) profess a desire for membership of the PSPS
- but
- * their actual aspirations (a say in the determination of benefits and the resulting costs) can be achieved only by their making arrangements in line with Option B.

SUMMARY

- 7.1 The Island’s Electricity and Postal Services are currently provided by departments of the Island’s government, staffed by employees of the States whose entire remuneration package is determined by the Board.
- 7.2 The States has decided that with effect from 1 October 2001 these services should be provided by new companies which, although wholly owned by the States, will be legal entities in their own right to be run on a commercial basis subject to regulatory controls.
- 7.3 As an intended consequence of this change the current staff at the Trading Boards will cease to be employees of the States. They will become employees of the new companies which will be responsible for determining their pay and conditions of employment.
- 7.4 The companies will be obliged (by TUPE regulations) to employ all current employees at the Trading Boards on the same terms and conditions as applied on the day prior to transfer.
- 7.5 In respect of terms and conditions of employment relating to pension benefits
- * the benefits employees at the Trading Boards have accrued through their service with the States are safeguarded by the Rules of the PSPS
 - * TUPE regulations will oblige the new companies to provide benefits to those currently employed at the Trading Boards which are broadly comparable to the provisions of the PSPS at the date of transfer.
- 7.6 Thus the pension benefits of those employed at the Trading Boards on 30 September 2001 are **guaranteed** to be protected, the question for the States to consider is the method by which this is achieved and the position of employees engaged by the new companies after 30 September 2001.

- 7.7 In accordance with the States' wishes the Board has given consideration to the possibility of employees of these new companies being permitted membership of the PSPS. It has also given consideration to possible alternative arrangements. In undertaking this exercise the Board has consulted with all the relevant parties and their views are included in this report.
- 7.8 Unfortunately no consensus of opinion has emerged on the arrangements which should apply from 1 October 2001. The Board has therefore made its own recommendation after consideration of the views expressed.
- 7.9 The Board has prepared draft proposed Rule changes as directed by the States but, after consideration and analysis of all the views expressed, **it strongly recommends that they not be approved.**
- 7.10 The Board recommends that the new companies make pension arrangements in accordance with OPTION B detailed at 5.6. above. This will ensure that employees' pensions are protected but enable the new companies in conjunction with their employees to make changes in future to best suit their own circumstances and to run their operations on a truly commercial basis free from the involvement of the Board. (N.B. This does not require a States resolution.)
- 7.11 Whilst the above are the unanimous recommendations of the Board, in the light of the policy letter considered by the States in March 2000 Board member Deputy P Roffey would be prepared to support the draft proposed Rule changes subject to an amendment which would restrict entitlement to membership to those who are currently members of the PSPS through their employment at the Electricity and Post Office Boards. Deputy Roffey has noted that this approach would enjoy the support of the majority of members of the PSPS. Deputy Roffey intends to introduce an amendment which would enable the States to approve this alternative approach.

CONCLUSION

- 8.1 The States are asked to decide whether, after consideration of the above report, they wish to approve the draft States of Guernsey (Public Servants) (Pensions and other Benefits) (Amendment) Rules, 2001 which are attached to this report.

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,
 A. SAUVARIN,
 President,
 States Civil Service Board.

APPENDIX I

The President
States Advisory and Finance Committee
Sir Charles Frossard House
La Charroterie
St Peter Port
Guernsey
GY1 1FH

25 January 2000

Dear

TRADING BOARDS – CHANGE OF STATUS – PAY AND CONDITIONS

I refer to the meeting of my Board on 18 January 2000 which you attended together with the States Supervisor and the Policy Analyst.

At the meeting you reported the views of the Advisory and Finance Committee (expressed in my absence) in the event of a change in status of any or all of the three major Trading Boards which resulted in their employees ceasing to be employees of the States.

As soon as you reported these views it became clear that there is full agreement between your Committee and my Board on the following fundamental points:

1. Responsibility for determining pay (including pensions) and conditions of service should rest with the new employer; and, in consequence,
2. Following the change of status, new employees would not be permitted to join the Public Servants' Pension Scheme.

Our discussions focused on the position of current employees and, once again, we are in full agreement that it is necessary and appropriate to ensure that employees do not suffer any detriment in their pension entitlements as a result of any change. I can confirm, as you requested, that my Board is prepared for further discussions at the appropriate time about the mechanism for ensuring that this shared objective is achieved.

It would seem appropriate for these further discussions to take place with the Shadow Boards and we will therefore make contact with them when they have been appointed.

Yours sincerely
J. KITTS
President

APPENDIX II

The President
Advisory and Finance Committee
Sir Charles Frossard House
La Charroterie
St Peter Port
Guernsey
GY1 1FH

10 March 2000

Dear Conseiller Morgan

COMMERCIALISATION OF THE TRADING BOARDS – STAFF PENSIONS

Thank you for your letter (and enclosure) dated 24 February 2000 regarding the above.

I will confine myself to a few brief comments at this time.

As you will recall, on 18 January you met the Board and sought agreement on the way forward. My Board agreed to your Committee's proposal. Only three days before the policy letter was submitted to the Bailiff the Committee, in your absence, overturned the agreement which the Committee itself had requested.

Whilst the Board remains extremely concerned at this turn of events it is, nonetheless, pleased that the recommendation (i.e. proposition 3) has at least been framed in a way that will ultimately allow the issue to be considered properly.

The Board and its staff welcome the proposal for the interested parties to be brought together and will use the opportunity of further discussions to continue to promote its positive, constructive and, above all else, commercial views on the way forward. I would suggest, however, that the prospect of a successful outcome would be enhanced by the discussions being conducted/chaired by a party with expert knowledge of pension issues.

Yours sincerely
J. KITTS
President

APPENDIX III

**EXTRACT FROM THE SPEECH BY DEPUTY J KITTS, PRESIDENT OF
THE CIVIL SERVICE BOARD AND MEMBER OF ADVISORY AND
FINANCE, DURING THE STATES DEBATE IN MARCH 2000**

Unfortunately, the information given in respect of pensions has been highly selective and, in some cases, misleading. The fact of the matter is, you do not have the full information on which to base any final decision.

Sir, you should also know that since the Billet was published, the Staff Side of the Pensions Consultative Committee (the body set up by the States to consider all issues relating to the Public Servants' Pension Scheme) has made representations to the Civil Service Board concerning the way the process had been handled. More importantly, it has also raised some fundamental questions about the implications of the proposal for all existing scheme members and the scheme itself.

Thankfully, however, and in accordance with the mandate given to the Board by this House the proposition requires the Civil Service Board to report back to the House in due course and we welcome the opportunity to do just that.

When this does happen, you can be assured that States Members will be provided with all the facts so that any final decision is based on a proper and complete understanding of the issues involved. Furthermore, thorough consultations will have taken place with all parties involved, including the Shadow Boards.

The States of Guernsey (Public Servants) (Pensions and Other Benefits)
(Amendment) Rules, 2001

The States, in pursuance of their Resolution of 27 June 2001, have approved the following Rules:

- | | |
|-----------------------------|--|
| Amendments to Rules of 1972 | 1. The States of Guernsey (Public Servants) (Pensions and Other Benefits) Rules, 1972, as amended (“the 1972 Rules”), are further amended as set out in Schedule 1 to these Rules. |
| Citation | 2. These Rules may be cited as the States of Guernsey (Public Servants) (Pensions and Other Benefits) (Amendment) Rules 2001. |
| Collective title | 3. These Rules and the States of Guernsey (Public Servants) (Pensions and Other Benefits) Rules 1972 to 1999, may be cited together as the States of Guernsey (Public Servants) (Pensions and Other Benefits) Rules, 1972 to 2001. |
| Construction | 4. These Rules and the States of Guernsey (Public Servants) (Pensions and Other Benefits) Rules, 1972 to 1999 shall be construed as one. |
| Commencement | 5. These Rules shall come into force as follows on such date as the States may by Resolution determine. |

Schedule 1

Amendments to the Rules of 1972

1. Immediately after Rule 2(2) (e) there is inserted:–

- “(f) such amounts of moneys provided by the States Trading Companies as the States may, from time to time, determine as the contribution of the States Trading Companies to the Fund;
- (g) such amounts of moneys provided by the employers of members identified at Rule 7 hereafter as the States may, from time to time, determine as the contribution of those employers to the Fund;
- (h) such amounts of moneys provided by the States in respect of contributions due to the Fund pursuant to Rule 2(2)(f) where there has been a default in making payment of the same by a States Trading Company together with interest in relation to any capital payments due to the Fund from a States Trading Company in accordance with paragraph 9.3 to the Fourth Schedule.”

2.1 Immediately after Rule 7 (h) there shall be inserted:–

- “(i) an employee of a States Trading Company,”

2.2 In the last line of Rule 7 immediately after the word “States” insert “subject, in the case of employees falling within Rule 7(i), to the modifications set out in the Third and Fourth Schedules to these Rules.”

3. In Rule 42 the following definitions are inserted at appropriate places in the alphabetical order:

“admission agreement” shall mean an agreement entered into between a States Trading Company and the States of Guernsey acting by or through the Board in its capacity as administrator of the Scheme and with the Committee in its capacity as trustee of the Fund setting out the obligations of the States Trading Company to the Scheme, the Fund and the members of the Scheme

“relevant employer” shall mean “an employer of a member grouping identified in Rule 7 in respect of which an Actuarial Account has been created under paragraph 1 or 2 to the Third Schedule”.

“States Trading Company” means Guernsey Electricity Limited and Guernsey Post Limited as and when the said companies are designated by an Ordinance enacted under the States Trading Companies (Bailiwick of Guernsey) Law, 2001.

4. In Rule 42 under the definition “remuneration” there shall be inserted after the word “fees” the word “, bonuses”.

5. Immediately after the Second Schedule there are inserted the Third and Fourth Schedules which are attached hereto at Appendix A.

APPENDIX A**THIRD SCHEDULE****Financial Arrangements Applicable To The Rule 7 Members**

1. An Actuarial Account shall be created for each of the States Trading Companies.
2. The Committee shall have the power, upon recommendation of the Actuary, to create further Actuarial Accounts for any one of the member groupings identified in Rule 7.
3. Where an Actuarial Account has been created, such Account shall be used by the Actuary solely for the purpose of determining the contributions to be made, from time to time, to the Fund by a relevant employer in accordance with Rules 2(2) and 4 or in accordance with paragraphs 5.1 to 5.3 and 6.1 to 6.3 of this Schedule.
- 4.1 The Actuary shall ensure that the contributions to be made by a relevant employer do not in any way subsidise the contributions to be made to the Fund by the States or any other relevant employer.
- 4.2 The Actuary shall ensure that the contributions to be made by the States do not in any way subsidise the contributions to be made to the Fund by a relevant employer.
- 4.3 The Report to be provided by the Actuary pursuant to Rule 4 shall identify each Actuarial Account created pursuant to paragraphs 1 and 2 above and the Actuary shall report to the Committee on the financial condition of each and every Actuarial Account and the adequacy or otherwise of the contributions payable under these Rules to support the pensions and other benefits payable there under.
- 5.1 Where an Actuarial Account has been created pursuant to paragraphs 1 or 2 above, the Actuary shall recommend to the Committee the initial contribution rate which shall be paid by the relevant employer.
- 5.2 In making a recommendation pursuant to paragraph 5.1, and solely for the purposes of making the said recommendation, the Actuary shall have regard to the:
 - (a) financial condition of the Fund;
 - (b) pension liabilities which have accrued to the Fund generally;
 - (c) pension liabilities which have accrued to members who are either (as the case may be) (i) to be engaged in service with a States Trading Company, by virtue of an Ordinance under The Transfer of Undertakings (Protection of Employment) (Guernsey) Law, 2001, in respect of which an Actuarial Account is being created or (ii) in service with a grouping identified in Rule 7, in respect of which an Actuarial Account is being created;
 - (d) existing contributions paid by the grouping in respect of which an Actuarial Account is being created;
 - (e) appropriate demographic, financial and procedural assumptions, which may be relevant to the States Trading Company or grouping in respect of which an Actuarial Account is being created.

- 5.3 Upon receipt of the recommendation from the Actuary pursuant to paragraph 5.1 above the Committee shall notify the relevant employer of the initial contribution, as determined by the Committee, to be made by the relevant employer to the Fund and the relevant employer shall be required to pay the same as if the States had required the same to be paid pursuant to Rule 2(2)(f) or Rule 2(2)(g).
- 6.1 The Committee may seek a valuation of any Actuarial Account from the Actuary, other than in the circumstances set out in Rule 4, where it appears to the Committee that the liabilities of the Actuarial Account may be increasing at a rate which is faster than that which had been anticipated in a Report prepared under Rule 4.
- 6.2 Where the Committee has sought a valuation pursuant to paragraph 6.1 the Actuary shall make a recommendation to the Committee as to the amount, if any, by which the contribution of the relevant employer should be increased so as to meet the pension liabilities which have accrued and or will accrue to the Actuarial Account.
- 6.3 Upon receipt of the recommendation from the Actuary pursuant to paragraph 6.2 above the Committee shall notify the relevant employer of the revised contribution, as determined by the Committee, to be made by the relevant employer to the Fund and the relevant employer shall be required to pay the same as if the States had required the same to be paid pursuant to Rule 2(2)(f) or Rule 2(2)(g).

FOURTH SCHEDULE

Special provisions for the Employees of the States Trading Companies

- 1.1 Notwithstanding any of the preceding provisions of the States of Guernsey (Public Servants) (Pensions and Other Benefits) Rules, 1972 as amended (hereafter referred to in this Schedule as “the Principal Rules”) the succeeding provisions of this Schedule shall apply to the payment of pensions and other benefits to or in respect of employees of a States Trading Company.
- 1.2 In this Schedule, unless otherwise stated, a reference to a “Rule” or “Rules” shall be a reference to the Principal Rules.
- 2 An employee of a States Trading Company shall, for the purposes of the Rules, be deemed to be in the employment of the States and service with a States Trading Company shall be deemed to be service within the meaning of these Rules and other expressions shall be construed accordingly.
- 3 If a member of the Scheme leaves the employment of the States of Guernsey and immediately thereupon is employed by a States Trading Company by virtue of an Ordinance under The Transfer of States Undertakings (Protection of Employment)(Guernsey) Law, 2001 and becomes a member of the Scheme his subsequent period of membership of the Scheme shall be deemed to be continuous with his previous period of service of such membership and the aggregate of those periods shall, for the purposes of calculating the pensions or other benefits payable to or in respect of that member, be years of reckonable service provided that Rules 10, 23, 25 and the Pensions Interchange Arrangements shall not apply at the point of transfer of employment.
- 4.1 If a member of the Scheme leaves the employment of a States Trading Company and immediately thereupon is employed by the States of Guernsey and becomes a member of the Scheme his subsequent period of membership of the Scheme shall be deemed to be continuous with his previous period of service of such membership and the aggregate of those periods shall, for the purposes of calculating the pensions or other benefits payable to or in respect of that member, be years of reckonable service provided that the member has not exercised his rights pursuant to Rule 10 or taken a transfer value under the Pensions Interchange Arrangements.
- 4.2 If a member of the Scheme leaves the employment of the States and immediately thereupon is employed by a States Trading Company and becomes a member of the Scheme his subsequent period of membership of the Scheme shall be deemed to be continuous with his previous period of service of such membership and the aggregate of those periods shall, for the purposes of calculating the pensions or other benefits payable to or in respect of that member, be years of reckonable service provided that the member has not exercised his rights pursuant to Rule 10 or taken a transfer value under the Pensions Interchange Arrangements.

Modifications to the Principal Rules

5. The Principal Rules shall apply subject to the modifications set out in this paragraph.
 - (a) In Rule 9(2) at line 1 for “The Board” substitute “A States Trading Company” and for “the States” substitute “the States Trading Company”.

- (b) In Rule 9(6) for the first reference to “the Board” in the Rule substitute “a States Trading Company”; and for “the States” substitute “the States Trading Company”.
- (c) In Rule 11 for “the States” substitute “a States Trading Company”. For the second reference to “the Board” in the Rule substitute “the States Trading Company”.
- (d) After Rule 11 insert –
 - “Rule 11 A
 - (1) Where a States Trading Company is of the opinion that it has suffered pecuniary loss as a result of a member’s misconduct the States Trading Company shall give to the employee and to the Board
 - (a) notice of the amount to be deducted under Rule 11; and
 - (b) a certificate showing the amount claimed and how it is calculated.
 - (2) Upon receipt of the certificate referred to in Rule 11A (1)(b) the Board shall provide the former employee with a certificate showing how the amount to be deducted will affect his entitlement under Rule 10.
 - (3) If there is any dispute over the amount claimed by the States Trading Company pursuant to Rule 11 the Board shall withhold payment of any sums due to the former employee under Rule 10 and the Board shall not deduct the amount claimed until
 - (a) the obligation is enforceable under an order of a competent court or the award of an arbitrator; or
 - (b) the former employee consents to the Board deducting the amount claimed.
 - (4) Where the Board has been obliged to withhold payment under Rule 11A(3) and thereafter comes under an obligation to make a payment to a former employee under Rule 10 the interest on the payment to be made shall be calculated in accordance with Rule 10 but so as to include the period up to date of actual payment.
- (e) In Rule 12A for each reference to “the States were” substitute “a States Trading Company was”.
- (f) In Rule 16(3) for “employing authority” substitute “a States Trading Company” and for the second reference to “the States” in the Rule substitute “the States Trading Company”.
- (g) In Rule 16(3) for “that the Board may only continue such employment from year to year...” substitute “that the States Trading Company may only continue such employment from year to year for the purposes of membership of the Scheme subject to the approval of the Board”.
- (h) For the purposes of Rule 23 (1) a dismissal on the ground of redundancy or in consequence of a reorganisation to effect greater efficiency and economy shall mean a decision taken by “a States Trading Company”.
- (i) In Rule 24(1) for “the Board” substitute “a States Trading Company”.

Cessation of participation in the Scheme by a States Trading Company

6.1 Upon the happening of any of the following events (whichever shall first occur):–

- (i) if a States Trading Company at any time fails either:
 - (a) to pay to the Committee any sum or sums which the States or the Committee have required the States Trading Company to pay pursuant to Rule 2(2)(f) and/or paragraphs 5.3 or 6.3 to the Third Schedule; or
 - (b) to observe and perform any of its obligations hereunder or in the Rules or under an admission agreement on or within 14 days after the Committee or the Board have given notice to the States Trading Company of such failure
- (ii) if the States by Resolution has given six month's previous notice that the participation of the States Trading Company is to cease and such period expires;
- (iii) if an order is made or an effective resolution is passed for winding-up of a States Trading Company or a States Trading Company ceases to carry on business;
- (iv) if a States Trading Company amalgamates with any other States Trading Company designated under an Ordinance enacted under the States Trading Companies (Bailiwick of Guernsey) Law, 2001, other than a States Trading Company falling within the definition of a States Trading Company in Rule 42, under the Amalgamation of Companies Ordinance 1997 and, pursuant to the provisions of the said Ordinance, the particulars of a States Trading Company are deleted from the register of Companies;
- (v) if any of the issued shares in a States Trading Company cease to be held in trust for the States of Guernsey or if any part of the undertaking of a States Trading Company in which members are employed is transferred to another person not being the States of Guernsey or a States Trading Company;

the participation in the Scheme by that States Trading Company or (as the case may be) by that part of the undertaking shall cease.

6.2 If a States Trading Company or part of the undertaking of a States Trading Company ceases to participate in the Scheme as described in paragraph 6.1 the Committee shall:–

- (i) ascertain the Relevant Fund Assets (as defined in paragraph 6.3 hereafter) in respect of such States Trading Company or (as the case may be) of such part of the undertaking and shall apply the provisions of paragraph 7 or where applicable paragraph 8 hereafter; and
- (ii) where such participation has ceased in the circumstances described in paragraphs 6.1(i) – 6.1(iii) the Committee shall also apply the provisions of paragraph 9.

6.3 “Relevant Fund Assets” means in respect of a States Trading Company or part of the undertaking that portion of the Fund which in the opinion of the Committee with the advice of the Actuary can be related to the members currently in service and members formerly in service whose membership of the Scheme derives from employment with such States Trading Company or (as the case may be) such relevant part of the undertaking of such States Trading Company and to their spouses and dependent children. That portion of the Fund shall be calculated, in the events mentioned in paragraphs 6.1(i) – 6.1(iii) in accordance with paragraph 6.4 below and in the events set out at paragraphs 6.1(iv) – 6.1(v) in accordance with paragraph 6.5 below.

6.4 The aggregate of the Cash Values to which:–

- (i) the said members would be entitled if they had left service on the date that the relevant employer had ceased to participate in the Scheme; and
- (ii) the members formerly in service are entitled.

6.5 In accordance with one of the basis set out below:

- (i) The aggregate of the Cash Values to which:–
 - (a) the said members would be entitled if they had left service on the date that the relevant employer had ceased to participate in the Scheme; and
 - (b) the members formerly in service are entitled; or
- (ii) The aggregate of the Cash Values of the benefits described in paragraph 6.5(i) above but including for the purposes of calculation increases which the Actuary considers would be made to such members' remuneration between the effective date of the calculation and the relevant members' normal retirement dates; or
- (iii) The proportion of the total Fund which in the opinion of the Committee with the advice of the Actuary relates to the members of the Scheme who are employed by the relevant employer and the persons who are either in receipt of retirement pensions or who are entitled to preserved pensions and other benefits and who were previously employed by the relevant employer;

provided that if the Actuary shall so advise the amount calculated in accordance with sub-paragraphs (i) or (ii) above shall not exceed the amount which could be calculated in accordance with sub-paragraph (iii) above.

6.6 "Cash Values" means, in respect of a member of the Scheme or a person who is in receipt of a retirement pension or a person who is entitled to a preserved pension and other benefits at any date, an amount determined by the Committee with the advice of the Actuary being equal to the value at that date of the whole of the benefits payable or prospectively payable from the Scheme in respect of him and, in the case of a member of the Scheme, if he were to leave the Scheme on that date.

7.1 Where a States Trading Company ceases to participate in the Scheme by reason of an event falling within paragraphs 6.1(i) – 6.1(v) above any death in service benefit under the Scheme shall cease to be provided with effect from the earlier of:–

- (i) the effective date of the winding-up of a States Trading Company;
- (ii) the date upon which the States Trading Company ceases to participate in the Scheme (both of which shall hereafter be referred to as "the Effective Date")

except to the extent (if any) determined by the Committee.

7.2 Where a States Trading Company ceases to participate in the Scheme by reason of an event falling within paragraphs 6.1(i) – 6.1(iii) above the Relevant Fund Assets shall remain within the Fund and the payment of accrued pension rights and or benefits (other than death in service benefit) vested in members in service or formerly in service with the relevant States Trading Company and their spouses and dependent children as at the Effective Date shall be met from the Fund in accordance with the Rules of the Scheme.

- 8.1 Subject to paragraph 8.3 below, where a States Trading Company or part of the undertaking of a States Trading Company ceases to participate in the Scheme by reason of an event falling within paragraphs 6.1(iv) or 6.1(v) above, the Committee shall have the power to enter into an arrangement with a third party in respect of part or all of the Relevant Fund Assets.
- 8.2 The Committee shall not enter into an arrangement in respect of part or all of the Relevant Fund Assets pursuant to paragraph 8.1 above unless the Committee is satisfied that:–
- (a) the Relevant Fund Assets shall be applied under the arrangement to secure the payment of accrued pension rights and or benefits vested in members in service or formerly in service with the relevant States Trading Company and their spouses and dependent children; and
 - (b) the arrangement safeguards, and will not prejudice, the payment of the aforementioned rights and entitlements.
- 8.3 The Committee shall be entitled to seek the advice of the Actuary when assessing whether an arrangement satisfies the conditions set out at paragraphs 8.2(a) and (b) above.
- 8.4 Where the Committee does not enter into an arrangement pursuant to paragraph 8.1, paragraph 7.2 above shall apply.
- 9.1 Upon the cessation of participation in the Scheme by a States Trading Company pursuant to any one of events identified at sub-paragraphs 6.1(i) – 6.1(iii) the Committee shall require the Actuary to:–
- (i) carry out an actuarial valuation of the relevant Actuarial Account as at the date of cessation of participation; and
 - (ii) report to the Committee whether there is a Cessation Figure and, if so, the amount of the same.
- 9.2 “Cessation Figure” means the amount to be added to the Fund such that the States’ contribution would not be increased as a consequence of the Relevant Fund Assets remaining within the Fund and the payment of accrued pension rights and or benefits (other than death in service benefit) vested in members in service or formerly in service with the relevant States Trading Company and their spouses and dependent children as at the Effective Date being met from the Fund in accordance with paragraph 7.2 above.
- 9.3 The Cessation Figure shall be treated for the purposes of the Rules as a contribution due from the States Trading Company to the Fund pursuant to Rule 2(2)(f) and the relevant employer shall be required to pay the same as if the States had required the same to be paid pursuant to Rule 2(2)(f).

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

30 May 2001.

Sir,

I refer to the policy letter dated 25 May 2001 addressed to you by the President of the Civil Service Board on the subject of States Trading Companies – Employees' Pension Arrangements.

The policy letter from the Civil Service Board quotes one paragraph from the Advisory and Finance Committee's March 2000 report to the States, the full text from the relevant sections of that report are shown in Annex 1 to this letter.

The situation in March 2000 was that the Civil Service Board was against employees of States Trading Companies (STC's) being able to be members of the Public Servants Pension Scheme (PSPS) for the reasons expanded upon in its current report.

The views of the Post Office and Electricity Boards in March 2000 are set out in Annex 1 but they may be summarised as follows:

- the Boards' employees were concerned about future pension arrangements and valued the security of being in the PSPS;
- the Boards were not aware of any serious problems the STCs would face if their staff were allowed to be in the PSPS and were bound by current, and any future requirements of the Scheme approved by the States;
- whilst STCs would be legally separate from, they will be wholly owned by the States;
- some non-States employee groups are already allowed to be members of the Scheme;
- there were no valid reasons as to why existing employees should not have the option to remain in the Scheme;
- the States should confirm this "in order to remove any unnecessary concerns of employees during a process of change which inevitably causes them some uncertainty.";
- to avoid a potentially divisive dual arrangement on pensions,
- new employees of STCs should also be able to join the Scheme.

There had been extensive discussions between the parties involved in this issue, including consideration of a scheme along the lines of Option B described in the Civil Service Board's current report.

Those discussions had reached an impasse by the deadline for submission of the March 2000 report. The Advisory and Finance Committee supported the views of the Trading Boards but had been prepared to keep options open in order to try and give time to resolve matters with the Civil Service Board.

The Committee recognised, however, that the employees' tacit acceptance of the commercialisation process would be jeopardised if they were not given an undertaking by the States that they would have the option of remaining in the PSPS. As the Committee supported, and foresaw no problems with this option, it stated its position in the report as follows:

“1.26 Having considered the views of the parties involved and the necessity to bring proposals to the States without further delay, the Advisory and Finance Committee is now proposing that the States confirm that existing employees who transfer to the new States Trading Companies and future employees of those companies should have the option to remain or become members of the PSPS.”.

In order to give a further opportunity to resolve the impasse with the Civil Service Board the Committee also stated:

“1.28 It would also be the intention of the Advisory and Finance Committee to use the period between approval of these proposals and the submission of proposals by the Civil Service Board to bring all the interested parties together, including staff representatives and the shadow Boards to identify any other mutually acceptable options on pensions which might also be put to the States.”.

Whilst the President of the Civil Service Board and others during the debate expressed various views on the Committee's proposals, the States resolved:

“III.3 To direct the States Civil Service Board to bring forward proposals for the revision of the rules of the Public Servants Pension Scheme which would enable employees of States Trading Companies to become members of that Scheme.”.

It is quite obvious from the above that in March 2000:

- the States gave a clear undertaking to the employees of the two Trading Boards that they, and future new employees of States Trading Companies formed to provide postal and electricity services, would have the option of being in the Public Servants Pension Scheme;
- the States gave a clear direction to the Civil Service Board to bring forward the necessary changes to the rules of the Scheme to enable this;
- the States were advised that the Advisory and Finance Committee would identify if any other “mutually acceptable options”, that is options that all parties supported, could also be put to the States.

Following the States debate the Civil Service Board initiated discussion on STC pension issues with the Pensions Consultative Committee (PCC) a group made up of representatives of present and retired members of the PSPS. Whilst this was not what the Advisory and Finance Committee had intended it accepted at that stage that as discussion had commenced it would be confusing if the Committee carried out an additional parallel process. The current policy letter from the Civil Service Board describes its consultation process.

During the consultations the Committee was made aware that the Civil Service Board was taking the stance that no undertaking had been given to Trading Board employees and that the Board was determined to persuade the States that STC employees should not be able to be members of the Scheme. The Committee was made aware that this was causing great concern amongst the Trading Board employees. The stance of the Board was confirmed in a draft of its current policy letter submitted to the Committee in December 2000.

The Committee considered that the Board's approach did not conform with the States direction of March 2000 and agreed to confirm its view of the implications of the March 2000 resolutions and undertake an additional consultation exercise with the following interested parties:

- the shadow Boards of the Post Office and Electricity undertakings
- the Post Office and Electricity Boards
- the employees of the Post Office and Electricity Boards directly, not through the PCC.

With its responsibilities for the Superannuation Fund and as leader of the commercialisation process, the Advisory and Finance Committee considers that it is also an interested party. The responses to the Advisory and Finance Committee's consultation process are attached as Annex 2 and the results are clearly unequivocal:

- all consider that at the March 2000 meeting the States gave an undertaking to the employees of the two Trading Boards that they, and future employees of STCs formed to provide postal and electricity services would be able to be members of the PSPS;
- no other mutually acceptable option on pensions had been put forward by the Civil Service Board;
- the employees of the Trading Boards still want STC employees (both existing employees of the Trading Boards and new employees of the STCs formed to provide postal and electricity services) to be able to be members of the PSPS, they are supported by the Post Office and Electricity Boards and the shadow Boards are quite willing to accept this arrangement.

Thus, only the Civil Service Board disputes that the outcome of the March 2000 debate gave an undertaking to the Trading Board employees and it is now bringing forward proposals which do not conform with the States direction from that meeting.

The Civil Service Board has not identified any tangible implications on the remaining members of the PSPS of the STC employees being either in or out of the Scheme. The only issue which the Advisory and Finance Committee has identified is that with the STC employees in the PSPS, the current size of the Superannuation Fund will be maintained and therefore derive greater benefit from economies of scale than would be the case if it was reduced by the exclusion of post and electricity employees. It would seem therefore that the STC employees being in the Scheme would best serve the interests of the current members of the PSPS. The PCC supports existing Trading Board employees being in the Scheme but by a majority do not support new STC employees being able to be members.

The Advisory and Finance Committee would have preferred to retain a flexible stance on pensions so that firm decisions on long-term future arrangements could be made once STCs had been established and relationships between employees and the new Boards had developed. However, discussions and consultations between interested parties and the Civil Service Board both prior to the March 2000 report and since, have polarised attitudes and the Committee recognises that to retain the tacit acceptance of employees of the commercialisation process firm decisions and commitments must be confirmed now.

The Advisory and Finance Committee is therefore strongly recommending that the States should reaffirm its decision of March 2000 and approve changes to the rules of the PSPS attached to the policy letter from the Civil Service Board which would enable all employees of the STCs formed to provide postal and electricity services to be members of the Scheme.

The changes to the rules of the PSPS have been drafted within the following principles:

- in the determination of entitlement and payment of benefits, STC employees will be treated no differently to States employees;
- there will be no cross subsidy either way between contributions made into the Fund by the States (and its employees) and by an STC (and its employees);
- the States will underwrite any default by an STC in relation to contributions into the Fund;
- the obligations of an STC to the Scheme, the Fund and the members of the Scheme will be set out in a binding “admission agreement” which the STC will enter into with the States through the Civil Service Board in its capacity as administrator of the Scheme and The Advisory and Finance Committee in its capacity as trustee of the fund.

The Civil Service Board will continue to administer the application of the pension rules to STC employees as if they were States employees but the proposed rule changes allow for management decisions currently taken by the Board as the employer of an individual to be taken by an STC Board in future.

Changes to pension benefits, the annual up rating of benefits and the level of employers contribution will remain decisions of the States on the recommendation of the Civil Service Board in relation to benefits or the Advisory and Finance Committee in relation to contributions, following appropriate consultations.

The proposed rule changes allow for “actuarial accounts” to be created in the Fund to be used by the Actuary for the purposes of determining the contributions to be made in respect of STC employees. This will enable recommendations to be made to the States on levels of employer contributions which avoid any cross subsidies within the Fund.

The Committee will be given the discretion to act on a report from the Actuary to set the initial level of employer contributions from STCs. For the STCs formed to provide postal and electricity services, that level of contributions will be set taking into account the current surplus in the Fund.

One concern expressed by employees is that whilst their ongoing pay and conditions will be protected initially by legislation introduced under the Transfer of States Undertaking (Protection of Employment) Law and subsequently by Industrial Relations Laws, the payment of pension benefits in respect of past service underwritten by the Fund might be prejudiced by some future action by the Board of an STC or should an STC cease trading for any reason. However unlikely this may be given the requirements on the STC to pay regular contributions into the Fund as determined by the States and the fact that the States will retain 100% ownership and ultimate control over the STC, the Committee believes that it is reasonable to put into place arrangements to cover any default in an STC’s liability to the Fund.

The admission agreement will require the STC to procure and cover the cost of security to cover against any default in its liability to the Fund. In addition the Rules provide for the States to underwrite any residual default in the liability of an STC to the Fund should the security taken out be found to be inadequate in any way.

Requiring a newly formed STC to take out security to cover its liability to the Fund when it has no record of trading would be onerous. It is therefore the intention of the Advisory and Finance Committee that the States will provide total security for such default during the initial years of trading by providing the guarantee to the Fund in discharge of the STC’s obligation under the admission agreement.

The Committee will decide when the States should no longer discharge this obligation at which point the STC will have to procure the security from a third party.

The Advisory and Finance Committee is recommending that the States formally agree to underwrite the contributions of the STCs in this way.

Other provisions in the admission agreement will cover:

- an undertaking to pay into the Fund the contributions as determined by the States;
- an undertaking to maintain and provide to the Civil Service Board the information necessary for it to fulfill its responsibilities under the Scheme;
- an undertaking to maintain and provide to the Actuary the information necessary for it to fulfill its responsibilities under the Scheme.

To avoid the possibility of a discontinuity in the liabilities of an STC to the Fund, an admission agreement will need to be in place before the rule changes come into force. It is for this reason that provision has been made to bring them into force by States Resolution and the Committee will include an appropriate recommendation to the States where it brings forward recommendations for the activation of the STCs formed to provide postal and electricity services.

It would be reasonable to assume that if the States agree to the proposed pension rule changes, current arrangements for consultations on pension issues would be extended, if only on an informal basis, to the STC employees and Boards.

The view of the Advisory and Finance Committee is that consultations with STC employees could take place within the forum of the PCC but it recognises that this will need to be subject to discussion with the existing members of that body.

Given the background to this issue and the tone of the Civil Service Board's current policy letter however, the Advisory and Finance Committee is recommending that the States should direct that such consultations should take place.

The Advisory and Finance Committee will therefore be bringing forward amendments to the Civil Service Board policy letter which will enable the States:

- a) to approve the changes to the rules of the PSPS as attached to the policy letter from the Civil Service Board which would enable employees of the STCs formed to provide postal and electricity services to be members of the PSPS;
- b) to agree to underwrite the contributions of an STC into the Superannuation Fund subject to securing security from an STC against this liability as described in this letter of comment;
- c) to direct the Civil Service Board and the Advisory and Finance Committee to ensure that appropriate consultations take place with STC employees and Boards on any matters which affect those bodies in relation to the Public Servants Pension Scheme.

Yours faithfully,

L. C. MORGAN,
President,

States Advisory and Finance Committee.

Annex 1 Extract from March 2000 Policy Letter on Commercialisation.

- 1.18 There has been much discussion with the Electricity Board, Post Office Board and Civil Service Board and with staff representatives about future pension arrangements. The discussions have resulted in an impasse.
- 1.19 The Advisory and Finance Committee had taken the stance that for its part, no option on pensions had been ruled out. It also considered that the shadow Boards should be a party to any final agreement on pension arrangements.
- 1.20 The Civil Service Board has agreed that discussions between the various parties should continue but is of the view that employees of the Trading Companies should not have the option of being members of the Public Servants Pension Scheme (the PSPS). The Civil Service Board considers that pensions are “deferred pay” and as such should be considered as an integral part of the pay and conditions of employees which, in future, will be negotiated with the new employers, the States Trading Companies. Employees of the companies, who will not be States employees, should therefore be members of pensions schemes set up, administered and subject to negotiation with those companies.
- 1.21 The PSPS includes provisions which enable the pension entitlements built up by employees prior to transfer to the Trading Companies to be protected and deferred. This protects and links those entitlements to annual pension increases agreed by the States. The protection of employee rights approved by the States in January 20Q0 will ensure that, on transfer to the new States Trading Companies, pension arrangements are comparable with those currently enjoyed by employees.
- 1.22 The two Trading Boards are aware that their staff are very concerned about future pension arrangements and value the security of being in the PSPS. The two Trading Boards do not believe that the new States Trading Companies will face any serious problems if their employees are members of the PSPS or that, as employers, those companies will be bound by the requirements of the scheme and any future revisions agreed by the States. Whilst States Trading Companies will be legally separate from the States they will still be wholly owned by the States.
- 1.23 The two Trading Boards are also aware that a number of groups of non-States employees are already members of the PSPS, albeit that the numbers of employees in those groups is small compared to the number of employees at the two Trading Boards.
- 1.24 The two Trading Boards do not accept that there are any valid reasons why existing employees should not retain the option of staying in the PSPS. The two Trading Boards are insistent that it is reasonable that the option of staying in the PSPS should be confirmed by the States when it considers the commercialisation of the Boards in order to remove any unnecessary concerns of employees during a process of change which inevitably causes them some uncertainty. The two Trading Boards are also insistent that, to avoid a potentially divisive dual arrangement on the pensions element of pay and conditions, new employees of the States Trading Companies should also be able to become members of the PSPS.

- 1.25 All other issues relating to the commercialisation process had been resolved with the parties involved but discussion to resolve pension issues took place right up to the deadline for submission of this policy letter. Twenty months has already lapsed since the in-principle approval by the States of commercialisation and any further delay in bringing forward detailed proposals would increase uncertainty not only for the staff of the two Trading Boards but also for the development of the Boards' trading activities.
- 1.26 Having considered the views of the parties involved and the necessity to bring proposals to the States without further delay, **the Advisory and Finance Committee is now proposing that the States confirm that existing employees who transfer to the new States Trading Companies and future employees of those companies should have the option to remain or become members of the PSPS.**
- 1.27 This will require the Civil Service Board to bring forward proposals to the States to make the necessary changes to the provisions of the PSPS. The Advisory and Finance Committee will also need to consider what consequential changes need to be made to the way the Superannuation Fund is run to reflect the transfer of a large group of members onto pay and conditions which will no longer be negotiated centrally by the Civil Service Board. It must be stressed that the intention of the Advisory and Finance Committee that the monies underwriting the pension liabilities of States Trading Company employees should continue to be held in the Fund but that those monies need to be identified separately within the Fund so that there will be no cross subsidy between the States Trading Companies and States Committees
- 1.28 It would also be the intention of the Advisory and Finance Committee to use the period between approval of these proposals and the submission of proposals by the Civil Service Board to bring all the interested parties together, including staff representatives and the shadow Boards to identify any other mutually acceptable options on pensions which might also be put to the States.
- 1.29 **The Advisory and Finance Committee therefore recommends that the Civil Service Board be directed to bring forward proposals to change the provisions of the Public Servants Pension Scheme to enable employees of States Trading Companies to be members of the Scheme.**

Annex 2 Correspondence from Advisory and Finance Committee consultations with interested parties.

- 1) Letter dated 17 January 2001 from President Post Office Board
- 2) Letter dated 9 January 2001 from local representative of CMA members at Post Office
- 3) Letter dated 15 January 2001 from Deputy General Secretary's Department representing CWU members at Post Office
- 4) Letter dated 12 January 2001 representing views of CSA members at Post Office
- 5) Letter dated 9 January 2001 expressing views of Shadow Post Office Board
- 6) Letter dated 16 January 2001 from President Electricity Board
- 7) Letter dated 11 January 2001 representing views of T&GWU, Technical Staff Association, Administrative Staff Association and CSA members at Electricity Board
- 8) Letter dated 9 January expressing views of Shadow Electricity Board

The President
 Advisory and Finance Committee
 Sir Charles Frossard House
 PO Box 43
 La Charroterie
 St. Peter Port
 Guernsey
 GY1 1FH

17 January 2001

Dear Deputy Morgan

PENSION ARRANGEMENTS FOR STATES TRADING COMPANY EMPLOYEES.

I refer to the letter received from the Vice President of the Advisory and Finance Committee dated 3 January 2000 reference the above issue.

We have consulted fully with our employees through the States Representatives and I attach their responses to this letter.

On behalf of the Post Office Board I can advise as follows:

The Post Office Board has a clear understanding that the States at their meeting in March 2000 agreed that the employees of the STC's were to be permitted to remain, and in the case of future employees, become members of the PSPS. As a result of this decision the Civil Service Board was directed to bring forward proposals for the revision of the rules of the PSPS to enable this to take place.

I refer to the letter from this Board to your Committee in support of your policy letter to the States regarding future arrangements of the States Trading Companies. The letter is headed 'COMMERCIALISATION OF THE GUERNSEY POST OFFICE', and is dated 10 February 2000. It is also part of the Billet of 15 March 2000 on pages 434-437. It is worth quoting those relevant parts of the said letter:

As the proposals for the commercialisation of Guernsey Post Office have evolved over the past couple of years, staff within the business have been kept informed of progress. From the outset the Board was pleased at the level of understanding that the staff representatives demonstrated over the need to reform the provision of postal services.

However, from the beginning of this process the staff and their representatives made it perfectly clear to the Board that their major concerns in the whole process of commercialisation revolve around how their pension rights are dealt with. Very considerable efforts have been made by the Guernsey Post Office, Advisory & Finance Committee and the Civil Service Board to persuade staff representatives that simply remaining in the Public Servants Pension Scheme may not be in the long term interests of the employees or the new company. However, there is absolutely no doubt that the staff at the Guernsey Post Office have not been convinced.

Commercialisation will bring changes to the Guernsey Post Office. It is natural for staff to be concerned about periods of significant change. However, given the forward-looking approach of the staff associations on the need for commercialisation, the Board believes strongly that it is not unreasonable for the staff to be given firm assurances now about their pensions. The Board has pursued commercialisation of the Guernsey Post Office on the basis of having its staff firmly on board and looking forward positively to the challenges which lie ahead. This aim may be seriously compromised if staff embark on their new futures with Guernsey Post Ltd looking over their shoulders with fears and concerns over their pensions.

The Board is therefore very pleased to endorse fully the Advisory & Finance Committee's recommendation that existing and future staff should be allowed to remain/join the Public Servant Pension Scheme after incorporation of Guernsey Post Ltd.

This pragmatic solution will give the employees cast iron assurances over the stability of their pensions. This is very important if commercialisation of Guernsey Post Limited is to proceed in a positive manner with its staff on board with the new company.

It is perfectly clear that the issue of STC employees remaining, and in the case of future employees, becoming, members of the PSPS remains paramount in the views of our employees as a whole. We fully endorse this view and would add that any notion contrary to this view could jeopardise not only our relationship with our employees but potentially the commercialisation process as a whole.

The undertaking given by the States to our employees in March 2000, supports the aforementioned points and the Post Office Board would hope that this undertaking be established.

Yours sincerely

M W TORODE
President

COLIN AUSTIN
CMA SECRETARY
GUERNSEY POST OFFICE

09/01/2001

DEPUTY MIKE TORODE
PRESIDENT POST OFFICE BOARD

PENSION RETENTION AFTER COMMERCIALISATION

Dear Mike

I would be most grateful if you could use your influences to ask the members of the STATES OF GUERNSEY to honour their understanding of what was agreed regarding pension arrangements. In March 2000 my members felt a reassurance for their future when the Advisory & Finance Committee put forward a policy letter keeping current pensions in the PSPS.

It is unanimous that all CMA members wish to remain in the PSPS.

I think it is very sad that certain politicians have a complete disregard for other policies already voted on in principle.

YOURS SINCERELY

COLIN AUSTIN

The President of the Post Office Board
 Mr M. W. Torode
 Guernsey Post Office
 Postal Headquarters
 Guelles Road
 St. Peter Port
 GUERNSEY
 GY1 1AA

15 January 2001

Dear Mr Torode,

Commercialisation of Guernsey Post Office: Pension Arrangements

The commercialisation of Guernsey Post Office raised a number of concerns for the Union, not least of which being the possible implications for our Members pension arrangements. In March 2000 it was agreed by the States that all existing staff will remain in the PSPS, and all future staff will be joined into the PSPS. We expect that agreement to be honoured.

To assist you in your consideration of this matter I can confirm that no other option has been offered but, in any event, we still require our Members to be members of the PSPS.

If any discussions were to take place, in any forum, on any aspect affecting our Member's pension arrangement, then we would expect those discussions to include the CWU with any changes only being implemented with our agreement.

We are already represented on the PCC and we would wish that representation to continue.

I hope this is of assistance to you in the knowledge that we fully support the Board's view against the background of the above understandings.

Yours sincerely,

P C BOWERMAN
 Deputy General Secretary's Dept. (Postal) - Pensions
 Commercial Workers Union

Mr M Torode
 The President
 States of Guernsey Post Office Board
 Postal Headquarters
 Guelles Road
 St Peter Port
 GY1 1 AA

12 January 2001

Dear Mr Torode

As representative of the administrative staff employed by the Guernsey Post Office I am happy, after consulting with the staff, to relay their views on the points you raised.

1. OUR UNDERSTANDING OF WHAT WAS AGREED BY THE STATES IN MARCH 2000.

Our understanding is that the States agreed to direct the Civil Service Board to bring forward proposals that would revise the present pension rules so that employees of the commercialised Trading Boards were able to remain/become members of the PSPS. We believe this to apply to existing employees and anyone employed after commercialisation.

2. WHETHER AN ACCEPTABLE OPTION OTHER THAN STC EMPLOYEES BEING MEMBERS OF THE PSPS HAS BEEN PUT TO US.

Several options have been discussed or suggested to the staff but none have been acceptable.

3. WHETHER OR NOT WE STILL WISH EMPLOYEES OF THE STCs TO BE ABLE TO BE MEMBERS OF THE PSPS.

The administrative staff at the Post Office feel very strongly that they still wish to be members of the PSPS and for future employees to be members as well.

4. WHAT REPRESENTATION WOULD WE EXPECT STC EMPLOYEES TO HAVE ON THE PCC.

If the PCC is to have powers to decide STCs employees rights to remain in the PSPS or be able to fundamentally change the PSPS then STCs employees should be represented. If the States can assure us that the PCC will have no authority now, or in the future, for such changes then it may not be necessary.

5. WHAT DEGREE OF INVOLVEMENT WE WOULD EXPECT THE BOARDS OF THE STCs TO HAVE.

We would hope that the Boards would have sufficient involvement that they are able to protect the rights of their staff who wish to remain part of the PSPS.

I hope I have been able to clarify the position of the administrative staff at the Post Office on the areas you have asked.

We would seek your assurances that all will be done by the Post Office Board to ensure the outcome the staff expect

Yours sincerely

J BAKER
 Administrative Staff Representative

The President
 Advisory and Finance Committee
 Sir Charles Frossard House
 PO Box 43
 La Charroterie
 St. Peter Port
 Guernsey
 GY1 1FH

9 January 2001

Dear Deputy Morgan

PENSION ARRANGEMENTS FOR STATES TRADING COMPANIES EMPLOYEES.

I refer to the letter received from the Vice President of the Advisory and Finance Committee dated 3 January 2001 reference the above issue.

On behalf of the Shadow Board I can advise as follows:

- Our understanding of the March 2000 resolution from the States is that the States agreed that employees of the STC's would be allowed to remain within, or to join the PSPS, and that the Civil Service Board was tasked to prepare an amendment to the current rules to enable this.
- It is still the Shadow Board's requirement that present and future employees remain, and become Members of the Public Servants Pension Scheme.
- Whilst no acceptable alternative has yet been presented to the Shadow Board, we are still of the opinion that employees may at some future date become members of another scheme, but on the undertaking that any such other scheme would be acceptable to both Guernsey Post Limited and its employees.
- We would also wish close involvement in the decision making process to changes to the pension scheme, commensurate with our and our employees' contributions to the fund as a whole.

We hope that this clarifies our position on the above issue.

Yours sincerely

DAVID T ROBERTS
 Chairman – Shadow Board
 Guernsey Post Office

Deputy L Morgan
President
Advisory and Finance Committee
Sir Charles Frossard House
PO Box 43
La Charroterie
St. Peter Port
Guernsey
GY1 1FH

16 January 2001

Dear Laurie

PENSION ARRANGEMENTS

Following your letter dated 3 January 2001, my Vice President and I have taken the opportunity to meet with Guernsey Electricity Staff Representatives to ascertain their views on the pensions issue. Their views were clear, strong and unanimous and they have set out quite clearly the answers to each of your questions. You will find their answers in the attached document which has been signed by each representative.

I can confirm that my Board unanimously supports the view of the staff and we endorse the answers that they have supplied to your questions.

I am also aware that that the views of the Shadow Board are totally in line with the views of the staff and the political Board and I understand that the Chairman has written to you under separate cover.

I look forward to seeing this matter resolved at the February States Meeting.

Yours sincerely,

WILLIAM M BELL

President
Guernsey Electricity

The President
Guernsey Electricity
PO Box 4
Guernsey
GY1 3AD

Thursday, 11 January 2001

Dear Deputy Bell

Guernsey Electricity Staff's Position on the PSPS

Thank you for asking for the staff's position on the Public Servants' Pensions Scheme. We have repeated the five questions you asked and given our responses, which are;

1. What is the staff's understanding of what was agreed by the States in March 2000?

The Guernsey Electricity staff understand that the States meeting in March instructed the Civil Service Board to prepare regulation to make it possible for existing Guernsey Electricity staff to stay in the Public Servants' Pensions Scheme after commercialisation and for new staff to be able to join the Public Servants/Pensions Scheme.

2. Has any acceptable option, other than States Trading Company employees being members of the Public Servants' Pensions scheme, been put to you?

No other options, acceptable or unacceptable, have been put to us.

3. Do you or do you not still wish for employees of Guernsey Electricity to be able to be members of the Public Servants' Pensions Scheme?

It is still the unanimous decision of the staff that they wish to remain in the Public Servants' Pensions Scheme.

4. What representation would you expect States Trading Company employees to have, if any, on the Pensions Consultative Committee?

The staff would expect to have a Guernsey Electricity representative on the Pensions Consultative Committee, as at present.


5. What degree of involvement they would expect the Board of Guernsey Electricity to have, if any, in discussions on changes to pension benefits and the administration of the scheme (over and above the obvious need for involvement on issues such as eligibility for early retirement)

The staff are happy with the status quo with the States continuing to decide on the level of benefits and controlling the fund.

Signed


On behalf of the Transport & General Workers Union


On Behalf of the Technical Staff Association


On behalf of the Administrative Staff Association


On behalf of the Guernsey Electricity Civil Service Association Members.

Deputy L Morgan
 President
 Advisory & Finance Committee
 Sir Charles Frossard House
 PO Box 43
 La Charroterie
 St. Peter Port
 Guernsey GY1 1FH

11 January 2001

Dear Deputy Morgan

PENSION ARRANGEMENTS

Thank you for your letter dated 3 January 2001 requesting my Shadow Board's views on the pension matter. You will recall from our letter to the Advisory & Finance Committee dated 9 October 2000 that the Shadow Board feels strongly that a resolution of this important matter is required as further delays and uncertainties will have very damaging consequences. I therefore welcome the involvement of your Committee and the urgency with which you are now acting.

I will deal with your questions as they arise in your letter.

1. The Board unanimously agrees with your interpretation of the States Resolution of 16 March 2000 on the Future Arrangements for the Provision of Postal and Electricity Services, in that existing and future employees are to be admitted to the membership of the PSPS;
2. No other acceptable option has been put to the Shadow Board, despite a face to face meeting with the CSB;
3. The Shadow Board still wishes employees of the new States Trading Company, Guernsey Electricity Ltd., to be able to be members of the PSPS.
4. The Shadow Board requires the right to decide matters directly relating to their own employees such as redundancy or ill health retirement. We would expect to reimburse the Fund for any costs that arose as a result of our actions. The Shadow Board does not require any right to change the level or nature of benefits or be involved in annual reviews. We would expect the fund to be administered by the CSB and would be prepared to cover any reasonable administrative expenses.

As we have stated before, we fully appreciate that certain aspects of pension arrangements will be outside the control of the new company but we are prepared to accept this situation for the foreseeable future. We are of the view that this matter can be revisited with staff when a reasonable time has elapsed after impact day, and when the whole issue is much less sensitive as far as staff are concerned.

On Monday 18 December 2000, the entire Shadow Board took the opportunity to meet with all of the staff representatives at Guernsey Electricity and we had a full discussion on the matter. I can assure you as a result of that meeting that the views and interpretations of the staff on this matter are totally in accordance with those of the Shadow Board, as set out in this document.

Yours sincerely

I H BEATTIE
 Chairman, Shadow Board
 Guernsey Electricity

The States are asked to decide:—

IV.— Whether, after consideration of the Report dated the 25th May, 2001, of the States Civil Service Board, they are of opinion:—

To approve the draft States of Guernsey (Public Servants) (Pensions and other Benefits) (Amendment) Rules, 2001, which are attached to that Report.

GUERNSEY SOCIAL SECURITY AUTHORITY

EARNINGS LIMITED FOR LONG-TERM CARE INSURANCE SCHEME AND OTHER SCHEMES

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

25th May, 2001.

Sir,

Earnings limits for long-term care insurance scheme and other schemes

Background

1. On 1 March 2001, having considered a report from the Guernsey Social Security Authority dated 26 January 2001 (Billet d'État III of 2001) the States resolved:

'That a compulsory social security long-term care insurance scheme be introduced on the lines outlined in paragraph 118 of that Report...'

2. Paragraph 118 specified that the long-term care insurance fund would be financed by contribution income and an annual States grant from General Revenue. The rate of contribution would be 1.4% of relevant earnings or income. Elsewhere in the report, the Authority estimated that this rate of contribution should hold for 15 years.
3. Paragraph 118 specified that the amount of the annual States grant to the long-term care insurance fund would be equal to 12% of total contribution income.
4. The paragraph also specified that employed and self-employed persons would pay contributions based on earned income, subject to upper and lower earnings limits. Non-employed persons would pay contributions on an income-related basis, subject to upper and lower income limits.
5. The upper earnings limit and upper income limit used in the report was £498 per week (£25,896 p.a.). These were the year 2000 limits applicable to the main social insurance scheme and the health service scheme. The upper earnings limit in 2001 is £531 per week (£27,612 p.a.).
6. The lower earnings limit used in the report was £72 per week and the lower income limit was £7,488 (£144 per week). Again, these were the same as applicable to the other contributory schemes. The relevant figures for 2001 are £76 per week and £7,904 per annum (£152 per week).
7. This report will use the rates applicable in 2001.

8. In the course of debate an amendment was proposed by Douzaine Representative Courtney and seconded by Deputy Pritchard. The amendment sought to modify the proposed details of the scheme so that:

'the rate of contribution referred to in sub-paragraph 118(iv) be reduced to no greater than 1.0%; and

the upper earnings limits referred to in sub-paragraphs 118(ix) and 118(x) be adjusted upwards accordingly; and

the Guernsey Social Security Authority be directed to report on the implications of applying the upper earnings limits, amended as above, to existing Class 1, Class 2 and Class 3 contributions collected under the Social Insurance (Guernsey) Law, 1978, as amended, such report to be included in the Authority's next proposed revisions of contribution and benefit rates.'

9. The proposers of the amendment were aware that the amendment went beyond the original proposition and, therefore, would be subject to Rule 12(8) of the Rules of Procedure, enabling the States to decide, by one third of those members voting on the motion, that it be not debated or that debate be postponed. Debate on a postponement was avoided when Douzaine Representative Courtney offered to withdraw the amendment if the President of the Authority gave an undertaking to report back to the States on the substance of the amendment. The President of the Authority was happy to give that undertaking and said that the report would be no later than September 2001. The amendment was therefore withdrawn. For ease of reference, this report will continue to refer to 'the Courtney amendment', likewise 'the Webber amendment' below.
10. A further amendment had been prepared, but not placed, by Deputy Webber. The amendment also sought to modify the proposed details of the scheme so that:

'the rates of contribution of relevant earnings or income as referred to in paragraph 118(iv), (ix) and (x) and in paragraphs 133, 134 and 135 would be re-examined by the Social Security Authority so that there is an alternative contribution system to consider whereby employed and self-employed persons could start their contributions at the same rate as non-employed persons (for example £144 pw) and report back to the States with their recommendations as soon as possible.'

11. In view of the undertaking given by the President of the Authority on the Courtney amendment, the President said that the substance of the Webber amendment could be addressed in the same report and to the same timescale. The amendment was not placed.

Social insurance or social tax?

12. The concept of insurance is deeply rooted in social security history and remains in many modern schemes, including the Guernsey scheme. The Authority will maintain that the main social insurance scheme, covering pensions, sickness, unemployment, industrial injuries and so on, is an insurance scheme because there is a maximum contribution liability of contributors. They pay the current full pay-as-you-go rate for one person, not more than one person. Likewise, the health benefits of the pharmaceutical service, the medical consultation grants and the specialist health insurance scheme follow the principle of a maximum contribution.
13. The counter view is that social insurance contributions are simply another form of tax, albeit a hypothecated tax as the expenditure area is pre-determined. The Authority does not support this view.
14. Possibly, the distinction between insurance and tax was more easily drawn when the UK and Guernsey schemes were funded by flat rate stamps. The cost of the stamp had to be set at a level which workers could afford and in neither territory were total stamp receipts sufficient to fund the benefits. There had to be an additional funding element from general taxation.
15. Both schemes parted company with flat rate stamps, moving to earnings-related contributions instead, more than twenty years ago. Earnings-related contributions allow the higher earners to be charged contributions that reflect the true value of the benefit and to pay at a much higher level than could be set for a 'one size fits all' stamp. Under the current Guernsey scheme, 23% of employed people pay the maximum contribution. The other 77% of employed people are paying contributions at less than the maximum support rate for the schemes.
16. The aggregated shortfall between what people are paying and the amount necessary to finance the scheme, on a pay-as-you go basis, is made good by a formula-led grant from general revenue. By Ordinances of the States, the grant from general revenue to the Guernsey Insurance fund is 57% of contribution income. That is, for every £1 of contributions collected, 57 pence is added from general revenue. This gives general revenue a 36% share in the funding. For the health scheme, the States grant is 36% of contribution income, giving a funding share of 26%. For the proposed long-term care insurance scheme, the States grant would be 12% of contribution income, giving a general revenue funding share of 11%.
17. Guernsey's contributory social security schemes are essentially pay-as-you-go schemes, meaning that today's contributors finance the benefits of today's beneficiaries. Prudent management of the Guernsey Insurance Fund by the Social Security Authority has built a Fund of around £330m, as at the end of 2000, equivalent to seven times annual benefit and administration costs.

Composition of contribution rates

18. The current composition of contribution rates for employed, self-employed and non-employed contributors, comprising social insurance and health elements, are shown below, with the proposed long-term care element then added.

Class 1 employed	Employer	Employee	sub-totals	
Social insurance	4.1%	3.2%	7.3%	
Health benefits	1.3%	1.3%	<u>2.6%</u>	
Current total			<u>9.9%</u>	
Long-term care	0.0%	1.4%		<u>1.4%</u>
Total with l.t.c.				<u>11.3%</u>

Class 2 self-employed			sub-totals	
Social insurance			6.3%	
Health benefits			<u>2.6%</u>	
Current total			<u>8.9%</u>	
Long-term care				<u>1.4%</u>
Total with l.t.c.				<u>10.3%</u>

Class 3 non-employed (under 65)			sub-total	
Social insurance			5.7%	
Health benefits			<u>2.6%</u>	
Current total			<u>8.3%</u>	
Long-term care				<u>1.4%</u>
Total with l.t.c.				<u>9.7%</u>

Class 3 non-employed (over 65)			sub-total	
Social insurance			0.0%	
Health benefits			<u>1.0%</u>	
Current total			<u>1.0%</u>	
Long-term care				<u>1.4%</u>
Total with l.t.c.				<u>2.4%</u>

Current maximum and minimum contributions, plus long-term care

19. The maximum and minimum rates of contributions, currently effective in 2001, are set out below. These are the rates for social insurance and health benefits. The effect of adding long-term care insurance, at 2001 rates, is also shown.

Class 1 employed	Employer	Employee	Total
Earnings £76 (min.)	weekly contribution		
Social ins + health	£4.10	£3.42	£7.52
Long-term care	<u>0.0</u>	<u>£1.06</u>	<u>£1.06</u>
Total with l.t.c.	£4.10	£4.48	<u>£8.58</u>
Earnings £531 (max.)			
Social ins + health	£28.67	£23.89	£52.56
Long-term care	<u>£0.00</u>	<u>£7.43</u>	<u>£7.43</u>
Total with l.t.c.	£28.67	£31.32	<u>£59.99</u>

Class 2 self-employed			Total
Earnings £76 (min.)	weekly contribution		
Social ins + health		£6.76	
Long-term care		<u>£1.06</u>	
Total with l.t.c			<u>£7.82</u>
Earnings £531 (max.)			
Social ins + health		£47.26	
Long-term care		<u>£7.43</u>	
Total with l.t.c			<u>£54.69</u>

Class 3 non-employed (under 65)			Total
Income £152 (min.)	weekly contribution		
Social ins + health		£12 62	
Long-term care		<u>£2.13</u>	
Total with l.t.c.			<u>£14.75</u>
Earnings £531 (max.)			
Social ins + health		£44.07	
Long-term care		<u>£7.43</u>	
Total with l.t.c.			<u>£51.50</u>

Class 3 non-employed (over 65)			Total
Income £152 (min.)	weekly contribution		
Health		£1.52	
Long-term care		<u>£2.13</u>	
Total with l.t.c.			<u>£3.65</u>
Earnings £531 (max.)			
Health		£5.31	
Long-term care		<u>£7.43</u>	
Total with l.t.c			<u>£12.74</u>

Feasibility of the Courtney Amendment

20. The intention of the Courtney amendment was to limit the increase in contribution rates for long-term care insurance, to no greater than 1.0%, through increasing the upper earnings limit as necessary.
21. Instinctively, substantial reductions in the contribution rate may be considered achievable through increasing the upper earnings limit to the level of those people on extremely high earnings. The effect of this is not as significant as may be thought. This is because the number of people with such levels of earnings is very small relative to the whole working population.

22. The Government Actuary's Department can provide fairly accurate estimates of additional contribution income through modest increases in the upper earnings limits, as evidenced each year in the estimates provided for the Authority's benefit uprating proposals. There is a much higher level of uncertainty concerning the additional contribution income from very large increases in the upper earnings limit.
23. For modelling the effects of the Authority's annual benefit uprating proposals, the Government Actuary's Department takes a UK earnings distribution profile as a reasonable approximation for Guernsey. However, for the estimates contained in this report the department has also used supplementary data, specific to Guernsey, provided by the Authority in co-operation with the Income Tax Authority.
24. The Government Actuary's Department has advised that not even a total removal of the upper earnings limit would allow the percentage rate for long-term care insurance to reduce to 1.0%. The advice is that the contribution rate could not be brought down below 1.2%. To achieve 1.2%, the upper earnings limit would have to be around £1,340 per week (£69,680 p.a.), as shown below:

Contribution rate	Upper earnings limit	
	£p.w.	£p.a.
1.4%	£531	£27,612
1.3%	£720	£37,440
1.2%	£1,340	£69,680

25. At 1.2%, with an upper earnings limit of £1,340 per week the maximum contribution for long-term care would be £16.08 per week. This is more than double the maximum envisaged by the Authority in the proposals approved by the States in March 2001. The person paying this level of contribution would clearly be paying a tax because he or she would be paying twice the premium required for the scheme.
26. The Government Actuary's Department has advised that while there is reasonable confidence in the figure of £720 per week for the contribution rate of 1.3%, there is much more uncertainty in the figure of £1,340 for 1.2%. At this level of earnings, the estimates are highly sensitive to assumptions or changes in the earnings distribution profile of the working population. The sensitivity reflects the fact that the contribution income lost through a general reduction in the percentage rate has to be replaced by pushing the upper earnings limit further up at the point on the earnings distribution when the number of high earners is falling away rapidly. So replacement income is being pursued from a smaller and smaller number of people. By way of illustration, the UK earnings distribution profile has, over many years, proved to be a reasonable approximation for Guernsey for the purposes of modelling the effects of minor movements in the upper earnings limits, but it produces very different results for this particular exercise. When the Government Actuary's Department bases its estimates on the latest UK earnings distribution profile, the upper earnings limit necessary to allow a 1.2% contribution rate becomes £3,900 per week (£202,800 p.a.). The difference between this figure and the £1,340 per week calculated on Guernsey-based data exaggerates the difference between the earnings distribution profiles because of the sensitivity of the contribution returns at the very high income levels.

27. The Courtney amendment was mindful of the need to have the same upper earnings limit for the existing social insurance scheme, the existing health scheme and the proposed long-term care insurance scheme. This is necessary so that employers, particularly small employers without computerised payroll systems, would not have over-complicated tables for contribution deductions.
28. Notwithstanding the arguments against breaking the insurance principle, if it were decided to apply the 1.2% contribution rate and the £1,340 per week upper earnings limit to long-term care insurance, the same upper earnings limit of £1,340 per week could also be applied to the social insurance and health schemes. But the effects would be severe on high earning employed persons and particularly severe on self-employed persons.
29. The Government Actuary's Department has advised that an upper earnings limit of £1,340 per week would allow a combined reduction of 1.4% in the social insurance and health contribution rate, from 9.9% to 8.5%. But because this percentage rate would still be more than seven-fold the percentage rate for long-term care insurance, the impact on high earners is very significant, as shown below:

Impact on Class 1 employed persons

Weekly contributions for existing social insurance and health. Employer and employee shares combined. Long-term care not included		
Weekly earnings	Current UEL £531 p.w. Contribution rate 9.9%	UEL of £1,340 p.w. Contribution rate 8.5%
£100	£9.90	£8.50
£200	£19.80	£17.00
£300	£29.70	£25.50
£531 current max	£52.57	£45.13
£700	£52.57	£59.50
£1,340	£52.57	£113.90

Impact on Class 2 self-employed persons

Weekly contributions for existing social insurance and health. Long-term care not included		
Weekly earnings	Current UEL £531 p.w. Contribution rate 8.9%	UEL of £1,340 p.w. Contribution rate 7.5%
£100	£8.90	£7.50
£200	£17.80	£15.00
£300	£26.70	£22.50
£531 current max	£47.26	£39.82
£700	£47.26	£52.50
£1,340	£47.26	£100.50

Authority will not recommend above restructure to social tax

30. It becomes rapidly apparent, from the foregoing, that the effects of the Courtney amendment, carried across to the main social insurance and health contributions, would involve huge increases in the levels of contributions paid for exceptionally high earning employed and self-employed persons. The same would apply to non-employed persons with high income. The Authority would be totally opposed to a 112% increase in the contribution of a self-employed person earning £1,340 per week (£69,680 p.a.) in order to provide a 16% reduction in the contribution of the person earning £200 per week (£10,400 p.a.).
31. Pursuing the above approach would remove all links to an insurance based scheme, turning it into a hypothecated social tax. If it were pursued, it would present a strong case for a single collection of income tax and social security tax. This may well be desirable for administrative efficiency, but whether it would be desirable in the wider context of Guernsey's tax rates is debatable.

The Webber amendment

32. The amendment which was to have been placed by Deputy Webber addressed the lower end of the contribution scale, where people are first required to pay contributions.
33. In 2001 rates, a Class 1, employed person becomes liable for earnings-related contributions on earnings of £76 per week (£3,952 p.a.). For clarification, where earnings are £77 per week, contributions are levied on the full £77, not on £1.
34. A Class 2, self-employed person becomes liable for contributions on annual earnings of £3,952 (£76 per week). An annualised figure must be used to allow a smoothing of variable earnings. If a self-employed person has income of less than £3,952 per year the Authority makes enquiries to establish whether the person is doing so little by way of self-employment that he should properly be classified as non-employed. If the enquiry reveals that the person is indeed substantially self-employed but suffering a period of low earnings, that person remains classified as self-employed and is liable to pay a minimum Class 2 contribution. The minimum contribution is currently £6.76 per week, being the self-employed percentage rate of 8.9% multiplied by the lower earnings limit of £76 per week. This low level of contribution counts for all contributory social insurance benefits apart from unemployment benefit. Importantly, it protects the insurance record for old age pension purposes.
35. In 2001 rates, a Class 3, non employed person becomes liable for income-related contributions on annual income of £7,904 (£152 per week). There is no form of allowance and contributions are levied on the entire income, up to the upper income limit, once it meets or exceeds that lower limit.
36. Deputy Webber's amendment looked to have a common entry point for contributions, for all Classes, at the Class 3 level, being double the current Class 1 and Class 2 level.

The lower limits should not be aligned

37. The Authority considers that the lower earnings limit for employed and self-employed persons should not be doubled to align with the lower income limit for non-employed persons.
38. It is desirable, with regard to retirement incomes, for as many employed and self-employed workers as possible to be paying contributions that count towards old age pension. If the lower earnings limit were to align with the non-employed limit a number of low earners would lose the social protection of the pension scheme.

39. From the foregoing, the question may arise as to why the non-employed person under 65 should not have access to a low rate contribution for pension purposes. The non-employed person under 65, with income below the lower income limit of £7,904 p.a. is not liable for any contributions but has the option, if he or she so wishes, of paying a minimum rate Class 3 contribution of £12.62 per week. This contribution counts towards old-age pension and survivor's benefits.
40. The Authority sees a distinction between non-employed persons under 65, many of whom have chosen not to work, and employed and self-employed persons. There are differences which persuade the Authority against raising the lower earnings limit, as the Webber amendment envisages, to align with the lower income limit for non-employed persons.

Future pressures on contribution rates

41. The Authority requests the States to consider this report having regard to other pressures on contribution rates that will be experienced in the medium and longer term.
42. The most immediate pressure may come from the renegotiations of the specialist health insurance scheme. These are major contracts between the States and the Medical Specialist Group, the Ophthalmic Group, the Guernsey Physiotherapy Group and the Alderney doctors. The Authority is not yet in a position to judge whether the 1.0% contribution rate, that has remained constant throughout the seven year contracts, will follow through to the revised contracts. The balance between on-island and off-island specialist medical treatment and the increase or decrease in the range of services to be covered under the local contracts will be material.
43. A second major pressure comes from the pharmaceutical service which, like the specialist health insurance scheme, is financed from the Guernsey Health Service Fund. The Authority, assisted by the Board of Health and the Prescribing Support Unit, is making determined efforts to ensure best value for money on prescription drugs. But it remains a constant struggle, with the continuous arrival of new drugs to treat disease and to improve quality of life. If expenditure on drugs exceeds growth in contribution income for a sustained period contribution rates will have to increase.
44. The third pressure on contribution rates comes from the changing demography and the declining ratio of contributors to pensioners. This has long been forecast, but, having entered the new millennium, we are fast approaching the time, around 2010, when the ratio begins to worsen markedly.
45. The Authority makes these points about other pressures on contribution rates to explain why, although it expects the long-term care insurance percentage rate to remain at 1.4% for 15 years, it cannot specify with certainty a global contribution rate to cover social insurance, health insurance and long-term care insurance from the date in the future when the legislation for the latter comes into effect.

Conclusions

46. Having researched this matter carefully, and having taken advice from the Government Actuary's Department, the Authority is of the opinion that the percentage contribution rate for long-term care insurance must remain at 1.4%, as specified in its previous report to the States. Much work had gone into that previous report and a financing model had been designed that should allow the contribution rate of 1.4% to remain at that level for 15 years.

47. Notwithstanding the above, the Authority was quite willing to give due consideration to the ideas promoted by Douzenier Courtney and Deputy Webber through the separate amendments that they had prepared.
48. Figures provided by the Government Actuary's Department indicate that even a complete removal of the upper earnings limit would not allow the percentage rate for long-term care insurance to reduce to 1.0%, which Douzenier Courtney sought. It could reduce down to as far as 1.2%, through increasing the upper earnings limit from £531 per week to £1,340 per week, an increase of 152%.
49. The Authority is firmly opposed to an increase of this magnitude in the upper earnings limit. It would destroy the insurance principle that underpins the contributory schemes. It would result in the highest earners paying approximately £16 per week for long-term care insurance instead of the £7.43 per week (2001 rates) proposed by the Authority.
50. If, as would seem inevitable for practical reasons, a revised upper earnings limit of £1,340 per week were similarly applied to the existing social insurance and health schemes, a reduction in contribution rates would be possible, but there would be massive net increases in the contributions paid by the highest earners. Aside from long-term care insurance, the maximum contribution for employed persons would more than double to £113 per week, shared by employer and employee. The maximum contribution for self-employed persons would also more than double to £100 per week. The Authority considers increases of this order to be totally unacceptable.
51. The Authority is of the opinion that the percentage contribution rate for long-term care insurance and the upper and lower earnings limits should be as previously reported to the States and approved by the States, subject to routine increases through the Authority's annual benefit and contributions uprating policy letter.

Recommendation

52. The Authority recommends the States to note this report.
53. I have the honour to request that you will be good enough to lay this matter before the States with the appropriate proposition.

I am, Sir,
 Your obedient Servant,
 O. D. LE TISSIER,
 President,
 Guernsey Social Security Authority.

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

31 May 2001.

Sir,

I refer to the policy letter dated 25th May 2001 addressed to you by the President of the Guernsey Social Security Authority on the subject of Earnings Limits for Long-Term Care Insurance Scheme and Other Schemes.

Members of the States will recall that the Advisory and Finance Committee had, and it continues to have, serious reservations about the whole structure of funding for the Long-Term Care Insurance Scheme and the Committee is continuing to discuss those concerns with the Authority.

The Committee however concurs with the conclusions of the Authority on the issues raised by Douzaine Representative Courtney and Deputy Webber during the debate and recommends the States to note the report.

Yours faithfully,

L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

V.— Whether, after consideration of the Report dated the 25th May, 2001, of the Guernsey Social Security Authority, they are of opinion:—

To note that Report.

STATES BOARD OF HEALTH

PRINCESS ELIZABETH HOSPITAL – REFURBISHMENT OF PHARMACY

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

24th May, 2001.

Sir,

Princess Elizabeth Hospital - Refurbishment of Pharmacy

1. This project was identified in the Board's policy letter on the revised site development plan which was approved in principle by the States in July 1999 (Billet d'État XV)
2. The existing Pharmacy Department at the Princess Elizabeth Hospital was built some 25 years ago and needs to be completely refurbished in order to bring the department up to modern standards in line with Hospital Building Note 29, which is the standard building note for Pharmacy Departments as published by the NHS. The key reasons for the upgrade are as follows.
 - To bring aseptic facilities up to required standards resulting from the Farwell Report, published in the UK in 1994 and subsequent investigations of such facilities throughout the UK by the NHS. The isolators, in particular, used for the preparation of agents such as cytotoxic drugs for chemotherapy, no longer meet the above requirements and have been the subject of criticism by both the external auditor of pharmacy quality control and Professor Edwards, who was commissioned by the Advisory and Finance Committee in 1999 to review the Board's site development plan proposals. Isolators need to operate in an ultra clean environment to ensure that the end product is of the highest quality at all times in the interests of patient safety.
 - To create a third clean room to enable the introduction of new services such as certain regimes now used in the treatment of bladder cancer.
 - To improve air handling in the main dispensary area, which is currently inadequate for the storage of medicines.
 - To improve services such as medicines information and provide adequate accommodation and facilities for the Prescribing Support Unit.
 - To develop a more flexible layout within the department in order to respond to future changes, including possible increased automation.
 - To improve security of controlled drugs storage and of the department itself.
 - To effect general refurbishment needed due to the age of the department.

3. The Pharmacy has been temporarily relocated elsewhere in the hospital and is now occupied by the Sterile Services Department, whilst the latter is upgraded. This work was approved by the States in October 2000 (Billet d'État XX) and is nearing completion. The Sterile Services Department will shortly move back to its own refurbished accommodation thus vacating the Pharmacy area to allow the above works to be undertaken. Pharmacy will remain decanted until the project is complete.
4. A plan showing the current and proposed layout for the Pharmacy is shown in Appendix 1.

Description of Works and Tendering Process

5. The main elements of the project are as follows:
 - provision of an Aseptic Suite within the department incorporating three 'clean' rooms;
 - supply and installation of air handling plant and ventilation ductwork;
 - general building works;
 - modification and extension of existing electrical, mechanical, fire alarm, communications and security installations;
 - supply and installation of suitable racking and shelving;
 - supply and installation of suspended ceilings;
 - supply and fitting of replacement floor coverings;
 - supply and installation of appropriate Information Technology equipment.
6. The Board sought tenders from four firms for the Aseptic facility and three tenders were received as follows:

Envair Ltd	– £107,029
Clean Room Construction (London) Ltd	– £176,694
Amercure Ltd	– £188,860

Following evaluation, it is recommended that this element of the project be awarded to Envair Ltd in the sum of £107,029.

7. The Board sought tenders from three firms for air handling plant and two tenders were received as follows:

Air Handling Systems Ltd	– £29,429
Dalair Ltd	– £34,830

Following evaluation, it is recommended that this element of the project be awarded to Air Handling Systems Ltd in the sum of £29,429.

8. The Board sought tenders from two firms for ventilation ductwork and one tender was received as follows:

Guernsey Ducting and Manufacturing Ltd	– £28,341
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Following evaluation, it is recommended that this element of the project be awarded to Guernsey Ducting and Manufacturing Ltd in the sum of £28,341.

9. The Board sought tenders from five firms for electrical installation work and three tenders were received as follows:

F W Rihoy Ltd	–	£21,025
Guernsey Air Conditioning Ltd	–	£21,710
Amalgamated Engineers Ltd	–	£29,150

Following evaluation, it is recommended that this element of the project be awarded to F W Rihoy Ltd in the sum of £21,025.

10. For the supply of specialist racking/shelving, the Board wishes to use Sintak Ltd. This firm was the only one to meet the Board's stringent specification when tenders were sought in 2000 for this item for the Sterile Services Department at the Princess Elizabeth Hospital. The requirement remains that the system be appropriate for current usage and lend itself to stock control automation in the longer term. The Board, therefore, wishes to accept their quotation in the sum of £88,194
11. The Board intends to undertake the general building work using its own directly employed staff. Costs have been estimated at £84,200 for labour and £93,000 for materials. The latter is wide ranging and includes floors, windows, internal walls/partitions, internal and external doors, wall finishes, sanitary/disposal fittings and water installations. A sum of £20,000 has also been identified for IT equipment. Outside contractors will be used for the specialist elements in addition to those already described above (eg floor coverings, ceilings, security equipment, fire alarm installations) for which quotations will be obtained as appropriate in accordance with States procedures. A sum of £102,337 has been included in the costings below for these items.
12. The main cost elements of the project, as estimated by the Board's Estates Department and Department of Architecture and taking account of the tenders/quotations received are set out below:

	£
Superstructures	64,500
Internal finishes	44,500
Fittings (includes specialist racking/shelving and IT equipment)	129,000
Services (includes air conditioning plant, ventilation ductwork and electrical installation)	170,555
Alterations (includes creation of Aseptic Suite)	165,000
Contingencies	25 000
TOTAL	598,555

The scheme, including commissioning, will have a duration of approximately 50 weeks.

Recommendations

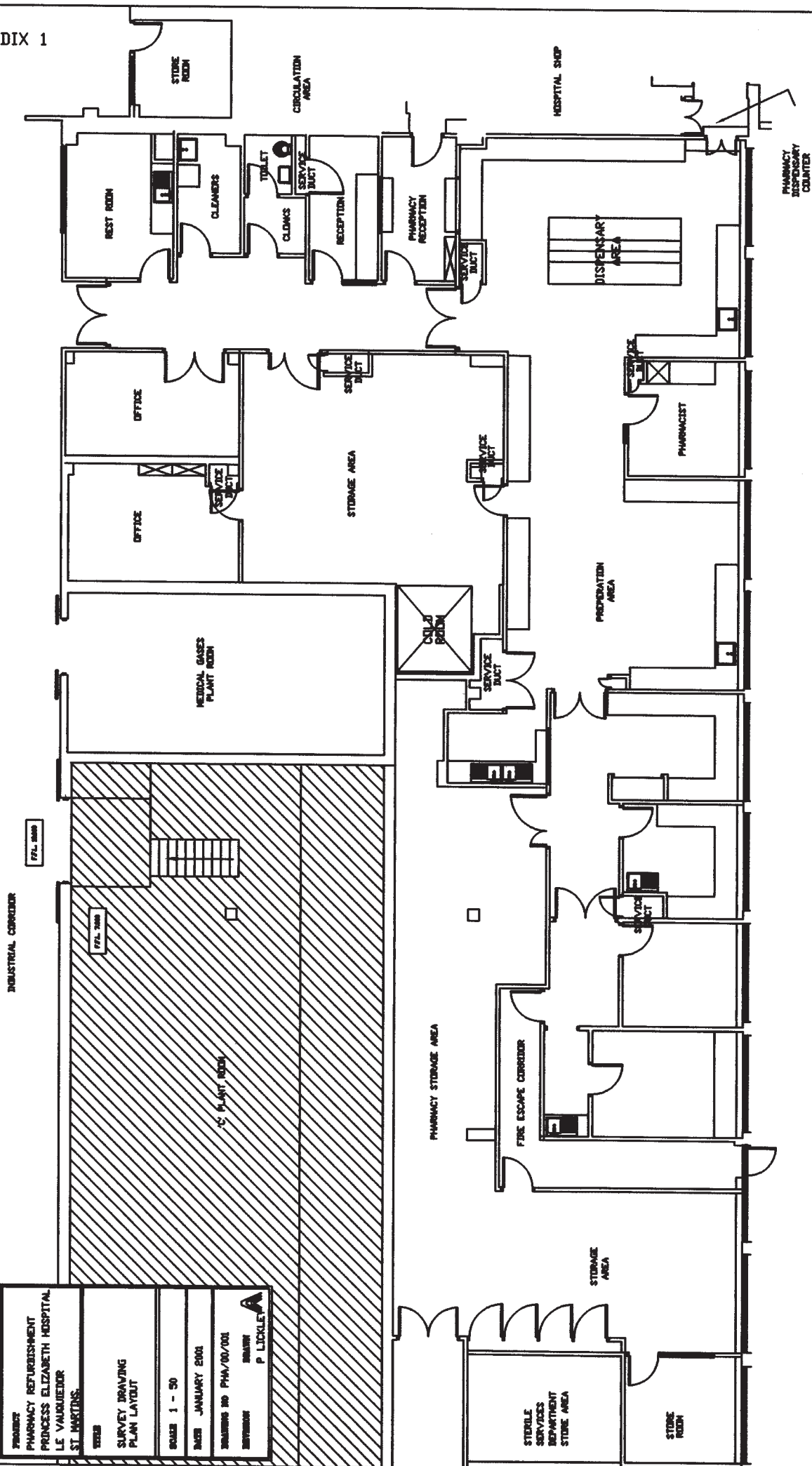
13. The Board of Health requests the States:
- to authorise the work required to refurbish the Pharmacy at the Princess Elizabeth Hospital as set out in this report at a total cost not exceeding £598,555;
 - to authorise the Board to accept the tender submitted by Envair Ltd in the sum of £107,029 for the Aseptic Suite;

- iii. to authorise the Board to accept the tender submitted by Air Handling Systems Ltd in the sum of £29,429 for the air handling plant;
- iv. to authorise the Board to accept the tender submitted by Guernsey Ducting and Manufacturing Ltd in the sum of £28,341 for the ventilation ductwork;
- v. to authorise the Board to accept the tender submitted by F W Rihoy Ltd in the sum of £21,025 for the electrical installation work;
- vi. to authorise the Board to award the supply of specialist racking/shelving to Sintak Ltd in the sum of £88,194.
- vii. to vote the Board of Health a credit of £598,555 to cover the cost of the above works, which sum shall be taken from the Board of Health's allocation for capital expenditure.

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

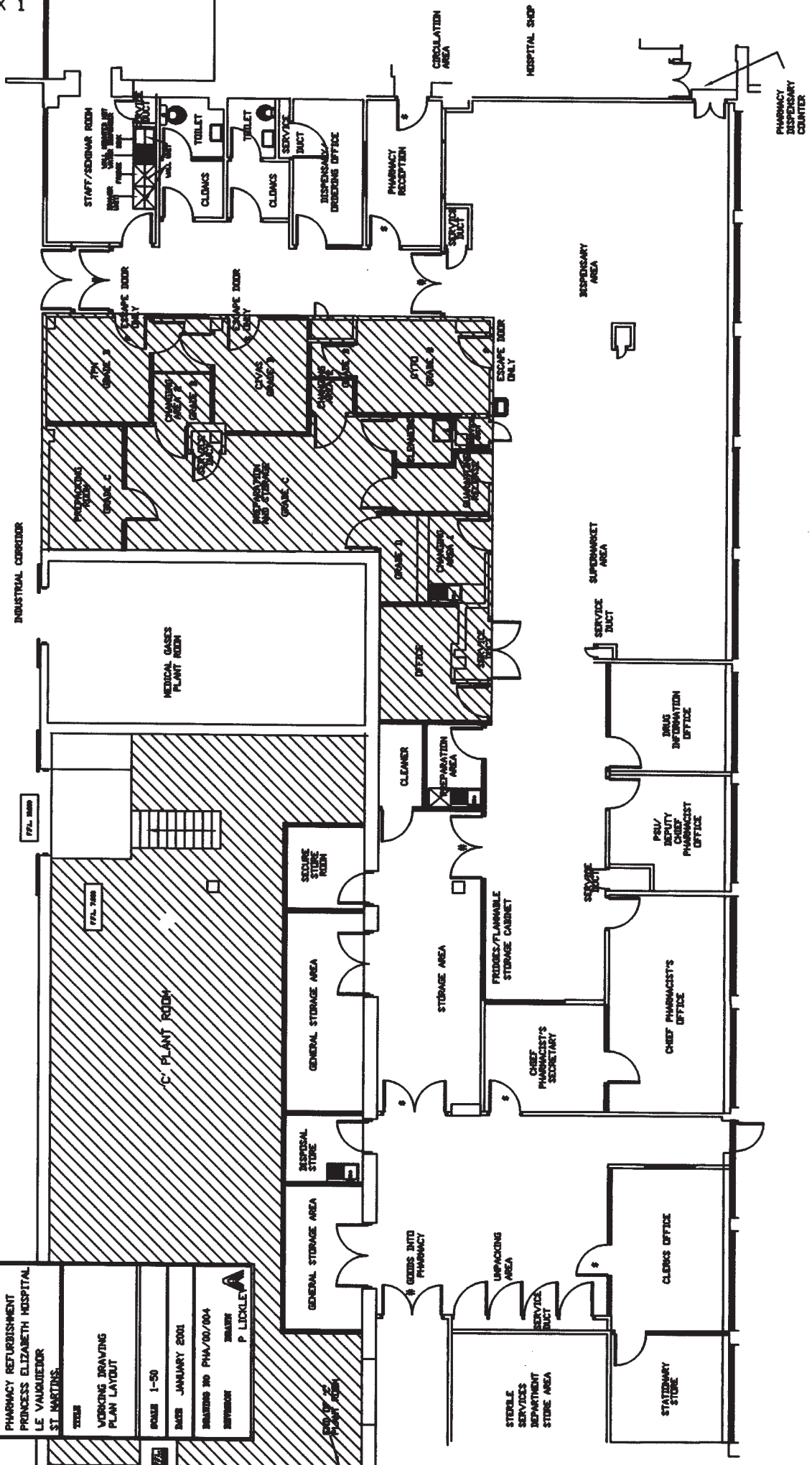
I am, Sir,
Your obedient Servant,
P. J. ROFFEY,
President,
States Board of Health.

BOARD OF HEALTH ESTATES DEPARTMENT PRINCESS ELIZABETH HOSPITAL GUTHRIE C.I.	
PROJECT	PHARMACY REFURBISHMENT PRINCESS ELIZABETH HOSPITAL LE VALQUEUR ST MARTINS
DESIGNER	STURGEON & PARTNERS SURVEY DRAWING PLAN LAYOUT
SCALE	1 - 50
DATE	JANUARY 2001
DRAWING NO	PHA/00/001
REVISION	BY P LICKLEY A



APPENDIX 1

BOARD OF HEALTH ESTATES DEPARTMENT PRINCESS ELIZABETH HOSPITAL GUERNSEY C.I.	PHARMACY PHARMACY REFURBISHMENT PRINCESS ELIZABETH HOSPITAL LE VAQUEDOR ST MARTINS.	DESIGN WORKING DRAWING PLAN LAYOUT	BOULE 1-50	DRAWN BY PHA/00/004	DATE JANUARY 2001	REVISION P LICKLE
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[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 May, 2001, of the States Board of Health, they are of opinion:—

1. To authorise the work required to refurbish the Pharmacy at the Princess Elizabeth Hospital as set out in that Report at a total cost not exceeding £598,555.
2. To authorise the States Board of Health to accept the tender in the sum of £107,029 submitted by Envair Limited for the Aseptic Suite.
3. To authorise the States Board of Health to accept the tender in the sum of £29,429 submitted by Air Handling Systems Limited for the air handling plant.
4. To authorise the States Board of Health to accept the tender in the sum of £28,341 submitted by Guernsey Ducting and Manufacturing Limited for the ventilation ductwork.
5. To authorise the States Board of Health to accept the tender in the sum of £21,025 submitted by F. W. Rihoy Limited for the electrical installation work.
6. To authorise the States Board of Health to award the supply of specialist racking/shelving to Sintak Limited in the sum of £88,194.
7. To vote the States Board of Health a credit of £598,555 to cover the cost of the above works, which sum shall be taken from that Board's allocation for capital expenditure.

STATES BOARD OF HEALTH

TRANSPORTATION, HANDLING, STORAGE AND DISPOSAL OF CLINICAL WASTE AND REPLACEMENT OF THE CLINICAL WASTE INCINERATOR AT THE PRINCESS ELIZABETH HOSPITAL

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

24th May, 2001.

Sir,

TRANSPORTATION, HANDLING, STORAGE AND DISPOSAL OF CLINICAL WASTE AND REPLACEMENT OF THE CLINICAL WASTE INCINERATOR AT THE PRINCESS ELIZABETH HOSPITAL

INTRODUCTION AND BACKGROUND

1. The handling, storage, transporting and disposal of clinical waste must comply with the requirements of the Health and Safety at Work (General) (Guernsey) Ordinance, 1987, and Guernsey Public Health Law. All waste operations will be subject to a system of licensing by the Environmental Health Department under Control of Pollution Legislation, drafting of which has been approved by the States. The Board of Health intends that the proposed new arrangements for clinical waste management will be subject to licensing by the Environmental Health Department in anticipation of enactment of the law. The requirements for disposal of clinical waste necessitate a system which meets the following criteria:
 - burning temperatures to be above 1000°C on both combustion chambers;
 - combustion gas dwell time to be in excess of two seconds;
 - flue gas cleaning and particulate removal, ie. bag or ceramic filters in conjunction with lime and activated carbon injection;
 - mechanical ash handling for both grate and flue ash;
 - continued process monitoring and twice yearly gas emission monitoring;
 - certification of plant and training and certification of operators;
 - tracking system, source to incineration, of all clinical waste;
 - safe storage and transportation of clinical waste in secure rigid containers to reduce the handling of waste;
 - consignment notes for the transportation of special waste;
 - compliance with 'the proximity principle' ie. that waste should be treated and disposed of close to the point of waste production.

2. Clinical waste is any waste which consists wholly or partly of:

- human or animal tissue; **
- blood or other body fluids;
- excretions;
- drugs or other pharmaceutical products;
- swabs or dressings;
- syringes, needles or other sharp instruments;
- any other waste arising from medical, nursing, dental, veterinary, pharmaceutical or similar practice.

3. Clinical waste is categorised as follows:

Waste Group	Type of Clinical Waste
Group A	Includes the following items: identifiable human tissue,* blood, animal carcasses and tissue from veterinary centres, hospitals or laboratories.** Soiled surgical dressings, swabs and other similar soiled waste. Other waste materials, for example from infectious disease cases, excluding any in Groups B - E.
Group B	Discarded syringe needles, cartridges, broken glass and any other contaminated disposable sharp instruments or items.
Group C	Microbiological cultures and potentially infected waste from pathology departments and other clinical or research laboratories.
Group D	Drugs or other pharmaceutical products.
Group E	Items used to dispose of urine, faeces and other bodily secretions or excretions which do not fall within Group A. This includes used disposable bed pans or bed pan liners, incontinence pads, stoma bags and urine containers. ***

* *All identifiable human tissue, whether infected or not, may only be disposed of by incineration.*

** *It is not proposed that animal tissue or carcasses should be disposed of in a clinical waste incinerator run by the Board of Health but reference to them is included to ensure completeness of the definition of clinical waste.*

*** *Where the risk assessment shows there is no infection risk, Group E wastes are not clinical wastes as defined.*

The incineration of clinical waste produces an ash residue of, typically, 10% the volume of waste treated. Such ash residue comprises 75 - 90% bottom ash from the furnace grate, composed mainly of mineral oxides with minor contaminants and is sterile, and 10 - 25% fly ash, which is the more contaminated material collected during flue gas treatment.

4. All clinical waste produced by Board of Health services, with the exception of cytotoxic drugs, is disposed of by incineration at the Princess Elizabeth Hospital. Cytotoxic drugs are currently being stored, as it is considered unsafe to use the existing incinerator for their disposal and there is no on-island alternative. Some but not all of the clinical waste produced by non-Board of Health services is currently delivered to the Princess Elizabeth Hospital by the producer and also disposed of in the incinerator. When transporting special waste (eg. cytotoxics) it is necessary that a consignment note must accompany the waste at all times up until disposal.
5. The Princess Elizabeth Hospital clinical waste incinerator was installed and commissioned in 1984. Due to the age of the plant, it does not meet current requirements, as listed in section 1 above, so there is a need for its replacement. The urgency of the need for incinerator replacement and the need for improved clinical waste management procedures have been emphasised by the following “Prohibition Notice” serviced on the Board of Health on 5 October 2000 by the Health and Safety Executive:

“To prohibit the use of the Robert Jenkins Consumat incinerator to burn clinical waste at the Princess Elizabeth Hospital from 30 June 2002 or the date a viable export alternative becomes available, whichever is the sooner. The potential harm caused by toxic exit gases is significant and cannot be adequately controlled.”

THE PROPOSED SYSTEM

6. In order to determine the best way forward for effective handling, storage, transportation and disposal of clinical waste, tenders for specialist advice were invited. As a result, W S Atkins Ltd, a specialist consultant engineer, was commissioned to consider the possible options for the future and to recommend the way forward.
7. This entailed a full survey of current operations and an audit of clinical waste management throughout the island over a four month period and the production of a report at a cost of £49,950.00. The options for disposal considered were:
 - i. to continue with the existing incinerator until the proposed municipal Waste-to-Energy plant is operational and to incorporate clinical waste handling and incineration in the Waste-to-Energy plant;
 - ii. to shut down the existing incinerator and export all clinical waste to the UK or France until the Waste-to-Energy plant is operational;
 - iii. to shut down the existing incinerator, implement strict segregation and export all clinical waste to the UK or France until the Waste-to-Energy plant is operational;
 - iv. to shut down the existing incinerator, implement strict segregation, install a disinfection treatment plant at the Princess Elizabeth Hospital, landfill treated waste until the Waste-to-Energy plant is operational; then either to burn as municipal solid waste or install a dedicated clinical waste incinerator at the Waste-to-Energy plant and export incineration-only waste;
 - v. to shut down the existing incinerator and convert the existing animal carcass incinerator to burn clinical waste, either permanently or until the Waste-to-Energy plant is operational;

- vi. to shut down the existing incinerator, convert the existing animal carcass incinerator to burn high-risk clinical waste, implement strict segregation, install a disinfection treatment plant at the Princess Elizabeth Hospital and landfill treated waste until the Waste-to-Energy plant is operational; then either to burn as municipal solid waste or install a dedicated clinical waste incinerator at the Waste-to-Energy plant;
 - vii. to replace the existing clinical waste incinerator at the existing Princess Elizabeth Hospital site with one which meets the required standards and export all clinical waste to the UK or France until the new incinerator is operational;
 - viii. to replace the existing clinical waste incinerator at the Princess Elizabeth Hospital with one which meets the required standards, implement strict segregation and export clinical waste to the UK or France until the new incinerator is operational;
 - ix. to replace the existing clinical waste incinerator at the existing Princess Elizabeth Hospital site with one which meets the required standards, to implement strict segregation, install a disinfection treatment plant on the Princess Elizabeth Hospital site and landfill treated waste until the new incinerator is operational; exporting incineration-only waste;
 - x. to build a new clinical waste incinerator elsewhere on Board of Health land to meet UK standards and continue operation of the existing incinerator in the planning and construction period;
 - xi. to install a new incinerator which meets the required standards in parallel to the existing incinerator, using an adjacent area of utility building at the Princess Elizabeth Hospital;
 - xii. to modify the existing incinerator at the Princess Elizabeth Hospital to meet the required standards and ensure minimum non-operational time during modification.
8. The exporting of clinical waste has the advantage of removing hazardous materials from the island for destruction elsewhere. A number of merchant incinerators in the UK would be eager to accept clinical waste if permitted. The disadvantages include high cost, security of disposal route and contravention of the Basle Convention which governs the exporting of hazardous waste through the European Union.
9. The Basle Convention requires the disposal of clinical waste to be as close as possible to its production. Consequently, it is necessary to pursue an option which allows disposal locally at the earliest opportunity. Legislation is currently being enacted which will allow the States of Guernsey to become a signatory to the Basle Convention on the Control of Transboundary Movements of Hazardous Waste. This legislation is likely to be in place during 2001, leading to signature and ratification of the Convention during 2002. Meanwhile, there is a memorandum of understanding with the UK which allows for the exportation from Guernsey of small quantities of hazardous waste but would not allow wholesale exportation of all clinical waste.
10. Consideration was given to the option of awaiting the development of a Waste-to-Energy Incinerator, the proposals for which are currently being developed by the Board of Administration. This option was discounted for the following reasons:
- i. the majority of clinical waste produced on the island is within a one and a half mile radius of the Princess Elizabeth Hospital and by far the largest proportion of this is produced at the Princess Elizabeth Hospital. Use of the Waste-to-Energy incinerator

would entail the potential hazard of transporting relatively high volumes of clinical waste by vehicles across island. The Chief Environmental Health Officer has commented “It is an accepted environmental principle that, wherever practical, waste should be treated and disposed of close to the point of waste production: ‘the proximity principle’. Whilst this principle is generally applied to regional waste arisings, it is particularly pertinent with respect to clinical waste where transportation can be especially problematic due to the hazardous and sensitive nature of the waste. The further the waste is transported, the greater becomes the risk of accident or mishap and the greater becomes the risk of exposing the public to the associated hazards. Disposal of waste close to the site of production reduces the risk. Additionally, there is environmental benefit from reducing vehicle movements. There are reduced emissions and reduced congestion. Since the large majority of Guernsey’s clinical waste originates at the Princess Elizabeth Hospital there are environmental and public health advantages in treating the waste at this site.”

- ii. There would be a need to include a clinical waste incinerator in addition to the proposed municipal incinerator on the Longue Hougue site as it would be uneconomic to burn all waste at 1000°C. The capital costs saved by this proposal compared to the preferred solution would, therefore, be minimal.
 - iii. Without co-generation (burning clinical and domestic waste together) there would be a need for two waste streams to be developed on the Longue Hougue site. This would increase the risk of clinical waste being disposed of through the municipal incinerator.
 - iv. The revenue costs of the service would be higher than present costs as there would be virtually no reduction in the revenue expenditure for the Board of Health but there would be the additional cost of running a clinical waste stream at the municipal incinerator site.
 - v. The urgent need to cease operation of the existing incinerator at the Princess Elizabeth Hospital, as indicated by the prohibition notice and the lack of a viable alternative for disposal of clinical waste. It is understood that the Waste-to-Energy Incinerator will not be completed until 2005. In a memorandum to the Environmental Health Department, the Health and Safety Executive stated “We in Health and Safety, under our own legislation, can not and will not let this matter drift on until a waste to energy plant has been commissioned. The issues of clinical waste have to be tackled.” This statement was later reinforced by the prohibition notice.
11. Consequently, the favoured option is replacement of the incinerator at the Princess Elizabeth Hospital with one which meets current standards and installation of the new incinerator in parallel to the existing incinerator, using the adjacent waste storage area. This option includes contingency arrangements to ensure the continued availability of the incinerator plant.
 12. As part of the work commissioned from W S Atkins Ltd, a comprehensive audit of clinical waste management was carried out between 19 and 30 June 2000. The audit methodology included site visits, document reviews, interviews with key staff and with non-Board of Health producers of clinical waste. The recommendations from this audit, which relate to the handling, transportation and storage of clinical waste, are presently being introduced throughout the Board of Health’s services and will be extended to non-Board of Health producers during the summer of 2002.
 13. W S Atkins Ltd was also commissioned, as a separate exercise, to assist in the preparation of tender documentation, for the design, manufacture and installation of a clinical waste incinerator at the Princess Elizabeth Hospital. The cost of this commission was £23,500.

14. It is essential that all clinical waste, including that produced by non-Board of Health sources, is stored, handled, transported and disposed of in a safe manner. In order to ensure this is done as economically as possible, it is considered that the Board of Health should provide the collection and disposal service for other producers of clinical waste and charge the producer accordingly.
15. The formal training of staff who handle clinical waste is essential to ensure the safety of staff, patients and the public. A programme of training through a video presentation is presently being implemented through the Board of Health's services. This procedure will be extended to non-Board of Health producers of clinical waste during the summer of 2002.
16. The proposed operational procedure for the management of clinical waste is as follows:
 - all clinical waste produced in clinical areas, including non-Board of Health premises, will be placed in a yellow bag and then stored in a rigid container on wheels or in a disposable bin, ready for collection;
 - the frequency of collection will be determined by the rate of clinical waste production in each area;
 - all bins will be transported, if necessary by a dedicated vehicle, to the incinerator at the Princess Elizabeth Hospital by Board of Health staff;
 - the clinical waste bins will be automatically tipped and emptied into the incinerator hopper, where disposal will take place;
 - empty bins will be washed and stored in the incinerator loading bay ready for being transported back to the clinical areas;
 - following operation of the incinerator, the process involved for removal of bottom and fly ash will include a mechanically operated conveyor system, which will deposit the ash into an enclosed skip ready for disposal;
 - the bottom ash produced will be suitable for disposal to landfill at Mont Cuét or, after analysis, may prove suitable for land reclamation at Longue Hougue.
17. At present there is no disposal site in Guernsey suitable to receive fly ash. The temporary storage of the small volumes of clinical waste fly ash is possible until either export of fly ash is possible, which may be the case once Guernsey accedes to the Basle Convention or an interim export arrangement with the UK is possible. It is likely, however, that a long-term disposal facility for fly ash will have to be developed in Guernsey to accommodate the larger volumes of ash from the Waste-to-Energy municipal waste plant and this facility would be the preferred disposal option for fly ash from the clinical waste incinerator.

REVENUE AND STAFFING CONSEQUENCES

18. The proposed replacement incinerator plant and the extension of service provision to include all non-Board of Health producers of clinical waste will require one additional member of staff. This will increase staff members in the department from four to five in order to provide a service on seven days a week for eight hours a day on weekdays and six hours a day at weekends. The duties of the staff will be as follows:
 - the first member of staff will operate the incinerator, load and unload clinical waste bins and wash all bins ready for collection;

- the second member of staff will collect all clinical waste and domestic waste on the Princess Elizabeth Hospital site;
- the third member of staff will drive the main vehicle for the transportation of the bins to and from the incinerator;
- the fourth member of staff will drive a smaller vehicle for collection of clinical waste from low producers of waste and all community renal patients;
- the fifth member of staff will provide cover for the days off of all the above.

It is proposed to reclaim the revenue costs associated with this increase in establishment from the users of this service but the establishment cannot be found from within the Board's existing total establishment.

19. Other revenue costs associated with the incinerator plant include transport, maintenance and reagent supplies and running costs for the filtration plant. Whilst it is intended to conserve energy and keep costs down by installation of a waste heat boiler, it is estimated that total revenue costs will exceed the existing expenditure of £130,000 by approximately £40,000 per annum.

DESCRIPTION OF WORKS AND TENDERING PROCESS

20. The project is to be divided into four main elements as follows:

- a) Lump Sum Contract for the Design, Manufacture, Installation and Commissioning of a Clinical Waste Incinerator with Associated Building and Engineering Works
 - Engineering works associated with the repositioning of one oil storage tank in order to locate the new clinical waste incinerator.
 - The design, manufacture, installation and commissioning of a replacement incinerator, the contract for which will be on a 'design and construct' basis.
 - Installation of waste heat boiler.
 - Installation of a temporary chimney stack for flue gas emission from the replacement plant in order to maintain the disposal of clinical waste during the construction period of the project by allowing the existing incinerator to continue to operate.
 - Installation of the bag filtration plant following removal of the existing hospital incinerator.
 - Installation of the new incinerator chimney stack and removal of the temporary stack.
 - Associated building works necessary for the installation of the new plant.
 - The purchase and installation of a clinical waste bin washer in the bin storage area.

Three companies were invited to tender for these works and the following tenders have been received:

	£
Waste Technology (NZ) Ltd (Whirlstream)	1,294,472
Facultateiv Technologies Ltd	1,457,890
Seghiers Better Technology UK	2,032,200

The tendering process included pre-selection assessment with a full appraisal procedure carried out with the assistance of W S Atkins Ltd.

Acceptance of the lowest tender from Waste Technology (NZ) Ltd (Whirlstream) in the sum of £1,294,472 is recommended.

b) Purchase of Clinical Waste Storage Bins

- The purchase of 112 clinical waste bins required for storing clinical waste.

Four companies were invited to tender for these bins and the following tenders have been received:

	£
Salo MGB Ltd	13,078.93
Kliko Environmental Ltd	15,458.00
Bin Systems	16,666.93

Acceptance of the tender from Kliko Environmental Ltd in the sum of £15,458.00 is recommended as, although that submitted by Salo MGB Ltd was the lowest, it did not fully comply with the Board's specification which required, inter alia, that bins have United Nations approval for health and safety reasons.

c) Purchase of Two Vehicles for Transporting Clinical Waste

- The purchase of two appropriately designed vehicles for transporting clinical waste.

Ten companies were invited to tender for these vehicles and the following tenders have been received.

	£
VMW Commercials	43,350
Bougourd Ford	50,694

Acceptance of the lowest tender from VMW Commercials in the sum of £43,350 is recommended.

d) Provision of Clinical Waste Storage Areas

It will be necessary to make various adaptations in wards and departments so that the new clinical waste bins can be stored appropriately. This work will be undertaken by the Board's Estates Department and is estimated at £50,000.

21. In addition, allowances must be made for consultants' fees, project management, contingencies and fluctuations, as follows:

a) Consultants' Fees

The production of a report by W S Atkins, as detailed in 7 above, cost £49,950 and their assistance with the tendering process, as detailed in 13 above, cost £23,500, giving total costs of £73,450.

b) Project Management Costs

This project will be managed in-house by managers from the Board of Health's Estates Department. The work that would otherwise have been performed by them will be

covered by overtime and contracting work out. At £25,000, this results in a cheaper service than a contract for project management, an estimate for which was £150,000.

c) Contingencies and Fluctuations

5% has been allowed for contingencies and fluctuations, which amounts to £75,087. This figure is higher than would be usual due to the nature of the contract. As it is 'design and construct', it is necessary to allow for greater flexibility than for a contract where the detailed design has been determined before tender stage. Every effort will be made to limit this expenditure but it is considered prudent to make allowance at this stage rather than risk the need to return to the States to request an additional capital vote, because of the delay which could thereby be created.

SUMMARY OF COSTS

22. The total costs are as follows:

	£
a) Lump sum contract for the design, manufacture, installation and commissioning of a clinical waste incinerator, with associated building and engineering works.	1,294,472
b) Purchase of clinical waste storage bins	15,458
c) Purchase of two vehicles for transporting clinical waste	43,350
d) Provision of clinical waste storage areas	50,000
e) Pre-contract Consultant's fees	73,450
f) Project management costs	25,000
g) Allowance for fluctuations and contingencies	75,087
TOTAL	1,576,817

RECOMMENDATIONS

23. The Board of Health recommends the States:

- a) to authorise the design, manufacture and installation of a replacement clinical waste incinerator, which includes associated building and, engineering works;
- b) to authorise the Board of Health to accept the tender from Waste Technology (NZ) Ltd for the design, manufacture and installation of a clinical waste incinerator at the Princess Elizabeth Hospital and associated works in the sum of £1,294,472.
- c) to authorise the Board of Health to accept the tender from Kliko Environmental Ltd in the sum of £15,458 for the purchase of clinical waste storage bins;
- d) to authorise the Board of Health to accept the tenders from VMW Commercials in the sum of £43,350 for the purchase of two vehicles for transporting clinical waste;

- e) to authorise the Board of Health to undertake adaptations in wards and departments to provide appropriate clinical waste storage areas at a cost not exceeding £50,000;
 - f) to authorise the Board of Health's Estates Managers to manage the project at a cost of £25,000;
 - g) to vote the Board of Health a credit of £1,576,817 for the above purposes, including pre-contract consultants' fees, fluctuations and contingencies which sum to be taken from the Board of Health's allocation for capital expenditure;
 - h) to direct the Advisory and Finance Committee to take due account of the estimated additional revenue costs of transport, maintenance and reagent supplies for the filtration plant when calculating and recommending to the States the Board of Health's revenue budget for the year 2002 and subsequent years;
 - i) to direct the Civil Service Board to have regard to the staffing establishment required by the Board of Health in connection with the replacement of the incinerator and the revised arrangement for transporting and handling of clinical waste.
24. 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,
P. J. ROFFEY,
President,
States Board of Health.

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

31 May 2001.

Sir,

I refer to the letter dated 24 May 2001 addressed to you by the President of the Board of Health on the subject of the proposed new Clinical Waste Incinerator.

The Committee accepts the requirement imposed by the Board of Industry's Health and Safety Executive to cease as soon as possible the use of the existing clinical waste incinerator that does not comply with current standards for the disposal of this potentially harmful material. With the Board of Health, the Committee has been examining how the needs of the Board might be integrated with the development of a waste to energy plant to handle the Island's domestic and commercial waste streams as agreed in principle by the States.

Independent expert advice has confirmed that the most efficient and effective way of dealing with clinical waste would be to develop and operate facilities alongside the proposed waste to energy plant. That advice has also confirmed that the development of the waste to energy plant will not be complete in time to meet the deadline imposed by the Health and Safety Executive and that the existing clinical waste incinerator cannot be adapted to meet current standards in the meantime. Interim use of the animal incinerator at Longue Hougue is also not a practical option at this time.

The Committee reluctantly accepts that for the short to medium term the Board has to provide a new clinical waste incinerator and that the most practical option is to site it at the PEH. The Committee will, however, ensure that planning for the development of facilities at the Island's waste to energy plant takes account of the possible long-term requirement to also deal with clinical waste.

Yours faithfully,

L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

VII.— Whether, after consideration of the Report dated the 24th May, 2001, of the States Board of Health, they are of opinion:—

1. To authorise the design, manufacture and installation of a replacement clinical waste incinerator, which includes associated building and engineering works.
2. To authorise the States Board of Health to accept the tender in the sum of £1,294,472 submitted by Waste Technology (NZ) Limited for the design, manufacture and installation of a clinical waste incinerator at the Princess Elizabeth Hospital and associated works.
3. To authorise the States Board of Health to accept the tender in the sum of £15,458 submitted by Kliko Environmental Limited for the purchase of clinical waste storage bins.
4. To authorise the States Board of Health to accept the tenders in the sum of £43,350 submitted by VMW Commercials for the purchase of two vehicles for transporting clinical waste.
5. To authorise the States Board of Health to undertake adaptations in wards and departments to provide appropriate clinical waste storage areas at a cost not exceeding £50,000.
6. To authorise the States Board of Health's Estates Managers to manage the project at a cost of £25,000.
7. To vote the States Board of Health a credit of £1,576,817 to cover the cost of the above, including pre-contract consultants' fees, fluctuations and contingencies, which sum shall be taken from that Board's allocation for capital expenditure.
9. To direct the States Advisory and Finance Committee to take due account of the estimated additional revenue costs of transport, maintenance and reagent supplies for the filtration plant when calculating and recommending to the States the States Board of Health's revenue budget for the year 2002 and subsequent years.
10. To direct the States Civil Service Board to have regard to the staffing establishment required by the States Board of Health in connection with the replacement of the incinerator and the revised arrangements for transporting and handling of clinical waste.

STATES INCOME TAX AUTHORITY

**BENEFITS IN KIND – EXEMPTION OF “DISTURBANCE ALLOWANCE”
PAID BY EMPLOYERS**

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

17th May, 2001.

Sir,

**BENEFITS IN KIND –
EXEMPTION OF “DISTURBANCE ALLOWANCE” PAID BY EMPLOYERS**

Introduction

1. Legislation was introduced, with effect from 1st January 1996, which brought into charge benefits in kind received by employees, as a consequence of their employment.

By Ordinance, the States determined that specific kinds of benefits should not be chargeable to tax, or should not be fully chargeable to tax, as a consequence of the introduction of the new legislation.

2. One of the exemptions introduced by the Income Tax (Exemption of Benefits) Ordinance 1995 was the first £4,000 of a disturbance allowance paid by an employer in relation to an employee newly recruited or transferred to Guernsey from a place outside Guernsey.
3. The figure of £4,000 was determined, in part, by reference to the lump sum payable under the Civil Service Housing Benefit Scheme which, for 1996 and 1997, stood at £3,613.
4. With effect from 1998, the Civil Service Board increased the lump sum to £4,408, following which the States resolved to increase the amount of the disturbance allowance, exempt from tax, to £4,750 (Billet X of 1998).
5. The Civil Service Board has issued a directive to the effect that the lump sum has been further increased to £5,515, with effect from 1st January 2001.

Recommendation

6. The Income Tax Authority therefore recommends the States to approve an increase in the amount of a disturbance allowance that will be exempt from tax, from £4,750 to £5,515, such an increase having effect in relation to any disturbance allowance payable on or after 1st January 2001.
7. 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 Ordinance.

I am, Sir,
Your obedient Servant,
W. LE R. ROBILLIARD,
President,
States Income Tax Authority.

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

31 May 2001.

Sir,

I have the honour to refer to the letter dated 17 May 2001 from the President of the States Income Tax Authority concerning Benefits in Kind - Exemption of Disturbance Allowances.

The Advisory and Finance Committee supports the proposals. However, the Committee is aware that this is a relatively minor routine matter and, bearing in mind that the States' time is both scarce and valuable, has agreed with the Income Tax Authority that in future it would be more appropriate for such proposals to be included within the annual Budget Report. This would enable the draft Ordinance to be considered at the same time as the policy submission.

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

The States are asked to decide:—

VIII.— Whether, after consideration of the Report dated the 17th May, 2001, of the States Income Tax Authority, they are of opinion:—

1. To approve an increase in the amount of a disturbance allowance that will be exempt from tax, from £4,750 to £5,515, such an increase having effect in relation to any disturbance allowance payable on or after 1st January, 2001.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES TRAFFIC COMMITTEE

PARKING IN ST PETER PORT

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

23rd May, 2001.

Sir,

PARKING IN ST PETER PORT

1. INTRODUCTION

- 1.1 On 29th October, 1998, the States considered a report from the Committee that set out a proposed parking strategy for St Peter Port. Although the main thrust of the strategy was rejected, the States did resolve, inter alia:
 - i. To approve the introduction, on an experimental basis, of residents' parking schemes, as set out in the report;
 - ii. To direct the Traffic and Island Development Committees to liaise over the identification of possible sites for new and replacement car parks within the Urban Area Plan and to report back with their findings as soon as may be.
- 1.2 In 1999, after an extensive public consultation exercise, the Committee introduced experimental residents' parking schemes in four areas of St Peter Port, initially for a six month period. The experiments have since been extended until early in 2001 and are the subject of ongoing reviews by the Committee.
- 1.3 Last year, the Committee commissioned Ove Arup & Partners to undertake a feasibility study of the introduction of additional car parking facilities in St Peter Port. The study investigated the feasibility of aboveground and underground parking options at eight locations within St Peter Port, which with one exception, were each owned by the States. This study was completed in September, 2000.
- 1.4 **The purpose of this policy letter is to consider the main findings of the feasibility study undertaken by Ove Arup and to set out the Committee's conclusions on the sites for new and replacement car parks within St Peter Port. It also puts forward proposals for the "sequential" construction of additional parking facilities in Town, subject to the completion of more detailed design work and costings.**

2. BACKGROUND CONSIDERATIONS

Residents' Parking Schemes

- 2.1 The residents' parking schemes introduced by the Committee in 1999 have, generally, been welcomed by the residents in those areas that have been able to take advantage of them. The schemes operate by issuing eligible residents with permits that allow them to overstay the short-stay disc parking that has been introduced in the areas concerned. Non-residents who want to visit, or in some cases, shop in the area, can continue to use the short-stay disc parking as normal, where spaces are available. This helps to ensure better utilisation of the parking available and to minimise the administrative requirements of the scheme.
- 2.2 Some of the initial results arising from the introduction of the experimental schemes are relevant to this policy letter. Perhaps most importantly and, unsurprisingly, the experiments have displaced a significant number of commuters from the on-street parking in the areas concerned. In the absence of a sufficiently high quality and frequent bus service or additional commuter parking facilities, these same commuters have been "pushed" into other residential areas further from the centre of St Peter Port. Understandably, the residents of these areas have either not welcomed the experiments or asked that they be extended to their own streets, where they now have to compete increasingly with commuters for the available space.

Chamber of Commerce Working Party

- 2.3 In August, 1999, a working party was established by the Chamber of Commerce, made up of representatives from the Chamber itself, the St Peter Port Traders' Association and the Constables of St Peter Port. It was set up after consultation with the Traffic Committee, Island Development Committee and the Board of Administration, each of which agreed that its officers would be available to provide technical support.
- 2.4 The working party's report was completed in February, 2000, and was widely publicised at the time. Surveys undertaken by the Chamber and St Peter Port Traders' Association amongst their members suggested a perceived shortfall of more than 1000 car parking spaces in St Peter Port. The report reflected on the impact that this shortfall was having on the viability of St Peter Port as a business, shopping and visitor centre. Amongst the solutions identified by the working party were the need to provide additional car parking facilities on existing States' owned sites, to introduce improvements to the bus services without delay and to consider the provision of a permanent free bus service for old age pensioners.

Scheduled Bus Services

- 2.5 In December, 2000, the States approved proposals for the introduction of free bus services for old aged pensioners. In March of this year, the States accepted a package of proposals from the Committee for the future funding arrangements for the new services. This will now result in the introduction of cheap fares for all other bus users and the introduction of a modern fleet of buses which will help to promote a high quality of service.
- 2.6 The Committee has recently, in conjunction with Island Coachways, introduced a new scheduled bus network. This is a considerably more simple and focused network than was previously the case. The changes have enabled the Committee to improve service

frequencies along the main public transport corridors between Town, the Bridge, L'Ancrese, St Martins, Cobo, Vazon and the Airport to between fifteen and thirty minutes. It is also now possible to travel across the Island to a much wider range of destinations without the need to change bus in St Peter Port. Limited services are to be restored on Sundays during the winter this year. The Committee is currently working on a range of further service and frequency improvements that will be required in order to cope with the anticipated additional demand arising from the introduction of cheap fares later this year. Many of these will be targeted specifically at commuters.

3. CAR PARKS – FEASIBILITY STUDY

3.1 The terms of reference for the car park study required Ove Arup to examine the feasibility of providing additional car parking facilities at the following sites:

- | | |
|-----------------------------|--------------------------------|
| a) Salerie Corner car park; | e) Odeon car park; |
| b) North Beach car park; | f) Sir Charles Frossard House; |
| c) Bus Terminus; | g) La Charroterie; |
| d) Lukis House; | h) Val des Terres. |

With one exception, the Committee restricted its investigations to sites that were already in the ownership of the States, principally to avoid concerns about the capital costs that might be involved in purchasing private sites for car parking developments. At each site, the report was to consider the feasibility of aboveground and underground options and to assess the number of spaces that could be provided, the costs and the associated traffic management, planning, environmental and other considerations, such as the opportunities for linked development.

3.2 The final study report is attached as Appendix 1 to this policy letter. Section 2 of the report examines the feasibility of each site, in accordance with the considerations set out above. Section 3 of the report includes an assessment of each of the car parking sites based on seven main parameters. These were as follows:

- a) the potential increase in car parking numbers;
- b) the location of the car park, relative to the centre of St Peter Port;
- c) the associated safety issues;
- d) the associated environmental issues;
- e) the accessibility of the site;
- f) the potential disruption caused during construction; and,
- g) the initial cost estimates for the car park.

3.3 The study concluded that, at each of the sites under consideration, the provision of additional car parking facilities was, from an engineering perspective, technically feasible. However, it did highlight a number of additional factors which would determine whether or not a site should be taken forward for further consideration. These are explained in section 4 of the study report, but are explored below.

3.4 **Having considered the report's recommendations, the Committee has agreed that there are four sites that should not be given further consideration at this stage. These are as follows:**

Lukis House

The report suggested that a four-deck car park for 136 vehicles could be provided on the site at a cost of £1.5m for an aboveground facility and £2.99m for an underground facility. The net gain in spaces would only be 76, as there is currently parking for 60 cars at the site.

The report concluded that this site was unsuitable for additional car parking and, given the costs involved for the relatively small net increase in parking, was not economic. The size of the site meant that it was too small to accommodate a worthwhile multi-storey or underground car park, primarily because the ramps between each deck would occupy a disproportionate amount of the facility. Lukis House itself is a listed building and the site falls within a Conservation Area and an Area with Potential for Enhancement. Access to the site is poor, with extremely sub-standard visibility, which cannot be improved significantly without demolition of existing buildings.

Odeon Car Park

An additional 258 spaces could be provided at the Odeon car park, with the cost of an aboveground facility estimated as being £2.84m and an underground car park as being £5.68m. The report also concluded that, for legal reasons, this site was also not worthy of further consideration at this time. The site has restrictive covenants attached to it, which prevent at this time the construction of multi-storey or underground car parks.

The Committee is also conscious that the construction of additional facilities at this site would be particularly disruptive in the short term, as the existing parking spaces would be lost whilst building took place.

The Committee agrees that neither the Lukis House nor Odeon sites warrant further detailed consideration at this time as sites for additional or replacement car parking.

Val des Terres

The report suggests that 500 aboveground spaces on five levels could feasibly be provided at the site on the field at the top of Le Val des Terres at an estimated cost of £5.75m. An underground facility, but only with space for 220 cars, could be constructed at an estimated cost of £5.09m.

The environmental considerations associated with the use of the field would, in reality, rule out the construction of aboveground car parking. Conversely, engineering constraints limit the size of any possible underground parking facility. In addition, the use of the site as a car park would only be viable if a park-and-ride service was to be provided. If the car park was realistically going to attract users, the park-and-ride service would have to be free. A dedicated free service would cost in the region of £150,000 per annum to operate.

Taking the above into consideration, the Committee does not feel that further consideration should be given to this site at this time.

La Charroterie

This site (the former Charroterie Mills) is the only one considered that is within private ownership. Planning approval has already been given for a development on the site and work on this has recently commenced. Whilst it is conceivable that there might be some scope for

negotiation with the developer, the report concludes that the number of public spaces that could be provided would be limited to just 120, at an estimated cost of £1.32m.

Against this background, the report concluded and the Committee agreed that this was not an option worth pursuing.

4. CAR PARK SITES – CONSIDERATIONS

- 4.1 In assessing the pros and cons of the remaining sites, the report highlighted the following factors in its conclusions:–

Sir Charles Frossard House

The report identified scope to provide 360 additional car parking spaces at Sir Charles Frossard House, at an estimated cost of £3.96m. It concluded that the construction of additional car parking facilities here would, technically, be one of the easiest of the options considered, although it recognises that some existing car parking facilities at the site will be lost during the building works.

The Committee believes that the location of this site on the periphery of Town does not necessarily make it a less attractive option and, in fact, that it has a number of advantages. Indeed, its location on the periphery means provision could be made for a significant number of additional spaces, without drawing the associated traffic into the centre of Town. Its location would also help to redress the parking imbalance in St Peter Port between the northern and southern ends of the Town. It is just 500m from the Trinity Square area and, as such, could help in maintaining and improving the viability of the Old Quarter.

The site is also located adjacent to one of the main “distributor” roads into St Peter Port. Whilst the associated traffic would give rise to moderate increases in flows in the immediate vicinity, the traffic management considerations for this site are much less significant and easier to manage than those associated with some other possible car parks, particularly at the North Beach and Salerie.

Under the Committee’s new revised scheduled bus network, the corridor between Frossard House, Trinity Square and the centre of Town will be served by scheduled buses operating on a fifteen minute frequency. As such, the site could effectively operate on a park-and-ride basis served by the ordinary scheduled services, with none of the additional operating costs associated with the provision of a dedicated service. The recent decision by the States to accept the Committee’s plans for new funding arrangements for the scheduled bus services and, in particular, the introduction of cheap, flat rate fares, will make the park-and-ride option even more attractive.

Salerie and North Beach Car Parks

There is potential to construct upto 340 additional aboveground spaces at the Salerie car park on two decks, at an estimated cost of £3.92m. Alternatively, 200 additional spaces could be provided underground, at an estimated cost of £5.78m.

An additional aboveground single deck at the North Beach would yield upto 565 extra spaces, costing £3.39m. The same number of spaces could be provided underground, but at a cost of £12.71m.

The report notes that the construction of aboveground decked car parks over the Salerie and North Beach car parks would be relatively simple. However, careful consideration would need to be given to their exterior design to ensure that they were of sufficiently high quality and that the views from St Peter Port were not spoiled. Construction of underground facilities would be difficult because of the nature of the ground used to fill the reclaimed areas upon which the existing car parks are built.

In the above areas, the considerations for additional car parking at the Salerie car park and North Beach car park are broadly similar. However, in other areas they do differ. Firstly, access to the Salerie car park is already sub-standard. With the extra pressure that would be generated by additional cars using any new car parking at the site, this access would become overloaded and require improvement, probably entailing either the introduction of traffic signals or a roundabout. Such improvements would prove to be expensive, particularly if they involved alterations to the sea wall. Another obvious disadvantage of the Salerie car park compared to the North Beach is its location, which is more remote to the centre of Town.

The North Beach offers a more central location than the Salerie Corner and, given its larger size, also offers considerably more scope for the provision of additional facilities. The physical shape of the existing car park lends itself to the construction of extra facilities on a regular grid, ensuring the most efficient utilisation of the space available. It would also be possible to “phase” the building of any new facilities from one end of the car park to the other, so that some of the existing surface car parking could be retained at all times during the construction period.

From a traffic management perspective, extra car parking at the North Beach would create additional pressure at the Weighbridge roundabout, where there is no real scope to improve capacity. As a result, it would be likely to result in further queuing along the Glatigny Esplanade during the morning peak and on St Julians Avenue during the evening peak.

Bus Terminus

The report suggests that there is the potential to create upto 244 underground car parking spaces (on two split levels) at the bus terminus, at a cost of £5.37m. This figure does not allow for the cost of diverting existing services under the road.

Sufficient space would be available to leave the southbound carriageway of the South Esplanade free for the diversion of such services.

The report notes that the site is in a Conservation Area and an Area with Potential for Enhancement. Given some of the environmental and planning considerations involved and the potential loss of views, only underground options are likely to be acceptable at this site. However, these would be the most technically complex of all those considered and likely to have the highest unit cost per space.

The Committee believes that the use of the bus terminus site for car parking has much to commend it. The provision of additional facilities here would help to redress the imbalance in parking between the northern and southern ends of Town. Furthermore, its central location would be one of the best for shoppers, particularly in the light of the redevelopment of the Market Buildings. Pedestrian access between the site and the centre of Town is good. The car park would be located on a main “distributor” road into St Peter Port from the south of the Island, which has spare capacity during peak periods. The associated traffic

management considerations would therefore be less significant. The loss of existing parking during construction at this site would also be considerably less than would be the case at some of the other sites.

The Committee has taken account of the fact that one of the recommendations arising from its comprehensive review of the scheduled bus services is that a bus interchange should be established along The Quay, rather than continuing to use the existing terminus. Clearly, this would facilitate the redevelopment of the bus terminus site for car parking. In addition, once construction of any underground car park is complete, a number of possibilities will exist for the use of the reinstated surface area. Assuming that the relocation of the bus terminus is feasible on a permanent basis, one such possibility would be to introduce additional surface level car parking. Initial investigations undertaken by the Committee suggest that space could be provided for 160 cars on the surface, compared to the 20 spaces that currently exist at the terminus.

5. CAR PARKING – CONCLUSIONS

- 5.1 The Committee has concluded that, of the eight sites that have been assessed, there are three that are suitable for possible development of additional car parking facilities. These are the bus terminus, Sir Charles Frossard House and the North Beach. In the case of the North Beach, the Committee believes that any additional parking would, on cost grounds, have to be decked aboveground and not underground. In the event that they are all developed, then these three sites have the potential to provide an additional 1 169 spaces, as well as a further 160 surface spaces at the bus terminus.
- 5.2 **The Committee fully appreciates the parking problems in St Peter Port and the impact that this has on residents, commuters, businesses, shoppers and visitors. Whilst it accepts that some additional parking is required, it does not accept that the immediate response should be to provide over 1000 extra spaces. It believes that there is considerable scope for and merit in a more balanced approach to the situation, involving a combination of improved public transport facilities and additional car parking, which together will help to improve access to St Peter Port in a more sustainable manner.**
- 5.3 As demand for parking increases, it can be argued that some traffic on the roads is caused unnecessarily by vehicles circulating looking for spaces or by commuters “slot-swapping” during the day between short-stay spaces. The Committee is aware that a significant number of Town residents move their cars from the streets outside their homes each day to the main long-stay car parks in order to comply with the parking regulations, thereby generating extra traffic movements. Additional parking spaces should help to relieve such issues.
- 5.4 Conversely, the Committee is aware that experience in other jurisdictions has shown that the provision of additional car parking acts as a “traffic generator”. With easier access to parking facilities, motorists are encouraged to make additional trips by car or to undertake journeys that they might not otherwise have made or might have made by alternative means. On the one hand, improving access is clearly fundamental in helping to maintain the viability and vitality of St Peter Port. On the other, the additional trips by car that extra parking facilities will generate will only exacerbate concerns about the levels of traffic and congestion generally. Any short term “gains” that might be made, for instance by reducing the number of cars circulating looking for spaces or slot-swapping, may be lost in the longer term.

- 5.5 The Committee is also conscious that a significant increase in the stock of parking in St Peter Port would further undermine the viability of the Island's bus services and would not provide any real incentive for the public to consider alternative methods of transport. **The Committee firmly believes that, with plans now in place to provide a high quality bus service that encompasses comfortable, modern vehicles, high frequencies and cheap fares, public transport also has an important role to play in improving access to St Peter Port in the long-term in a sustainable manner.**
- 5.6 In considering the construction of new car parking facilities, the Committee has been conscious that there has and continues to be an erosion of St Peter Port's existing private and public parking stock. Significant examples are the loss of the private parking facilities at the Charroterie Mills and Royal Hotel sites, from which hundreds of spaces have been lost. Whilst these parking facilities will, in due course, be replaced as part of the plans for these sites, the parking that is eventually provided will in future be intended to service the new office and housing developments there.
- 5.7 In order just to regain some of the parking that has been lost, the Committee feels that a limited amount of new public parking should be provided as soon as possible at two sites. It believes that priority should be given to the construction of an underground car park, with surface parking, at the bus terminus. This would provide an additional 244 underground spaces, which the Committee would intend should be long-stay, and the possibility of a further 160 surface spaces, which would be short-stay.
- 5.8 The Committee believes that the next site that should be given priority is at Sir Charles Frossard House. Its main advantage is its peripheral location, near the Old Quarter, which will avoid bringing the associated traffic into the centre of St Peter Port. A multi-storey car park here could be built against the side of the "valley" and would be less intrusive than an additional deck of car parking at the North Beach. Some 360 additional spaces could be provided, all of which the Committee would intend should be open to the general public. In the event that these were made available on a long-stay basis, then some of the existing long-stay spaces closer to the centre of St Peter Port could be converted to short-stay.
- 5.9 The Committee believes that any development at the North Beach should be held in abeyance. Between them, the developments at the bus terminus and Sir Charles Frossard House would provide at least 600 additional spaces. The Committee believes this will be sufficient to compensate for some of the facilities that have been lost and to cater for some element, but by no means all, of the unsatisfied demand for parking.
- 5.10 **Whilst in the Committee's view a limited amount of additional parking can be justified along the above lines, it considers that a balanced mixture of "measured" increases in parking is one of the keys to improving access to St Peter Port in a long-term and sustainable manner. The other will be the significant improvements to the bus services being introduced by the Committee, which will increase bus usage and further improve accessibility to the Town.**
- 5.11 This approach will minimise the need for any further additional public car parking facilities to be constructed, in particular at the North Beach, thereby avoiding the associated traffic generation and environmental disadvantages. Given the greater flexibility that an increased reliance on public transport provides, it will also afford the opportunity to fully assess the impact that the redevelopment of the Bouet Mura and, in particular, its office development and multi-storey car park, has on traffic and parking in St Peter Port.

- 5.12 It is also worth remembering that the provision of some additional car parking and the introduction of a high quality bus service will facilitate the extension of the residents' parking schemes initiated by the Committee in 1999, as realistic alternatives will then be available for displaced commuters. Obviously, this will ensure that more residents in St Peter Port will be able to take advantage of the benefits offered by the schemes. It will also mean that fewer residents that also work in Town will have to move their cars to the long-stay car parks during the day to comply with the parking regulations. This should help to reduce traffic levels, especially at peak periods. It might also free up some space in existing long-stay car parks, which could either be retained or converted to short-stay.

6. FUNDING AND PAID-PARKING

- 6.1 The proposed parking strategy for St Peter Port that the Committee put forward for consideration by the States in 1998 recommended the introduction of paid parking in the long-stay areas only at the North Beach, Salerie and Odeon car parks. It was recommended that the income this generated would be used to fund improvements to the bus services and the construction of new and replacement car parking facilities. The States rejected these proposals.
- 6.2 The Committee has continued to give the most careful further consideration to the question of paid-parking. There is no question in the Committee's mind that all existing short-stay public parking facilities in St Peter Port should remain free of charge. It has also agreed that, at least for the time being, all existing long-stay public parking facilities should remain free. In addition, the Committee has concluded that any additional short-stay parking that is provided in the future should be free of charge. The Committee has always recognised the importance of providing free short-stay parking and the contribution this makes to maintaining the viability of St Peter Port as a shopping centre.
- 6.3 The Committee is aware from its previous consultations and, indeed, from surveys undertaken by other organisations, that the principle of paid parking, especially in long-stay areas, is more acceptable to the public and to businesses in the Island than, perhaps, has previously been the case. This is reflected by the significant number of commuters that already pay for a private parking space in Town each day or whose employers pay for such spaces.
- 6.4 When the States considered the Committee's policy letter earlier this year on improvements to the Island's bus services, the suggestion was made repeatedly that consideration should have been given to the introduction of paid-parking at existing long-stay car parks as part of the Committee's package of proposals. **In light of this and, although such a proposal was rejected in 1998, the Committee wishes to take the opportunity to seek further direction from the States on this matter. As a result, it is recommending that the Committee be directed to undertake further investigations into the introduction of paid-parking at existing long-stay car parks within St Peter Port and to report back to the States with its findings and recommendations in due course.**
- 6.5 **In addition, given the significant pressures in other areas on the States for capital and revenue expenditure, the Committee is recommending that the costs associated with the design, construction, maintenance and operation of any new long-stay car parks should preferably be self-financing.**

6.6 Options for financing might include:

- a) the introduction of paid-parking in the new long-stay facilities;
- b) the leasing of any new spaces to businesses in St Peter Port for use by their employees;
- c) the leasing of the necessary land by the States to a developer for the construction of a car park and subsequent operation of the facilities on a private, commercial basis.

The above options are put forward simply by way of example and should not, in the Committee's view, preclude consideration of other alternative means of financing any possible developments.

- 6.7 In the event that the States accepts that additional car parking should be developed at the bus terminus and Sir Charles Frossard House, the Committee is recommending that the Board of Administration should be directed to undertake the detailed investigations and designs for the car parks and to place the projects out to tender. It would then need to report back as soon as possible with the results of tenders and with detailed proposals for their financing for approval by the States. Such a report would need to include details of the various financing options considered by the Board and the reasons for its recommended option(s). The Committee has been advised that a sum of 10% of the anticipated total cost of each car park should be allowed to enable the Board of Administration to carry out this work (£537,000 for the bus terminus site and £396,000 for the Sir Charles Frossard House site).
- 6.8 In doing so and, in submitting its report to the States, the Committee would recommend that the Board should investigate and explore what opportunities exist to involve private developers in a partnership with the States. The Committee would not wish to preclude consideration of any option. However, by way of example, it might involve a development on a design, finance, build and operate basis, with revenue from parking charges at the new facilities funding the associated costs. Alternatively, it might involve giving a developer permission for enabling development to facilitate the construction of car parking.
- 6.9 However, in the event that such opportunities did not prove to be feasible, then the alternative would be to fund the construction costs of the car parks from the States' capital reserve. The Committee would envisage that the capital should be borrowed from the reserve and repaid, with interest, from the receipts from parking charges over a period of time to be agreed with the Advisory and Finance Committee. However, the full detail of such an arrangement would need to be set out in any final recommendations put forward to the States by the Board of Administration.

7. **PARK-AND-RIDE SERVICES**

- 7.1 In putting forward its recommendations that the sites at the bus terminus and Sir Charles Frossard House should be considered for car parking, the Committee has been conscious of the need to locate such facilities on main "distributor" roads into St Peter Port which are likely to be in the best position to handle the additional traffic that they will generate. In the case of the Sir Charles Frossard House site, the Committee was aware that its location on the periphery of Town would also avoid drawing the associated traffic into the centre of St Peter Port and that a car park there could effectively operate on a park-and-ride basis using the enhanced and cheap scheduled bus services that will be available shortly.

- 7.2 Whilst a park-and-ride service is currently provided from Footes Lane using the scheduled bus services, its true value has been constrained by the limitations on parking availability there and the cost of the bus fare to and from Town. Nevertheless, it does provide a useful facility, particularly for visitors during the peak summer months, when usage does rise. The service will become more attractive when the cheap bus fares recently approved by the States are introduced later this year. The Committee intends to hold discussions at an early opportunity with the Recreation Committee, which is responsible for the site, about improving the car parking and bus waiting facilities there. In this manner, the Committee believes that the Footes Lane facility can be developed to become a much more attractive alternative.
- 7.3 In the longer term, the Committee believes that the provision of additional and improved park-and-ride facilities should not be ruled out as one of the tools that are used to tackle the impact of traffic in the centre of St Peter Port. It is therefore recommending that the Committee be directed to undertake a comprehensive review of the opportunities for improving the Island's park-and-ride infrastructure and introducing new and additional sites and services. Options would be examined both in relation to services targeted at short-stay, as well as long-stay, parkers.

8. **RECOMMENDATIONS**

- 8.1 Following consideration of this report, the Committee recommends the States to:
- (i) approve, in principle, the construction of new car parking facilities at the bus terminus, as set out in the report;
 - (ii) direct the States Board of Administration, after consultation with the States Advisory and Finance Committee, to identify and appoint appropriately qualified consultants to undertake detailed investigations and prepare detailed plans for a car park at the bus terminus;
 - (iii) direct the States Board of Administration to seek tenders as appropriate in respect of the bus terminus site and to report back to the States with the results of those tenders as soon as possible, including details of the various options considered by the Board for the financing of the development and for the involvement of private developers, together with the reasons for its recommended option(s);
 - (iv) vote the States Board of Administration a credit of £537,000 to cover the costs arising from the requirements placed upon it as a result of the above recommendations (ii) and (iii), which sum shall be charged to the capital allocation of the States Board of Administration;
 - (v) approve, in principle, the construction of new car parking facilities at Sir Charles Frossard House, as set out in the report;
 - (vi) direct the States Board of Administration, after consultation with the States Advisory and Finance Committee, to identify and appoint appropriately qualified consultants to undertake detailed investigations and prepare detailed plans for a car park at Sir Charles Frossard House;

- (vii) direct the States Board of Administration to seek tenders as appropriate in respect of the Sir Charles Frossard House site and to report back to the States with the results of those tenders as soon as possible, including details of the various options considered by the Board for the financing of the development and for the involvement of private developers, together with the reasons for its recommended option(s);
- (viii) vote the States Board of Administration a credit of £396,000 to cover the costs arising from the requirements placed upon it as a result of the above recommendations (vi) and (vii), which sum shall be charged to the capital allocation of the States Board of Administration;
- (ix) authorise the States Advisory and Finance Committee to take account of the balance of the States Board of Administration's capital allocation and its other capital priorities at the relevant time and, if necessary, to release to that allocation from the Capital Reserve appropriate sums up to a total of £933,000;
- (x) direct the States Traffic Committee to investigate the introduction of paid-parking at existing long-stay car parks in St Peter Port and to report back to the States with its findings and recommendations as soon as may be;
- (xi) direct the States Traffic Committee to undertake a comprehensive review of the opportunities to improve the Island's park-and-ride infrastructure, including the introduction of new sites and services, and to report back to the States with the results of that review.

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,
 P. N. BOUGOURD,
 President,
 States Traffic Committee.

STATES TRAFFIC COMMITTEE

PARKING IN ST PETER PORT

APPENDIX 1

ST PETER PORT CAR PARKS – FEASIBILITY STUDY

States of Guernsey Traffic
Committee

St Peter Port Car Parks

Feasibility Study

ISSUE

States of Guernsey Traffic Committee

St Peter Port Car Parks

Feasibility Study

December 2000

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Job number 59889-00

Job title	St Peter Port Car Parks			Job number	59889-00
Document title	Feasibility Study			File reference	
Document ref	Serial No: 155/00				
Revision	Date	Filename	0002KW Feasibility Study.doc.		
Draft 1	28/09/00	Description	First draft		
			Prepared by	Checked by	Approved by
		Name	Keith Walker	John Armstrong	Clive Onions
		Signature			
Draft 1	28/09/00	Filename	0004KW Feasibility Study.doc.		
		Description			
			Prepared by	Checked by	Approved by
		Name	Keith Walker	Clive Onions	Clive Onions
		Signature			
		Filename			
		Description			
			Prepared by	Checked by	Approved by
		Name			
		Signature			
		Filename			
		Description			
			Prepared by	Checked by	Approved by
		Name			
		Signature			

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FIGURES**APPENDIX A**

Construction Techniques

1.0 INTRODUCTION

1.1 Arup have been commissioned by the States of Guernsey Traffic Committee to advise on the feasibility of introducing additional car parking spaces into St Peter Port. Eight locations are to be considered:

- (i) Salerie Car Park
- (ii) North Beach Car Park
- (iii) Bus Station
- (iv) Lukis House
- (v) Odeon Car Park
- (vi) Sir Charles Frossard House
- (vii) Charroterie
- (vii) Val des Terres site

These locations are shown on Figure 1.1.

1.2 At each site the feasibility of above-ground and underground options are to be considered together with traffic management considerations, the amount of extra parking which could be achieved, environmental and other considerations, and budget costs.

1.3 The next section of this report, Car Park Design, describes the development of layouts for each site. For each site the following issues are considered:

- (i) Site location and description
- (ii) Planning and environmental issues
- (iii) Geology
- (iv) Other constraints
- (v) Feasible layout
- (vi) Traffic management
- (vii) Linked development
- (viii) Costs

1.4 These factors, and others, are brought together into an assessment framework for each site in Section 3 of the report. The effectiveness of the car parking is assessed against a number of objectives in this section.

1.5 Section 4 of the report gives a summary and our conclusions.

2.0 CAR PARK DESIGN

General Principles

- 2.1** New car parks are most efficient if they are designed on the basis of a rectangular grid. Ideally, a 16m width can be used as the basis of a modular approach. This 16m width comprises a 6m central aisle with 5m wide parking bays at right angles to the aisle on either side.
- 2.2** New multi-storey car parks are often designed on the basis of two 16m modules side by side with a 1.5m height difference between successive decks. This enables short internal ramps to be provided within the car park. However, it does provide a long circulation path and is generally not considered to be suitable for car parks of above about 500 spaces. This type of layout is known as a split level car park.
- 2.3** An alternative is to provide flat plate decks, generally with a 3m height difference between floors. However, in this case the ramp lengths are longer, and at a shallower gradient than is used in split level car parks. Typically, a ramp length of 30m is needed to connect decks of 3m height difference.
- 2.4** The design of the ingress and egress of a car park is important. This is particularly the case if barrier control is to be provided, when sufficient space must be provided to give the required numbers of barriers, with adequate stacking space for cars waiting at barriers.
- 2.5** Other aspects which must be considered at the detail design stage for multi-level car parks include the location of lifts, stairs and means of escape. We have not considered these matters at this stage, but clearly they will affect the number of spaces within the car park. Typically they will reduce by about 10% the number of spaces shown on the plans, and this has been allowed for when assessing the number of spaces for each option.
- 2.6** Cost is also clearly an issue. This can be very dependent upon matters such as ground condition and diversion of services, but for the purpose of this preliminary assessment we have used typical base costs for each type of car park. The figures we have used are

- | | |
|--------------------------|-------------------|
| • single deck car park | £6,000 per space |
| • two deck car park | £9,000 per space |
| • multi-storey car park | £11,000 per space |
| • semi-basement car park | £15,000 per space |
| • underground car park | £22,000 per space |

These have been based on typical UK rates but with a 50% increase to take into account the construction industry on Guernsey. This uplift has been agreed with the States Engineer.

- 2.7** The higher cost for the underground or semi-basement parking reflects the fact that these car parks have more stringent requirements in terms of ensuring that they are waterproof, in providing adequate ventilation and lighting, and in aspects such as fire control.

- 2.8** Land costs must also be taken into account if land has to be purchased, but this is excluded from the costs in this report as, with the exception of the Charroterie site, it is understood that all land is in the States control.
- 2.9** To these costs must be added any abnormal costs. We have made allowances for these where appropriate.
- 2.10** The finishes within a car park are also important if it is to be user-friendly and safe. Light coloured surfaces for ceilings and walls are required with a high quality of lighting. Typically, average levels of 200 lux are now required in high quality car parks. Security is also an important consideration with close circuit television to a central management suite now often being provided. To facilitate this, the design of the car park should ensure that there are no blind spots within the car park which cannot be seen by cameras.
- 2.11** A further issue for the Waterfront car parks (Salerie, North Beach and Bus Station) is that they are on reclaimed land, and high groundwater levels, possibly with tidal variations, and potentially poor ground are issues. The high groundwater is of particular concern for underground options. The car park must be waterproof, and it must be tied to the underlying rocks by tension piles to overcome tendencies to float. Both problems become more severe at greater depths as water pressure increases. These factors are likely to limit underground car parks in these areas to no more than two levels underground.
- 2.12** There are a number of ways that underground car parks can be constructed. More details of these are given in Appendix A but, subject to the depth restrictions referred to above, we see no technical reasons why any of the car parks cannot be constructed. We have commented on any particular difficulties when describing each car park.

Salerie Car Park

Site Location and Description

- 2.13** The site is located at the north end of Glategny Esplanade. It is currently used as a surface level off-street car park catering mainly for commuters.
- 2.14** The site is on reclaimed land between the sea to the north-east and the Queen Elizabeth II Marina to the south. The car park is at a level of 11m, with the surrounding sea walls topping out at 13m. The surface of the car park is also below the level of Glategny Esplanade. Parking on the site is therefore largely hidden from view from the seaward side.
- 2.15** The circulation routes within the car park also give access to a slipway and to harbour quays.

Planning and Environmental Issues

- 2.16** The site is considered by the Island Development Committee (IDL) to be relatively prominent when viewed from the north and from the sea. It is considered to be too remote from the shopping area for additional, short-stay parking to be justified, but it is considered that additional long-stay parking for office workers may be viable. Because the site is in an historic quarter, archaeological investigations may be required in advance of and/or during any construction work.

Geology and Engineering Constraints

- 2.17** This site has been reclaimed from the sea in recent years using pumped sea-dredged material to make up the levels within new sea walls.
- 2.18** The bedrock is the St Peter Port Gabbro which we understand is overlain by up to 9m of poorly consolidated gravely silts and sands. As the site is near the sea, the groundwater levels will be high and likely to fluctuate with the tides.

Other Constraints

- 2.19** Access to the quay and to the slipway must be maintained during construction and during operation of the car park.

Car Park Layouts

- 2.20** Two car park layouts have been considered. A decked car park is shown on Figure 2.1 (Ref SAL/AG). The edges of the car park have been drawn back from the harbour walls to allow circulation to the quay and to the slipway. The shape of the car park reflects the existing surface level car park underneath and is therefore not ideal in terms of achieving a rectilinear grid. In addition, the current surface level car park has bays which are only 2.3m wide which does not fit in with the 7.5m x 16m grid which is usual for decked car parks. Some loss of parking spaces at ground level may be necessary to accommodate the structure.
- 2.21** Figure 2.2 shows an underground option (Ref SAL/UG). As this does not affect surface level circulation, this car park can be made bigger though the edge of the car park has been kept away from the sea walls. However, the need to maintain circulation during construction may impose constraints on the type of construction adopted.

- 2.22** The single additional level options shown would provide about 190 spaces for the decked option and 240 spaces for the underground option. In both cases an allowance has been made for factors such as lifts and means of escape. In both cases the provision of the necessary vehicle ramps, lifts and means of escape would entail the loss of approximately 40 of the existing 446 ground level spaces, providing net increases of approximately 150 and 200 spaces for the deck and underground options respectively. A further level could be added below the underground option but this would take the car park into the underlying bedrock at the landward side. Additional internal ramps would be needed to get from Level-1 to Level-2. Similarly, additional decks could be added to the above-ground decked layout. Again this would entail some loss of spaces on each level through the need to provide internal ramping. It would also increase the level of visual intrusion.

Traffic Management

- 2.23** Access to the site is currently from a substandard priority junction with Glategny Esplanade. The increased number of spaces would overload this junction. Improvements would therefore be needed in the form of traffic signals or a roundabout. Any alterations to the sea wall required to improve the junction would be expensive.

Linked Development

- 2.24** The underground option could be designed with a structural grid such that development could be built above it. However, the usual commercial practice of having frontage at ground level would restrict options for providing parking at ground level or above. It is therefore likely that linked development could not be provided with above ground options.

Costs

2.25	Single deck above ground	£1,140,000
	Two decks above ground	£3,420,000
	Single deck below ground	£5,280,000
	Two decks below ground	£10,560,000
	Allowance for site access improvements	£500,000 (Roundabout)

North Beach Car Park

Site Location and Description

- 2.26** The site is located on St Julian's Pier to the east of the Weighbridge Roundabout. The site is currently used as a surface level car park with both short stay and long stay usage. It is accessed from the Weighbridge Roundabout at the junction of Glategny Esplanade, North Esplanade and St Julian's Avenue.
- 2.27** The surface level of the car park is at about 11m. The car park is formed on reclaimed land between the former St Julian's Pier to the south and a new sea wall which forms part of Queen Elizabeth II Marina to the north. Roads along the north and south side of the car park form part of the access to the port and ferry terminal.

Planning and Environmental Issues

- 2.28** The IDC acknowledges that there is little or no scope to provide additional parking at ground level. It is willing to consider the provision of additional parking space above or below ground level, as long as the standard of design is very high and views between St Peter Port and the sea are not harmed.

Geology and Engineering Constraints

- 2.29** Geological conditions are similar to those at Salerie car park and similar engineering solutions are appropriate.

Other Constraints

- 2.30** As noted above, St Julian's Pier forms part of the access to the working port and ferry terminal. Roads will therefore have to be kept open during construction.

Feasible Layout

- 2.31** The rectilinear nature of the site lends itself to car park construction on a regular orthogonal grid. A possible decked layout is shown on Figure 2.3 (Ref NB/AG) and underground layout on Figure 2.4 (Ref NB/UG). In both cases surface parking would remain with additional levels above or below as appropriate. Approximately 550 spaces per deck could be provided, though smaller options would be possible. Again, underlying rock is likely to restrict the underground option to two levels underground but given that this would provide an additional 1,100 spaces, it is not likely to be a constraint on providing the number of additional spaces required.
- 2.32** The construction of a multi-storey car park should not present any particular problems, though given the size of the decks, if more than two decks are provided then consideration may need to be given to extra ramps. However, it is unlikely that more than two decks would be required, as two decks would provide some 1,100 additional parking spaces.
- 2.33** Clearly the size of the car park could be reduced if less than 550 spaces were required. Phased construction would be possible with the above ground option, with the car park being expanded at a later date if required.

Traffic Management

- 2.34** Access would be from the Weighbridge Roundabout. This is the highest capacity junction on Guernsey and it is unlikely that any modifications could be made to increase capacity. Extra demand generated by a 550 space car park would give perhaps 300 extra movements round the roundabout in peak periods and lead to further queuing on Glategny Esplanade in the morning peak hour, and traffic turning right from St Julian's Pier to Glategny Esplanade in the evening peak hour will increase queue lengths on St Julian's Avenue.

Linked Development

- 2.35** Again, linked development should be possible with any underground option. However, because the development would probably occupy the ground level, car park spaces would be lost compared with the current situation unless two underground car parking levels are provided.

Costs

2.36	Single deck above ground	£3,390,000
	Two decks above ground	£10,170,000
	Single deck below ground	£12,710,000
	Two decks below ground	£25,420,000

Bus Station Site

Site Location and Description

- 2.37** The site is on the landward side of South Esplanade between Albert Pier and the Slaughterhouse.
- 2.38** It is currently used as the bus station for Guernsey Bus and Island Coachways. In addition to bus stands with an information point, shelters and seating, an area is also provided for bus layover. Part of the site is used for car parking, accessed by a road in front of the landward properties with a turning circle at the northern end. There are mature trees along the length of the site.

Planning and Environmental Issues

- 2.39** The location is in a Conservation Area, and an Area with Potential for Enhancement. The shops on the western edge of the site form a Core Shopping Frontage. The IDC considers that any above-ground development would probably result in the loss of views, trees and ornate shelters, and that additional parking might adversely affect the character of the Core Shopping Area and the appearance of this part of the Conservation Area. However, it considers that the provision of underground parking could release land on the surface for environmental improvements including replacement of shelters. However it is likely the mature trees could not be replaced. Any linked development would need to be assessed carefully for its effect on the Conservation Area and views of St Peter Port from the sea.

Geology and Engineering Constraints

- 2.40** This site is on a relatively narrow strip of reclaimed land between the dock wall and the former foreshore. It is not clear when the dock wall was built, but it is believed to be at least 100 years old and the fill is likely to be of similar age. The nature of the fill is unknown and clearly could contain anything from large boulders to clay.

Underground Option

- 2.41** Whilst the general ground conditions of fill over gabbro rock with a fluctuating groundwater table, are broadly similar to Salerie and North Beach, the probable boulder fill means that only the secant bored pile wall option is likely to be feasible.
- 2.42** The proximity of existing buildings to the west side of any box will require careful construction of the wall piles and their restraint in order to minimise potentially damaging ground movements. Similarly, if the buildings are founded on the fill, uncontrolled de-watering of the box could lead to a lowering of groundwater levels beneath the buildings. This could induce unacceptable settlements. Careful monitoring of the groundwater levels outside of the 'box' during excavation will need to be undertaken and recharge systems installed if necessary.
- 2.43** If only a single underground storey is to be excavated, it is likely to be feasible to use jet grouting to significantly reduce the volume of ground which may need to be removed and consequently the collateral risks will also be reduced.

Decked Option

- 2.44** Depending on the results of investigations into the composition and compaction of the old fill, it may be feasible to use spread foundations for a decked car park. However, such foundations would have a significant impact on the buried services in the area.
- 2.45** By careful co-ordination of column positions, the impact on the existing buried services could be minimised if piled foundations are used. The proximity of the services and existing properties would preclude the use of a driven system so bored piles would need to be installed. Column loads from a single storey deck would not be large and a mini piling system could be feasible. This would involve use of rotary percussive down-the-hole drilling to install 200mm or so diameter piles. Such piles have the advantage of being able to penetrate obstructions at depth to reach and socket into the rock.

Other Constraints

- 2.46** The site contains a number of services, in particular newly laid fibre optic cables and electricity. These would need to be diverted into an area where they would be accessible in future.

Feasible Layout

- 2.47** The feasibility of layouts in this area is dominated by the available width between the properties on the landward side and the sea wall, the need to maintain traffic flows on South Esplanade and in front of the landward property, and the need to maintain a zone for diverted services. It should just be possible to fit a 32m wide underground car park into this area. We have assumed the eastern boundary of the car park to be on or about the centre line of South Esplanade. This would leave the southbound carriageway of South Esplanade as a zone into which services could be diverted.
- 2.48** The western edge of the car park would then be a minimum of about 4m from the buildings on its western side.
- 2.49** It is assumed that the whole car park would be underground, with the surface level reverting to an environmental area with the Bus Station restored. The first underground level of the split level car park is shown in Figure 2.5 (Ref BS/UG). This layout will be reflected on lower levels, but without the access roads to the north and south.
- 2.50** We do not consider that an above-ground car park would be feasible within this area. Thirty-two metres width would be an encroachment onto both South Esplanade and the road in front of the landward properties. If the level of the car park were raised sufficiently so that normal highway traffic could flow under the structure this would give a first floor deck height of about 6m. It would prove very difficult to get ramps up to this level - the ramps would need to be some 60m long.
- 2.51** There would be room to put in a single aisle with parking either side (total width 16m) with an entrance to the north and exit to the south, reflecting the access arrangements for the underground option. However, this layout does not allow circulation between floors and a two-way spiral ramp at each end of the building would be required to give circulation over more than one level. Such ramps would need to be some 24m in diameter, and would not fit into the available area. Only one level would therefore be possible. This would be environmentally intrusive in this area.

Traffic Management

- 2.52** The layout developed gives access to the car park down a ramp approximately 30m long at its northern end, with egress at the southern end onto the Slaughterhouse Roundabout. This is essentially a development of the existing traffic patterns in the area. The existing road in front of the properties would be retained at the surface level. However, the exit ramp would mean that the bus parking area (sufficient for about four buses) at the southern end of the site would be lost.

Linked Development

- 2.53** Development could be provided above the underground car park. However, this is likely to mean that the Bus Station would need relocating.

Costs

- | | | |
|-------------|--|------------|
| 2.54 | Single underground level (ie two 'half-levels'): | £2,680,000 |
| | Two underground levels (ie four 'half-levels'): | £5,370,000 |

Lukis House

Site Location and Description

- 2.55** The site comprises the existing surface level car park to the rear of Lukis House, with access from Grange Road.
- 2.56** Lukis House is a substantial listed building, probably of the late Georgian period, fronting Grange Road. There is a car park for 79 vehicles in a walled courtyard to the rear of Lukis House. In the north-west corner of this area is a further historic building known as the Observatory, where State records are kept. The Grange is one of the main radial routes into St Peter Port and is congested at peak periods. Visibility at the entrance to the car park is very substandard.

Planning and Environmental Issues

- 2.57** The site is in a Conservation Area, and an Area with Potential for Enhancement. The IDC would be reluctant to see a listed building removed simply to provide a new car park. It considers that there may be sufficient space to the east of Lukis House to provide access to a car park at the rear, whose viability and accessibility would be improved by linking through to the former Guernsey Telecoms site and, possibly, to the Odeon site. However, this would require land outside the control of the States and has not been considered in this study.

Geology and Engineering

- 2.58** This is a relatively small town centre site with existing buildings around the perimeter. The geological map shows 'head' on gabbro, consequently bedrock is anticipated to be at relatively shallow depth.

Underground Option

- 2.59** Due to the proximity of the existing buildings, there is not sufficient space to permit excavation in open cut. Thus some form of support system, such as king posts or even contiguous bored piles will be required. These will need to be propped, braced or anchored to control lateral and vertical movements.
- 2.60** Careful investigations of the foundations to the existing structure will need to be carried out in order to permit appropriate design of temporary and permanent support to any underground car park.
- 2.61** Groundwater levels are anticipated to be at depth.

Decked Option

- 2.62** Spread foundations should be relatively straightforward on the site. However, it is likely to be necessary to cantilever the edges of the deck locally to avoid excavating foundations close to the existing structures.

Other Constraints

- 2.63** The access to the site by construction traffic would need careful consideration, given the limited opening and the limited room on site for the storage of materials.

Feasible Layouts

- 2.64** Both decked and underground layouts should be feasible on site, as shown for the first level on Figures 2.6 (RefLH/AG) and 2.7 (RefLH/UG) respectively. These layouts would be reflected above and below ground at other levels.
- 2.65** A feature of both layouts is that the small site means that ramps occupy a disproportionate amount of the site. In effect, little parking is available down the centre of the car park. This means that two levels of parking are needed to reproduce the number of spaces currently available on one level of the site. Doubling numbers on the site would therefore need a four-level car park. This is unlikely to be economic. The layout also demands two-way aisles and crossing of up and down movements, which is likely to lead to safety issues.

Traffic Management

- 2.66** Site access is poor with highly substandard visibility and, without demolition of existing buildings, cannot be significantly improved. We do not consider that the access is safe for any further intensification of use.

Linked Development

- 2.67** Development can be linked to the underground option. However, the nature of the site means that this is likely to be fairly restrictive.

Costs

- 2.68** Four-level multi-storey car park (ie eight 'half-levels'): £1,500,000
Four-level underground car park (ie eight 'half-levels'): £2,990,000

Odeon Car Park

Site Location and Description

- 2.69** This option would involve building over or under the existing Odeon car park bounded by Monument Gardens and Upland Road.
- 2.70** The site is currently a car park with some 219 spaces for cars and motor cycles. The car park is at its highest at its western end falling some 6.5m over a distance of 110m to its eastern end. There is a planted area at the eastern end which rises slightly to join Upland Road. Monument Gardens is a one-way road running clockwise around the periphery of the car park. Aisles are currently arranged in a north/south direction with access directly from Monument Gardens. The site was previously occupied by the Odeon cinema. Houses surround the site at a slightly higher level, accessed from Monument Gardens. Access to the site is by one-way streets, inbound by Upland Road from both Candie Road and College Street/Grange Road, and outbound via Monument Road to Brock Road and Candie Road. The section of Upland Road between Monument Road and Monument Gardens (south) is two-way.

Planning and Environmental Issues

- 2.71** The site is in a built-up area. The Upland Road frontage is a Green Area. Because the site is set at a lower level than much of the surrounding land, the IDC considers that it may be suitable for some form of linked development, probably in the form of offices and/or flats. Because there is housing already on three sides of the site, any future development must be compatible with residential use.

Geology and Engineering Issues

- 2.72** The geological map shows the site to be underlain by gabbro with a superficial cover of 'head', or weathered rock and other 'soily' deposits.

Underground Option

- 2.73** Space is likely to be limited and a combination of techniques are likely to be required to permit safe excavation for the proposed car park.
- 2.74** Where space permits, the upper part of the dig through the 'head' and weathered rock could be made in open cut with slopes battered to safe angles. Alternatively, an anchored king post system could be employed.
- 2.75** In the rock itself, depending on the orientation of the discontinuities (joints, faults, cracks) within the rock mass, anchors or rock bolts are likely to be required to provide temporary or even permanent support to the excavation sides.
- 2.76** The water table is likely to be at depth but there may be perched water within the 'head'.

Decked Option

- 2.77** Spread foundations on the weathered or intact rock at relatively shallow depth are anticipated to be feasible here.

Other Constraints

- 2.78** There is an electricity substation in the south-eastern corner of the car park. We also understand that there are restrictive covenants on the site which make it unlikely that either the above or below ground options could be constructed.

Feasible Layout

- 2.79** Either underground or above ground options are feasible as shown on Figures 2.8 (Ref O/UG) and 2.9 (Ref O/AG). In both cases the entrance would be at the lowest point of the southern arm of Monument Gardens. The first level of the car park would be cut into the slope giving a nearly level deck. The exit would be opposite the entrance, onto the northern arm of Monument Gardens.
- 2.80** In the underground option, the ground level of the car park comprises two 'half-decks', one each at entry and exit level, with an additional level or levels below. If the ground level of the car park is roofed and the car park is level, the roofs of the two 'half-decks' will be below the surrounding ground level at their western ends, as indicated on Figure 2.8. While this would ensure that the western end of the car park is hidden from the view of surrounding houses, it would entail a relatively deep excavation at that end and would reduce the scope for natural ventilation of the upper level. It would also mean that the car park roof, and any associated development above, would appear to rise out of the ground from west to east, rather than being 'parallel' to the surrounding ground and buildings. As an alternative, the car park could be constructed on a slope, rising from east to west, at a gradient of up to a maximum of 5%. This would reduce the extent of excavation required, and would enable a greater degree of natural ventilation. It would also allow any development above the car park to be terraced downwards from west to east, in keeping with the buildings along Monument Gardens.
- 2.81** The decked car park proposal is similar in terms of operation and vehicle circulation to the underground option. A level car park layout would result in the western ends of the lower levels being below the surrounding ground level, restricting the scope of natural ventilation. However, it would reduce the visual impact of the western end. It would also allow for the provision of an additional exit across the western end of the roof of the first northern deck, allowing faster egress for vehicles on the upper levels.

Traffic Management

- 2.82** The surrounding one-way street lends itself to segregated entrances and exits, as proposed. The proposed entrance and exit locations mean that vehicles using the car park will only use short lengths of Monument Gardens. The approach roads to and from the car park are narrow, mostly one-way and unsuitable for large volumes of traffic. However, given the location of the car park, it is likely to be used as a commuter facility with predominantly one-way peak hour flows. Given the one-way system in operation on the approach roads, the current road layout is considered to be adequate.

Linked Development

- 2.83** It may be possible to link some housing with the underground car park option, particularly at the western end of the site where the car park may be sunk into the hillside. However, it is unlikely that ground level frontage housing can be extended over the full curtilage of the car park, as this would interfere with access and restrict the amount of car parking available at ground level.

Costs

2.84	Two-level decked car park (ie four 'half-levels'):	£2,840,000
	Two-level underground car park (ie four 'half-levels'):	£5,680,000

Sir Charles Frossard House

Site Location and Description

- 2.85** The proposed car park would provide an extension of the existing Sir Charles Frossard House car park. In effect half the car park would be built on top of the existing decked car park, with half above existing ground level parking.
- 2.86** The area to the south-west of the Sir Charles Frossard House building is currently used as a car park. The northern part of the site is a surface level car park, the southern comprises secure parking under a single level deck also used for parking. This area was designed so that in future it could be converted to a three-storey office building.
- 2.87** Access to the site is from a mini-roundabout at the junction of La Charroterie, Colborne road, Les Ruettes Brayes and Prince Albert Road.

Planning and Environmental Issues

- 2.88** The site is in the Central Activities Area/part Conservation Area and part Action Area of St Peter Port. The IDC notes that the only way to increase the parking provision is to build additional decks above the existing car park. Because of the prominent location of Sir Charles Frossard House, and its pleasant green backdrop, the design of any extension to the car park would need to be sympathetic and to a high standard.

Geology and Engineering

- 2.89** The site lies at the side of the States offices. It is anticipated that, providing the rock is not at great depth, spread foundations on the bedrock can be assumed.
- 2.90** The existing decked car parking has been designed with foundations and structure such that a three-storey office building can be added in the future. Loadings per floor would be 4.0kN/m² for offices, compared with 2.5kN/m² for a car park. In theory, therefore, a four-level car park could be added on top of the existing structure.

Other Constraints

- 2.91** Access to the existing ground level car park must be maintained and any loss of spaces minimised.

Feasible Layout

- 2.92** A multi-storey split level car park is proposed. Access would be through the existing decked area, with a new structure forming the half-decked area above the existing surface level car park. To locate this structure so as to minimise impact on the existing car park, it has been offset by a metre from the existing decked car park. This would provide a lightwell and improve ventilation to the car park. With this layout four half decks could be provided above the existing car park deck, and five half levels above the adjacent surface car park. At 40 spaces per half deck this gives 360 additional spaces.

- 2.93** The layout shown on Figure 2.10 (Ref SCFH/AG) envisages an anti-clockwise circulation pattern instead of the more normal clockwise pattern, to ensure effective use of the existing deck. Although this is unusual, it has been used elsewhere and it is not considered to be detrimental to the efficient and safe operation of the car park.

Traffic Management

- 2.94** Minor alterations to the internal site layout will be necessary as the decked car park area will have greater flows than the lower level. Priorities should be altered to reflect this. The existing mini-roundabout at the site entrance should be adequate to cater for expected flows inbound in the morning peak hour, but there may be some queuing at the car park exit in the evening peak hour.

Linked Development

- 2.95** Linked development will not be feasible with this option.

Costs

- 2.96** Assuming nine half levels (ie four levels on top of existing car park deck) gives 360 additional spaces and a cost of £3,960,000.

Charroterie

Site Location and Description

- 2.97** The site is located immediately to the north-east of Sir Charles Frossard House, in the site of the former Charroterie Mills. The site comprises a level area between Sir Charles Frossard House and Cour de Parc.
- 2.98** The site is bounded on its southern side by La Charroterie, which falls from Sir Charles Frossard House to Cour de Parc. Adjacent to Sir Charles Frossard House the site is at a considerably lower level than La Charroterie - some 5m.

Planning and Environmental Issues

- 2.99** Work has recently started on the redevelopment of the site. It is understood that this comprises housing to the north of the site and an office building adjacent to Sir Charles Frossard House. The IDC notes that the plans will only provide sufficient parking for the development, with no additional public spaces. It considers that there may be scope for negotiation with the developers to increase parking provision, but doubts whether sufficient parking could be provided to make a significant contribution to the strategic parking supply.

Geology and Engineering

- 2.100** The site lies at the side of the States' offices. The groundwater table is likely to be at depth but there could be 'perched' or trapped water in the quarry fill or above the old base of the workings.
- 2.101** It is anticipated that, providing the rock is not at great depth, spread foundations on the bedrock can be assumed.

Other Constraints

- 2.102** If the car park is to be fully integrated with the office development, it will be necessary to provide a dedicated area of parking for office staff and visitors, segregated from public parking. Depending on the nature and layout of the housing development, dedicated residents' spaces could also be provided.

Feasible Layout

- 2.103** A multi-storey car park layout has been developed. The layout is slightly unusual in that entry is at the top deck with a split level layout falling into the site. A split level layout allows entry to be at the top level adjacent to Sir Charles Frossard House, with the exit half a level lower emerging onto La Charroterie at a slightly lower point than the entry.
- 2.104** The layout is shown on Figure2 .11 (Ref C/AG). The depth into the site should enable six half-levels, giving a total of some 180 spaces, to be provided.

Traffic Management

- 2.105** As noted above, the layout allows for separate entry from and exit onto La Charroterie. As the majority of traffic will probably approach from the south-west it is not considered that a right turn facility is required at the entry. However, building lines should be set so that adequate visibility is provided.

Linked Development

- 2.106** As noted earlier, office development is planned in this area. This could be linked with the provision of the car park. However, the car park entrances would preclude office frontage onto La Charroterie and therefore the frontage of the office development may have to be more extensive than that of the car park, in order to provide street-level pedestrian access from La Charroterie.
- 2.107** An alternative may be to bring in access to the car park through the site at a lower level. However this would reduce by two the number of half decks possible without excavation into the base of the site. It would also bring traffic through the proposed residential area.

Costs

- 2.108** Three-level car park (ie six 'half-levels'): £1,320,000

Val des Terres site

Site Location and Description

- 2.109** The site is at the top of Le Val des Terres between Le Val des Terres and George Road.
- 2.110** The site is currently open space. It falls from south to north, being at a level of about 85m at the junction of Le Val des Terres and George Street, falling to slightly below 80m at the northern site boundary.

Planning and Environmental Issues

- 2.111** The IDC notes that the site is remote from St Peter Port and would require the operation of an efficient Park and Ride scheme. It considers that the proposed site, a grassed field, forms a pleasant area of open space with extensive views. It considers that the construction of a surface level car park “would cause demonstrable harm to the amenities of the locality and would significantly detract from one of the principal approaches into Town”.

Geology and Engineering

- 2.112** The geological map shows the site to be an open field underlain by ‘granite augen gneiss of the Icast type’ with a superficial layer of loess.

Underground Option

- 2.113** It is anticipated that below a few metres depth, excavation will be in hard rock. If space permits, the dig could be carried out in open cut with the superficial material battered back to safe angles and the rock cuts anchored or bolted as necessary.

Decked Option

- 2.114** Spread footings on the weathered or intact rock should be feasible.

Other Constraints

- 2.115** The location is remote from the commercial centre of St Peter Port and from other attractions. A Park and Ride or shuttle bus service would be required for a car park to be viable. In order to provide a bus service to the town centre at a reasonable headway (say 10 minutes) it is likely two buses would be needed. The annual operating costs of these buses would be in the order of £150,000 per annum. As it is unlikely the car park would be used if a charge were imposed (since town centre parking is free) then there would be no revenue generated to offset the operating cost.

Feasible Layout

- 2.116** As noted above the site falls from the southern edge to the north. For a multi-storey option, the entrance should be at the lowest level. (This is because it is difficult to set up efficient circulation patterns if traffic can move both up or down from the entrance.) A split level layout is therefore proposed with entry at the northern end of the site, as shown on Figure 2.12 (Ref MF/AG). This means that the lower two half-levels will be set into the hillside, and the surrounding ground would need to be battered back to achieve adequate ventilation. In construction terms there are no particular difficulties in providing a multi-storey car park. As noted earlier, split level car parks become inefficient above 500 spaces, and this would effectively constrain the amount of parking in this type of car park. This corresponds to nine half-levels, which would provide some 500 spaces. A larger car park could be provided with flat plate decks and different ramp arrangements, but this would require a larger plan area.
- 2.117** It is presumed that any underground car park would be totally sub-surface, with the field above restored to make the car park as unobtrusive as possible, although some structures such as ventilation and access would still be required. Again, this means that the entrance would have to be at the lowest level, into the north end of the site, as shown on Figure 2.13 (Ref MF/UG). Again, a split level car park is considered the most appropriate in practical terms. Six half-decks would be impractical, as this would involve more than 20m depth of dig at the northern end of the site. Four half-decks would give 220 spaces.

Traffic Management

- 2.118** George Street is currently one-way towards Le Val des Terres. The northern section would need to be converted to two-directional operation between Le Val des Terres and the car park entrance. However this should not present any particular difficulties in this area given the available space to the east of George Road.
- 2.119** The junction of Le Val des Terres with Fort Road, Colborne Road and George Road is already complex, and would need some rationalisation. The preferred option is to introduce a roundabout, as shown on Figures 2.12 and 2.13, and to close the one-way westbound link road to the south of Le Val des Terres, the Rue de Belevère, again as shown.

Linked Development

- 2.120** It would be feasible to provide development in conjunction with an underground car park, and this would improve the viability of the car park, potential difficulties with which are noted above in para 2.112. However, the viability and desirability of providing isolated development in this relatively remote and undeveloped location are questionable.

Costs

- | | | |
|--------------|---|------------|
| 2.121 | 5-level multi-storey car park: | £5,500,000 |
| | 2-level underground car park: | £4,840,000 |
| | Junction improvements and improvements to George Road | £150,000 |
| | Park and Ride Terminus | £100,000 |
| | Annual operating costs of Park and Ride | £150,000 |

3.0 CAR PARK ASSESSMENT

- 3.1** Assessment is the process by which the compliance of each option with the objectives of the study is assessed. For each option we have therefore completed an assessment framework which systematically sets out the effects of the option. Wherever possible objective measures are used in the assessment framework. However, there are areas where judgement is necessary but the framework ensures that this process is transparent. At this stage, in identifying which of these options tested is the best to be taken forward, such judgements are not critical to the assessment process.

Assessment Framework

- 3.2** Discussions have been held with States Officials to agree a number of objectives against which options are tested. Seven main objectives are specified and each as a number of attributes which gives a measure of whether the objective is achieved. It is these attributes which are described for each option and which form the basis of a comparison. Objectives and attributes are described below.

- (i) Increase Car Parking Numbers
 - (a) Number of spaces – How many spaces can be provided on site?
 - (b) Likely purpose of use – Will the car park provide long stay car parking for commuters or short stay parking for shopping and personal business purposes?
- (ii) Location Near Town Centre – How well located is the car park with respect to the Town Centre?
 - (a) Distance to shops – distances above 300 metres are unlikely to be attractive to shoppers. We have measured the distance to the nearest point on the High Street.
 - (b) Distance to main business district – We have taken this to be centred on Le Truchot. Commuters are prepared to walk longer distances from car parks.
 - (c) Pedestrian linkages – Are there good pedestrian linkages between the car park and the area it is intended to serve?
- (iii) Safety – Is this scheme safe for users?
 - (a) Access – Can safe access to the car park be achieved?
 - (b) Car Park Design - Are circulation patterns conventional and safe?
 - (c) Pedestrian Routes – Are improvements to pedestrian routes required to achieve safety?
- (iv) Environment – What effect will the car park have on the environment?
 - (a) Effect on flows in residential areas – Are these likely to be discernible in terms of pollution and noise?
 - (b) Pollution – Will air pollution be increased?

- (c) Visual impact – How visible is the car park? Can measures be taken to reduce its impact?
- (d) Conservation Issues – Location of car park with respect to conservation area and historic buildings.
- (v) Accessibility – How accessible is the car park to its main catchment areas?
 - (a) Location – What is the main catchment area likely to be?
 - (b) Access Route – Is the car park well located in respect to the main distributor network on Guernsey?
- (vi) Disruption during Construction – Any abnormal impacts are noted.
- (vii) Financial – What is the preliminary cost estimate for the car park.

3.3 The following tables presents our assessment of each option.

Option: Salerie Car Park – Decked Option (Ref: SAL/AG, Figure 2.1)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	150 net additional spaces on a single deck 340 net additional spaces on two decks.
	Likely purpose of use	Long-stay parking.
Location near town centre	Distance to shops	700m
	Distance to main business district	450m
	Pedestrian linkages	By footways on Glatigny Esplanade. Need to cross Waterfront highway.
Safety	Access	Major improvement to access likely to be needed to achieve safe design.
	Car park design	Irregular shape with cranked aisles may give visibility problems.
	Pedestrian routes	Safe crossing of Waterfront highway required.
Environment	Effect on flows in residential areas	No discernible effect
	Pollution	No discernible effect if good quality access provided.
	Visual impact	Sea walls provide some shielding but cars are likely to be visible from sea at some states of tide for single deck, and at all times for two decks. Visible from Waterfront highway.
	Conservation issues	None
Accessibility	Location	Well located with respect to north-eastern part of Guernsey.
	Access route	From major distributor.
Disruption during construction		Loss of parking spaces during construction. Access will need to be maintained to slipway and jetty.
Financial	Cost	£1.64m (single deck)
		£3.92m (two-deck)

NOTE: All figures are approximate

Option: Salerie Car Park - Underground (Ref: SAL/UG, Figure 2.2)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	200 net additional spaces on a single level
	Likely purpose of use	Long-stay parking.
Location near town centre	Distance to shops	700m
	Distance to main business district	450m
	Pedestrian linkages	By footways on Glatigny Esplanade. Need to cross Waterfront highway.
Safety	Access	Major improvement to access likely to be needed to achieve safe design.
	Car park design	Irregular shape with cranked aisles may give visibility problems.
	Pedestrian routes	Safe crossing of Waterfront highway required.
Environment	Effect on flows in residential areas	No discernible effect
	Pollution	No discernible effect if good quality access provided.
	Visual impact	No change from existing.
	Conservation issues	None
Accessibility	Location	Well located with respect to north-eastern part of Guernsey.
	Access route	From major distributor.
Disruption during construction		Loss of parking spaces during construction. Access will need to be maintained to slipway and jetty.
Financial	Cost	£5.78m (single level) £11.06m (two-level)

NOTE: All figures are approximate

Option: North Beach Car Park- Decked Option (Ref: NB/AG, Figure 2.3)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	Net increase of 565 spaces per deck.
Location near town centre	Likely purpose of use	Combination of short and long stay.
	Distance to shops	300m
	Distance to main business district	100m
	Pedestrian linkages	Via pelican crossing of North Esplanade. Controlled crossing at highway exit from Pier may be necessary.
Safety	Access	Safe access via Weighbridge Roundabout.
	Car park design	Conventional layout therefore safe.
	Pedestrian routes	Good quality
Environment	Effect on flows in residential areas	No discernible effect
	Pollution	Increased congestion at Weighbridge Roundabout will increase localised pollution.
	Visual impact	Single deck will give increased visual intrusion from Waterfront, but is unlikely to have significant impact from sea. Two decks visible from both land and sea.
	Conservation issues	Within Town Centre conservation area.
Accessibility	Location	At junction of routes from north, west and south.
	Access route	Via main distributor roads. Additional congestion likely at Weighbridge Roundabout.
Disruption during construction		Closure of existing car parks needed, but effect may be minimised by phased construction.
Financial	Cost	£3.39m (single deck)
		£10.17m (two-decks)

NOTE: All figures are approximate

Option: North Beach Car Park - Underground Option (Ref: SAL/UG, Figure 2.4)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	Net increase of 565 spaces per deck.
Location near town centre	Likely purpose of use	Combination of short and long stay.
	Distance to shops	300m
	Distance to main business district	100m
	Pedestrian linkages	Via pelican crossing of North Esplanade. Controlled crossing at highway exit from Pier may be necessary.
Safety	Access	Safe access via Weighbridge Roundabout.
	Car park design	Conventional layout therefore safe.
	Pedestrian routes	Good quality
Environment	Effect on flows in residential areas	No discernible effect
	Pollution	Increased congestion at Weighbridge Roundabout will increase localised pollution.
	Visual impact	No additional visual impact.
	Conservation issues	No significant impact.
Accessibility	Location	At junction of routes from north, west and south.
	Access route	Via main distributor roads. Additional congestion likely at Weighbridge Roundabout.
Disruption during construction		Phased construction unlikely to be feasible, therefore existing car parking will be lost during construction.
Financial	Cost	£12.71m (single deck)
		£25.42m (two-decks)

NOTE: All figures are approximate

Option: Bus Station (Ref: BS/UG, Figure 2.5)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	120 spaces per deck.
Location near town centre	Likely purpose of use	Short stay and shoppers car park.
	Distance to shops	150m
	Distance to main business district	500m
	Pedestrian linkages	Via existing footways and pelican crossings at lower end of Fountain Street.
Safety	Access	Via modifications to existing routes from Slaughterhouse Roundabout.
	Car park design	Conventional design therefore safe.
	Pedestrian routes	Good quality routes to shops, safe crossings of roads.
Environment	Effect on flows in residential areas	Minimal
	Pollution	No discernible effect.
	Visual impact	No impact from car park. Above ground impact dependent on use proposed after construction.
	Conservation issues	Likely to centre on above ground treatment after construction. Loss of mature trees likely.
Accessibility	Location	Well located with respect to traffic from the south.
	Access route	On main distributor road.
Disruption during construction		Likely to be significant for both car park construction and service diversions.
Financial	Cost	£2.68m (single level) + service diversions
		£5.37m (two levels) + service diversions

NOTE: All figures are approximate

Option: Lukis House - Decked Option (Ref: LH/AG, Figure 2.6)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	34 per deck. (Note that car park would occupy area currently used for 60 car park spaces. Therefore three levels required to give increase in numbers.) 136 spaces on four decks.
Location near town centre	Likely purpose of use	Commuter
	Distance to shops	500m
	Distance to main business district	600m
	Pedestrian linkages	Poor. No footway immediately outside site.
Safety	Access	Poor. Inadequate visibility without property demolition.
	Car park design	Poor. Constricted site means up and down movements cross.
	Pedestrian routes	Poor.
Environment	Effect on flows in residential areas	Unlikely to be discernible.
	Pollution	No change likely to be discernible.
	Visual impact	High from adjacent properties.
	Conservation issues	Within Conservation Area adjacent to historic buildings.
Accessibility	Location	Serves routes from North and West.
	Access route	On main distributor road.
Disruption during construction		noise, vibration and dust may impact adversely on adjacent buildings. Access for construction traffic difficult. Loss of existing car parking during construction.
Financial	Cost	£1.50m.

NOTE: All figures are approximate

Option: **Lukis House - Underground Option (Ref: LH/UG, Figure 2.7)**

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	34 per deck. (Note that car park would occupy area currently used for 60 car park spaces. Therefore three levels required to give increase in numbers.) 136 spaces on four decks.
Location near town centre	Likely purpose of use	Commuter
	Distance to shops	500m
	Distance to main business district	600m
	Pedestrian linkages	Poor. No footway immediately outside site.
Safety	Access	Poor. Inadequate visibility without property demolition.
	Car park design	Poor. Constricted site means up and down movements cross.
	Pedestrian routes	Poor.
Environment	Effect on flows in residential areas	Unlikely to be discernible.
	Pollution	No change likely to be discernible.
	Visual impact	No additional impact following construction.
	Conservation issues	No impact other than additional traffic movements.
Accessibility	Location	Serves routes from North and West.
	Access route	On main distributor road.
Disruption during construction		noise, vibration and dust may impact adversely on adjacent buildings. Access for construction traffic difficult. Loss of existing car parking during construction.
Financial	Cost	£2.99m.

NOTE: All figures are approximate

Option: Odeon Car Park – Underground Option (Ref: O/UG, Figure 2.8)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	260 additional spaces.
Location near town centre	Likely purpose of use	Long stay - commuter.
	Distance to shops	400m
	Distance to main business district	400m
	Pedestrian linkages	Poor. La Rue des Freres, Hospital Lane and Ann's Place do not provide good pedestrian facilities.
Safety	Access	Car park access from Monument Gardens satisfactory. However, approach routes are narrow and unsatisfactory.
	Car park design	Conventional layout therefore satisfactory.
	Pedestrian routes	Narrow footways on adjacent roads are unsatisfactory.
Environment	Effect on flows in residential areas	Increased traffic flows through residential area likely to be in order of 600 additional movements/day.
	Pollution	Some increase but unlikely to be discernible.
	Visual impact	No additional impact.
	Conservation issues	Covenants likely to prevent construction.
Accessibility	Location	Serves routes from north and west.
	Access route	Access via minor roads but should be adequate given likely commuter use.
Disruption during construction		Noise, vibration and dust may impact adversely on adjacent residential properties. Closure of existing car park will be required.
Financial	Cost	£5.68m.

NOTE: All figures are approximate

Option: Odeon Car Park - Decked Option (Ref: O/AG, Figure 2.9)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	260 additional spaces
Location near town centre	Likely purpose of use	Long stay - commuter.
	Distance to shops	400m
	Distance to main business district	400m
	Pedestrian linkages	Poor. La Rue des Freres, Hospital Lane and Ann's Place do not provide good pedestrian facilities.
Safety	Access	Car park access from Monument Gardens satisfactory. However, approach routes are narrow and unsatisfactory.
	Car park design	Conventional layout therefore satisfactory.
	Pedestrian routes	Narrow footways on adjacent roads are unsatisfactory.
Environment	Effect on flows in residential areas	Increased traffic flows through residential area likely to be in order of 600 additional movements/day.
	Pollution	Some increase but unlikely to be discernible.
	Visual impact	Visible from surrounding houses.
	Conservation issues	Covenants likely to prevent construction.
Accessibility	Location	Serves routes from north and west.
	Access route	Access via minor roads but should be adequate given likely commuter use.
Disruption during construction		Noise, vibration and dust may impact adversely on adjacent residential properties. Closure of existing car park will be required.
Financial	Cost	£2.84m.

NOTE: All figures are approximate

Option: Sir Charles Frossard House (Ref: SCFH/AG, Figure 2.10)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	40 per half level. Assuming nine half levels gives 360 additional spaces.
Location near town centre	Likely purpose of use	Long stay.
	Distance to shops	600m to Mansell Street.
	Distance to main business district	Unlikely to serve main business district. 500m to Trinity Square area.
	Pedestrian linkages	Via footways on Charroterie and Le Bordage. Gaps currently exist.
Safety	Access	From existing mini roundabout at junction of Charroterie and Prince Albert Road. On site layout will need careful consideration.
	Car park design	Anti-clockwise circulation unusual but unlikely to give safety problems.
	Pedestrian routes	Unsatisfactory provision in Charroterie means pedestrians have to cross roads.
Environment	Effect on flows in residential areas	Increase in vicinity of site adjacent to new housing, but unlikely to be discernible. May give queues within car park at exit onto mini-roundabout in evening peak hour.
	Pollution	Unlikely to be discernible effect.
	Visual impact	High in immediate vicinity but no long views of site.
	Conservation issues	Within Conservation Area and Action Area.
Accessibility	Location	Services southern part of island.
	Access route	Adjacent to main distributor with linkages to Les Ruettes Brayes and Colborne Road. Prince Albert Road (connection to Queens Road) of poorer standard.
Disruption during construction		Noise, dust and vibration may affect neighbouring housing and offices. Car parking at Sir Charles Frossard House will be lost during construction.
Financial	Cost	£3.96m.

NOTE: All figures are approximate

Option: Charroterie (Ref: C/AG, Figure 2.11)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	20 per half level, 120 in total (assuming it can be integrated with development).
Location near town centre	Likely purpose of use	Long stay.
	Distance to shops	500m to Mansell Street.
	Distance to main business district	Unlikely to serve main business district. 400m to Trinity Square area.
	Pedestrian linkages	It is assumed that improved footway linkages will be provided in conjunction with planned development of area.
Safety	Access	New junction on Charroterie. Adequate visibility will be required.
	Car park design	Conventional layout therefore likely to be safe.
	Pedestrian routes	Ideally pedestrian routes should lead to Trinity Square from bottom level of car park through the proposed development.
Environment	Effect on flows in residential areas	Increase in flow on Charroterie, but unlikely to be discernible.
	Pollution	Unlikely to be discernible effect.
	Visual impact	Mainly below road level therefore unlikely to be significant.
	Conservation issues	None
Accessibility	Location	Services southern part of island.
	Access route	Adjacent to main distributor with linkages to Les Ruettes Brayes and Colborne Road. Prince Albert Road (connection to Queens Road) of poorer standard.
Disruption during construction		Noise, dust and vibration may affect neighbouring housing.
Financial	Cost	£ 1.32m

NOTE: All figures are approximate

Option: Val des Terres site - Multi Storey Car Park (Ref: VDT/AG, Figure 2.12)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces	500
Location near town centre	Likely purpose of use	Long or short stay - would depend on park and ride service.
	Distance to shops	Remote from shops and businesses. Car park would only be used in conjunction with frequent shuttle bus service to centre of St Peter Port
	Distance to main business district	
Safety	Pedestrian linkages	
	Access	Good quality safe access requires alterations to George Road.
	Car park design	Conventional design therefore safe.
Environment	Pedestrian routes	Good routes to shuttle bus stop would be required.
	Effect on flows in residential areas	Increased flows on George Road. Unlikely to be significant increases elsewhere.
	Pollution	Unlikely to be any discernible increase.
	Visual impact	High in immediate vicinity and likely to be visible from longer perspectives.
	Conservation issues	Part of Green Zone 1.
Accessibility	Location	Serves southern part of Guernsey.
	Access route	On main distributor road.
Disruption during construction		Minor
Financial	Cost	£5.75m + £0.15m per annum bus operating costs

NOTE: All figures are approximate

Option: Val des Terres site – Underground Option (Ref: VDT/UG, Figure 2.13)

Objective	Attribute	Assessment
Increase car parking numbers	Number of spaces Likely purpose of use	220 Long or short stay - would depend on park and ride service.
Location near town centre	Distance to shops Distance to main business district Pedestrian linkages	Remote from shops and businesses. Car park would only be used in conjunction with frequent shuttle bus service to centre of St Peter Port.
Safety	Access Car park design Pedestrian routes	Good quality, safe access requires alterations to George Road. Conventional design therefore safe. Good routes to shuttle bus stop would be required.
Environment	Effect on flows in residential areas Pollution Visual impact Conservation issues	Increased flows on George Road. Unlikely to be significant increases elsewhere. Unlikely to be any discernible increase. Surface could be restored as green field, therefore little impact. Part of Green Zone I, but little impact.
Accessibility	Location Access route	Serves southern part of Guernsey. On main distributor road.
Disruption during construction		Minor
Financial	Cost	£5.09m + £0.15m per annum bus operating costs.

NOTE: All figures are approximate

Summary of Assessment

Objective	Attribute	Salerie Corner		North Beach		Bus Station	Lukits House		Odeon		Frossard House	Charroterie	Val des Terres	
		SAL/AG	SAL/UG	NB/AG	NB/UG	BS/UG	LH/AG	LH/UG	O/AG	O/UG	SCFH/AG	C/AG	M/AG	M/UG
Increase car parking numbers	Numbers of spaces	150-340	200-440	550-1100		120-240	136		258		360	120	500	220
	Likely purpose of use	Long stay		Long and short stay		Short stay	Long stay		Long stay		Long stay	Long stay	Park & Ride	
Location near town centre	Distance to shops	700m		300m		150m	500m		400m		600m Mansell St.	500, Mansell St.	Remote from shops and Businesses. Needs shuttle bus	
	Distance to main business district	450m		100m		500m	600m		400m		1Km+	1Km+		
	Pedestrian linkages	Good		Good		Good	Poor		Poor		Poor	Through devt.		
Safety	Access	Major imp. needed		Imp to Weighbridge Rbt to be investigated		Good	Poor		Poor approach roads		Good	Good	Good	
	Car park design	Irregular shape		Good		Good	Poor		Good		Good	Good	Good	
	Pedestrian Routes	Ped. Crossing needed		Good		Good	Poor		Poor		Poor	Through devt.	Needs shuttle bus	
Environment	Effect on flows in residential areas	None		None		None	None		Increased flows		Increase	Increase	Little impact	
	Pollution	Indiscernible		Increased localised pollution if no imp.		Indiscernible	Indiscernible		Indiscernible		Indiscernible	Indiscernible	Indiscernible	
	Visual impact	Some	None	Some	None	None	High	None	High	None	High	Low	High	Low
	Conservation issues	None		Within Conservation Area		Tree loss	High	Some	Covenants prevent construction		Within C.A.	None	In green zone	
Accessibility	Location	Good for N.E.		Good		Good for South	Good for N & W		Good for N & W		Good for S	Good for S	Good from South	
	Access Route	Main road		Main road		Main road	Main road		Minor roads		Main road	Main road	Main road	
Disruption during construction		Loss of parking		Loss of parking		High	High		High		High	High	Minor	
	Cost	£1.64m-£3.92m	£5.78m-£11.06m	£3.39m-£10.17m	£12.71m-£25.42m	£2.68m-£5.37m	£1.5m	£2.99m	£2.84m	£5.68m	£3.96m	£1.32m	£5.75m	£5.09m

4.0 SUMMARY AND CONCLUSIONS

- 4.1** The purpose of this report is to advise on the feasibility of introducing additional car parking space into St Peter Port. In engineering terms all options examined are feasible. However other factors lead us to consider that not all options should be taken forward to further study.
- 4.2** Two locations we consider are unsuitable for additional car parking. Lukis House is too small to accommodate a worthwhile multi-storey or underground car park. It is close to historic buildings, access is unsafe and not capable of improvement without demolition of buildings.
- 4.3** We understand the land on which the current Odeon surface level car park is built has restrictive covenants attached to it which mean that multi-storey or underground car parks cannot be built on it. For legal reasons, therefore we do not consider this site to be worthy of further investigation.
- 4.4** Technically, the Sir Charles Frossard House would be one of the easiest sites on which to build a multi-storey car park. However, we consider its location is too peripheral to the main shopping and employment areas for this to be an attractive location for users. Similar considerations apply to the Charroterie site with the added complication that development is already planned for this location and therefore the agreement of the developer would be needed before additional car parking can be provided.
- 4.5** The Val des Terres site is remote from the centre of St Peter Port and would only be effective as a Park and Ride site. We consider that environmental considerations would rule out the multi-storey option, whilst engineering constraints would probably limit the size of the underground option to 220 spaces unless a much larger plan area were adopted. The Park and Ride service would cost in the order of £150,000 per annum to operate giving an ongoing revenue implication for the car park over and above the normal maintenance and operational costs. Unless there is a policy change with regard to charging for parking within the centre of St Peter Port we do not consider this option would attract significant usage.
- 4.6** This therefore leaves the three waterfront locations of Salerie Car Park, North Beach Car Park and the Bus Station site. The Salerie and North Beach options are similar in many ways. It would be relatively simple to construct decked car parks on both. These would need a high quality of exterior design to minimise their visual intrusion. To a certain extent a single deck would be masked from the seaward side by the height of the sea walls already in position. Underground options would be complex technically due to the nature of the made-up ground in which they would be located. In addition, the Salerie Car Park would probably need major expenditure on providing an adequate access. For this reason, and because the Salerie Corner is relatively remote from the town centre we consider North Beach to be a better location for the Car Park. North Beach also has the added advantage that it is much larger in size than Salerie, could encompass car parking on a regular grid and give the possibility of phased construction.
- 4.7** In many ways the Bus Station has the best location for a new shoppers car park. It redresses the parking balance between the Northern and Southern part of the town, it is close to the existing shops, and would be attractive for the redeveloped market. However, we do not consider that above ground options would be acceptable, and the underground options would be the most complex technically and likely to have the highest unit cost per parking space.

Recommendations

- 4.8** Having considered the eight sites and developed options for each site we consider two sites are worthy of further study. These are North Beach Car Park and the Bus Station.
- 4.9** North Beach Car Park with a single deck could give over 500 additional spaces and be the cheapest in terms of unit cost per space. Further work would need to concentrate on the visual impact of the scheme its external treatment and quantification of its congestion impact at Weighbridge Roundabout.
- 4.10** The Bus Station site would be the most expensive in terms of unit cost per space. Further investigations would need to concentrate on engineering aspects determining the actual ground conditions, and the service diversion aspects of the scheme.

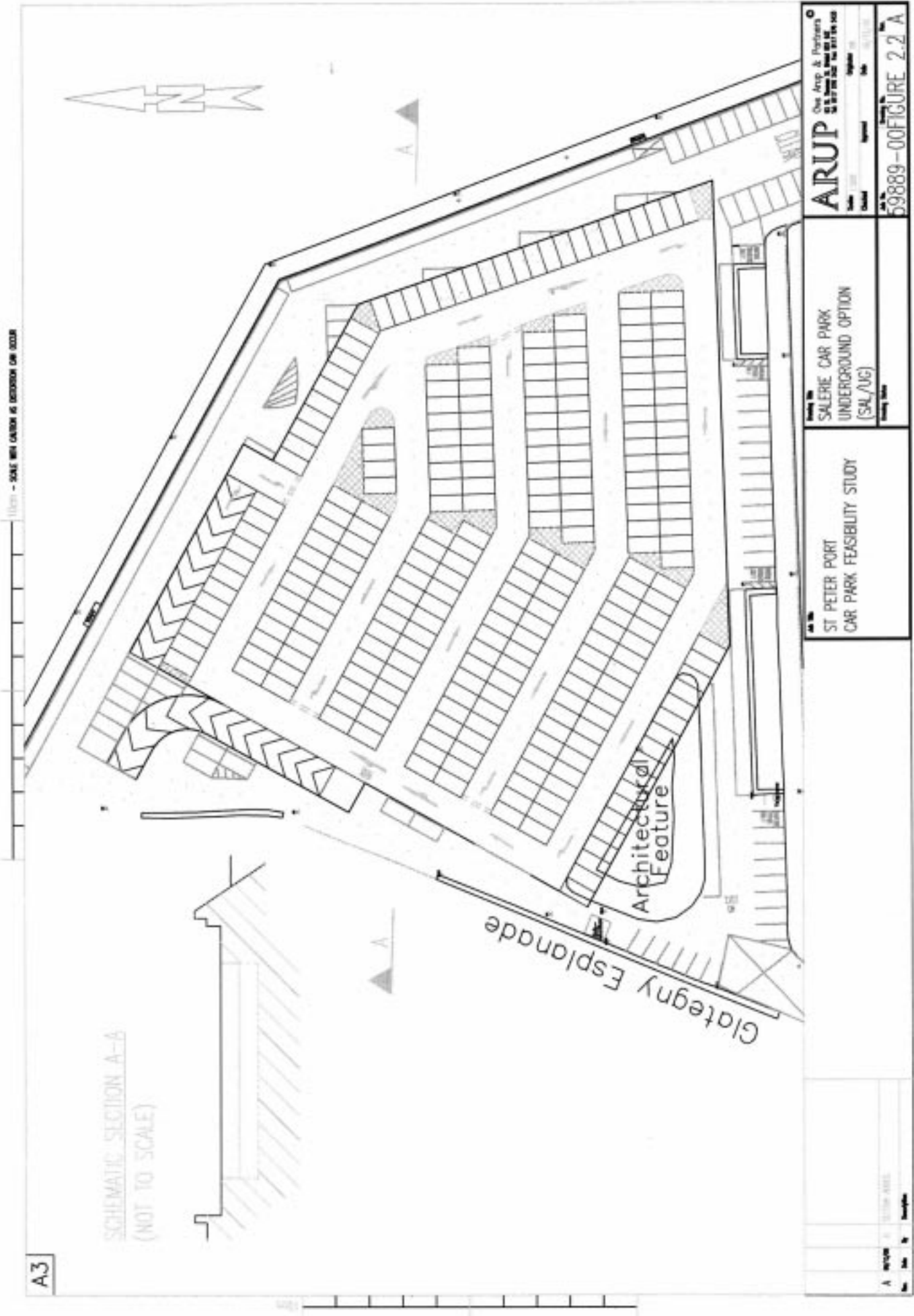
FIGURES

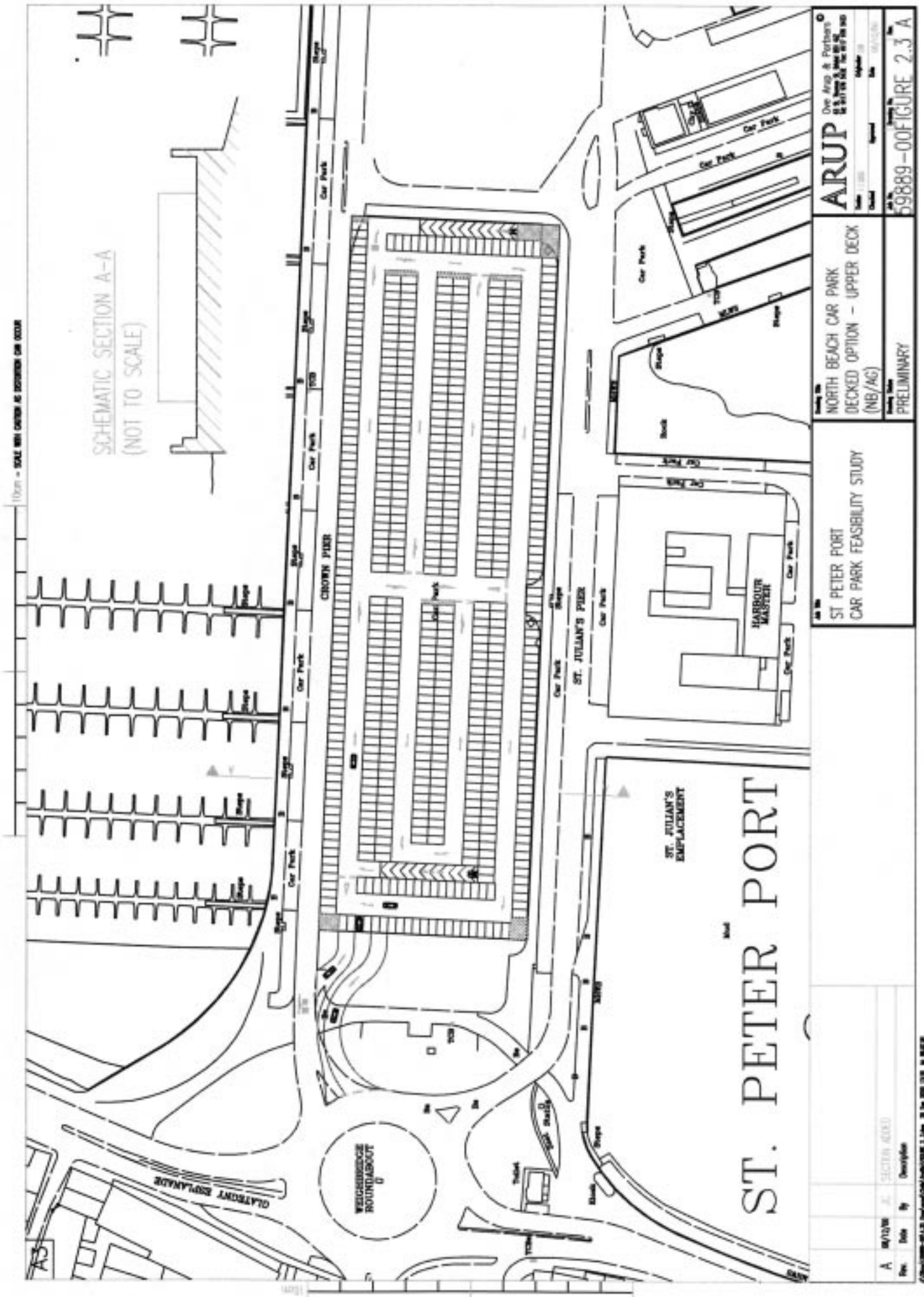


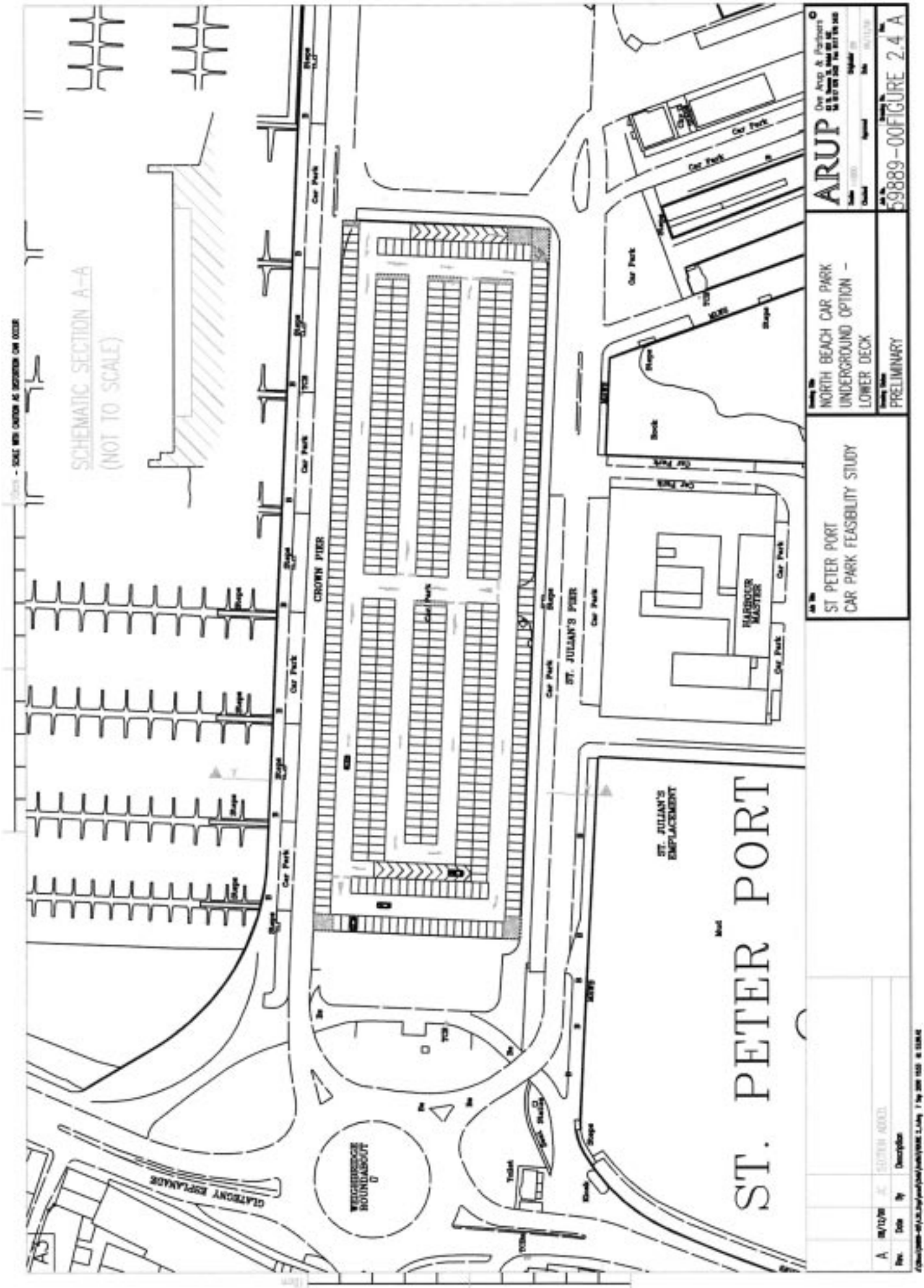
FIGURE 1.1

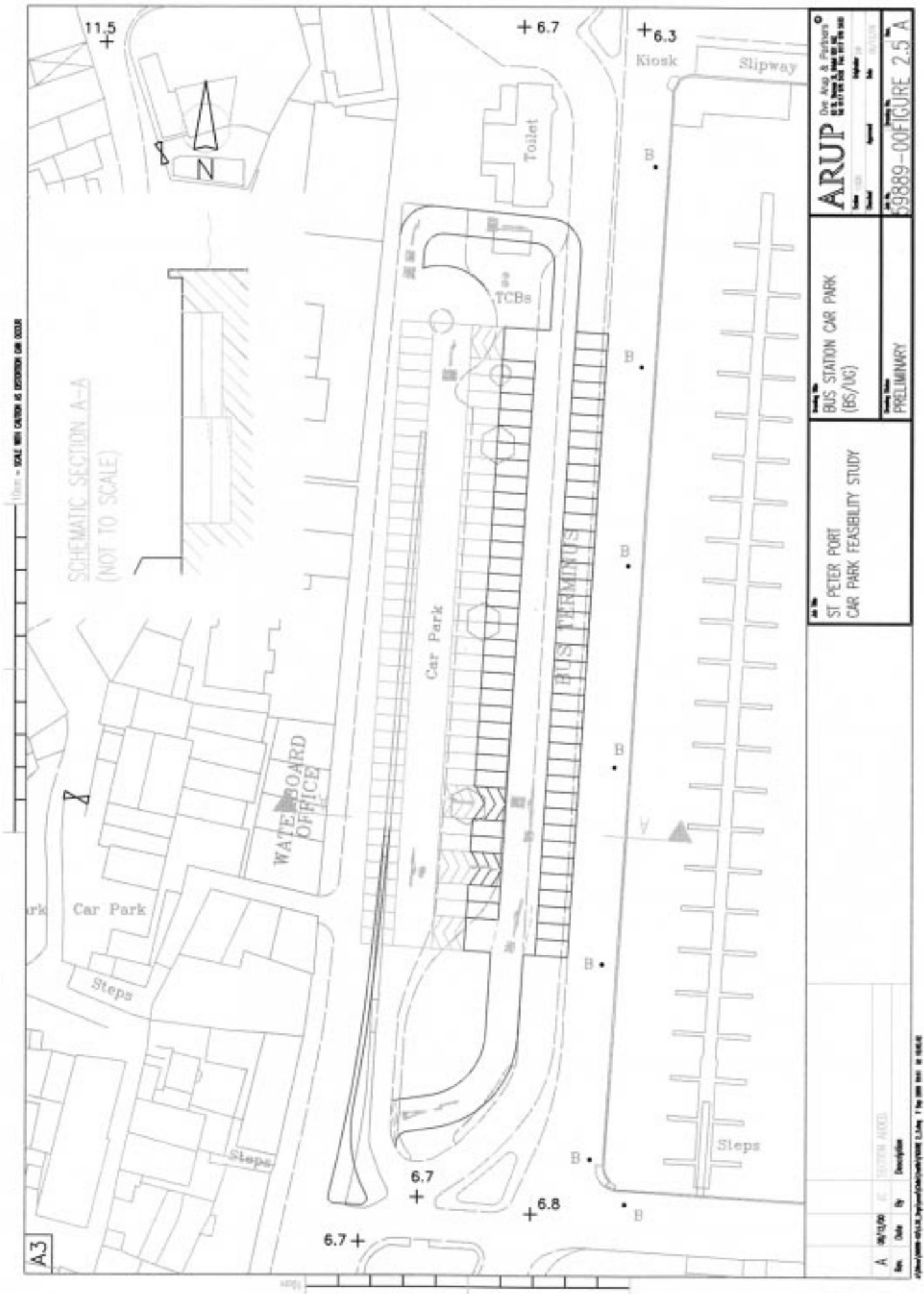
LOCATION OF CAR PARKS

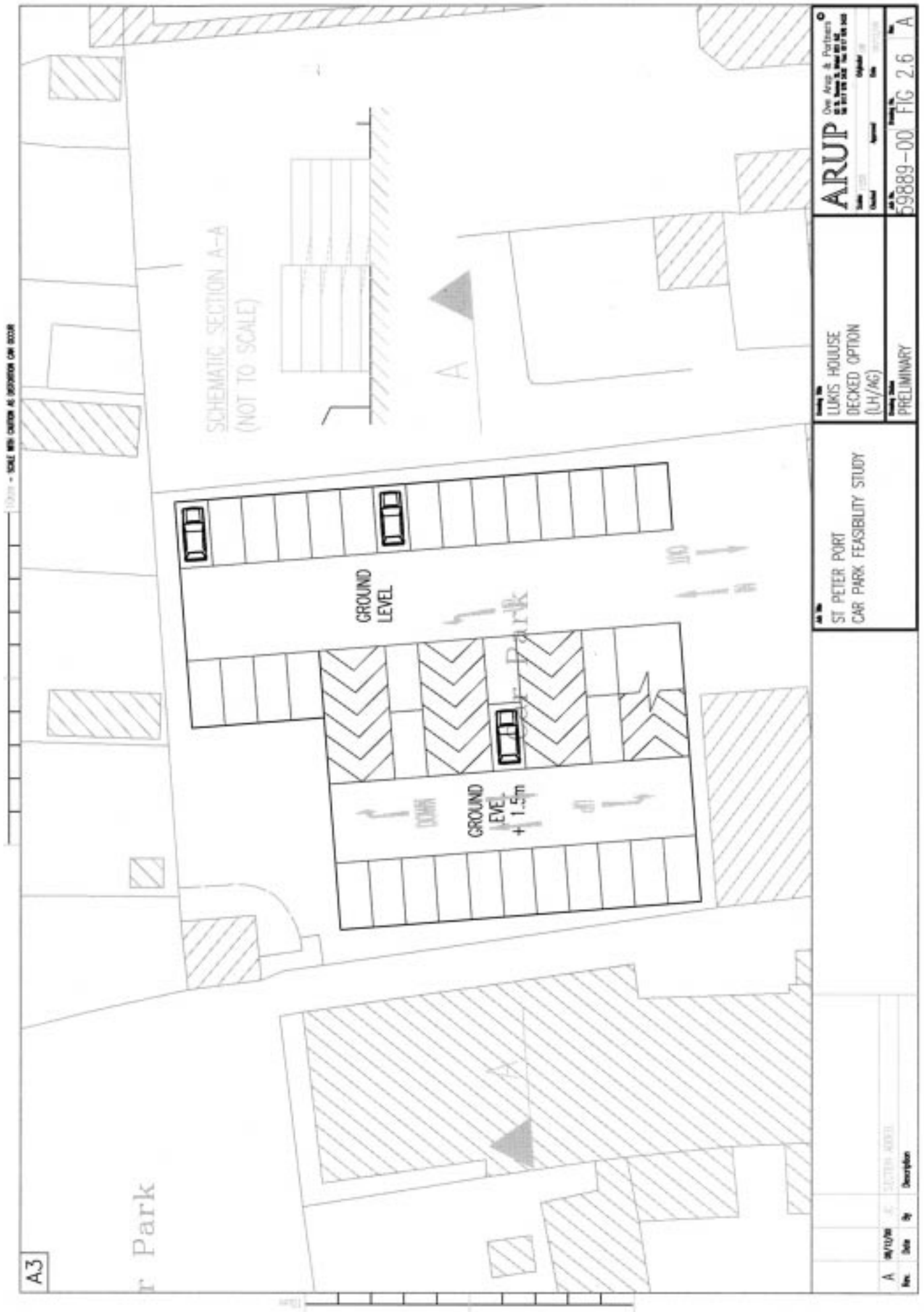


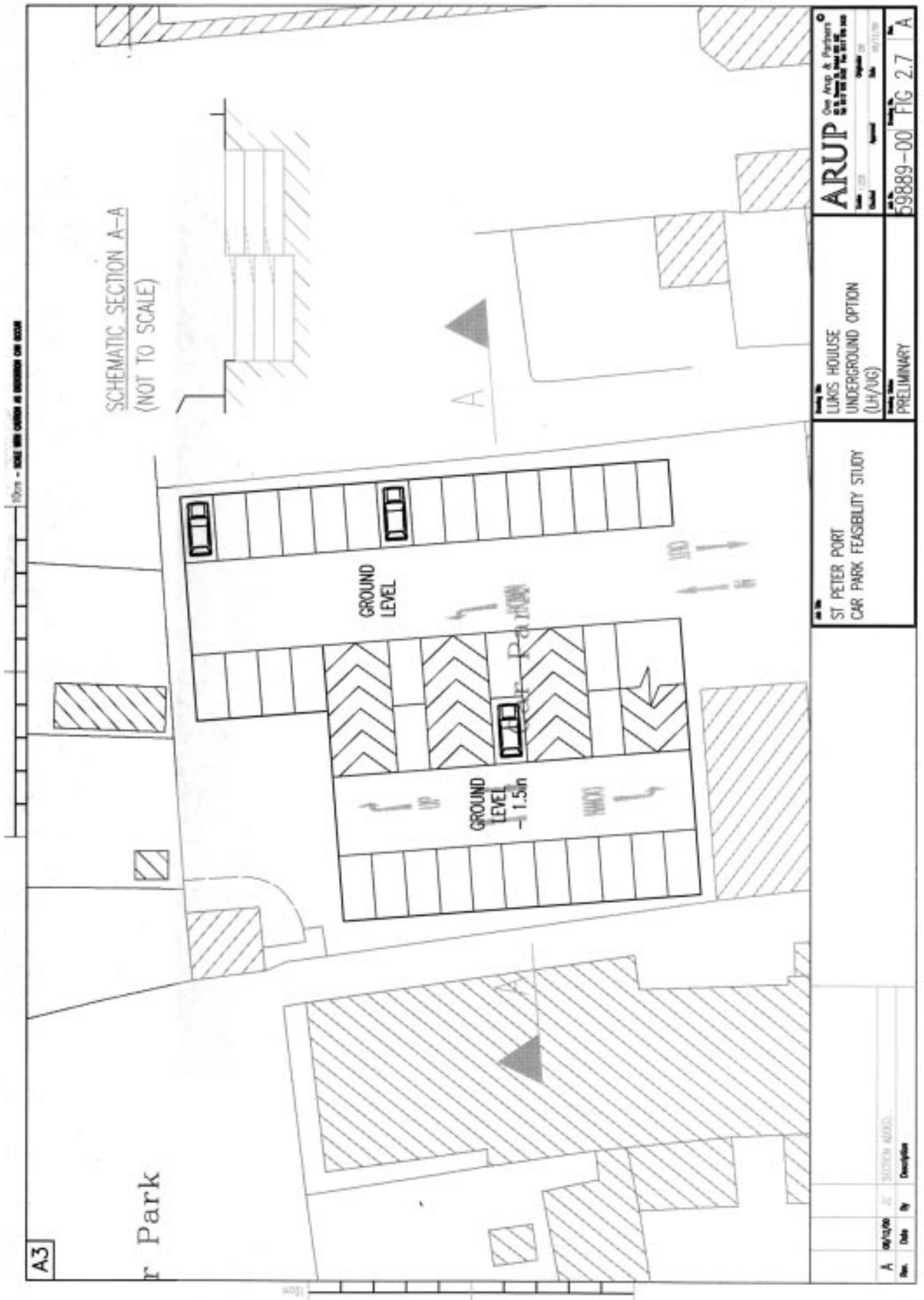




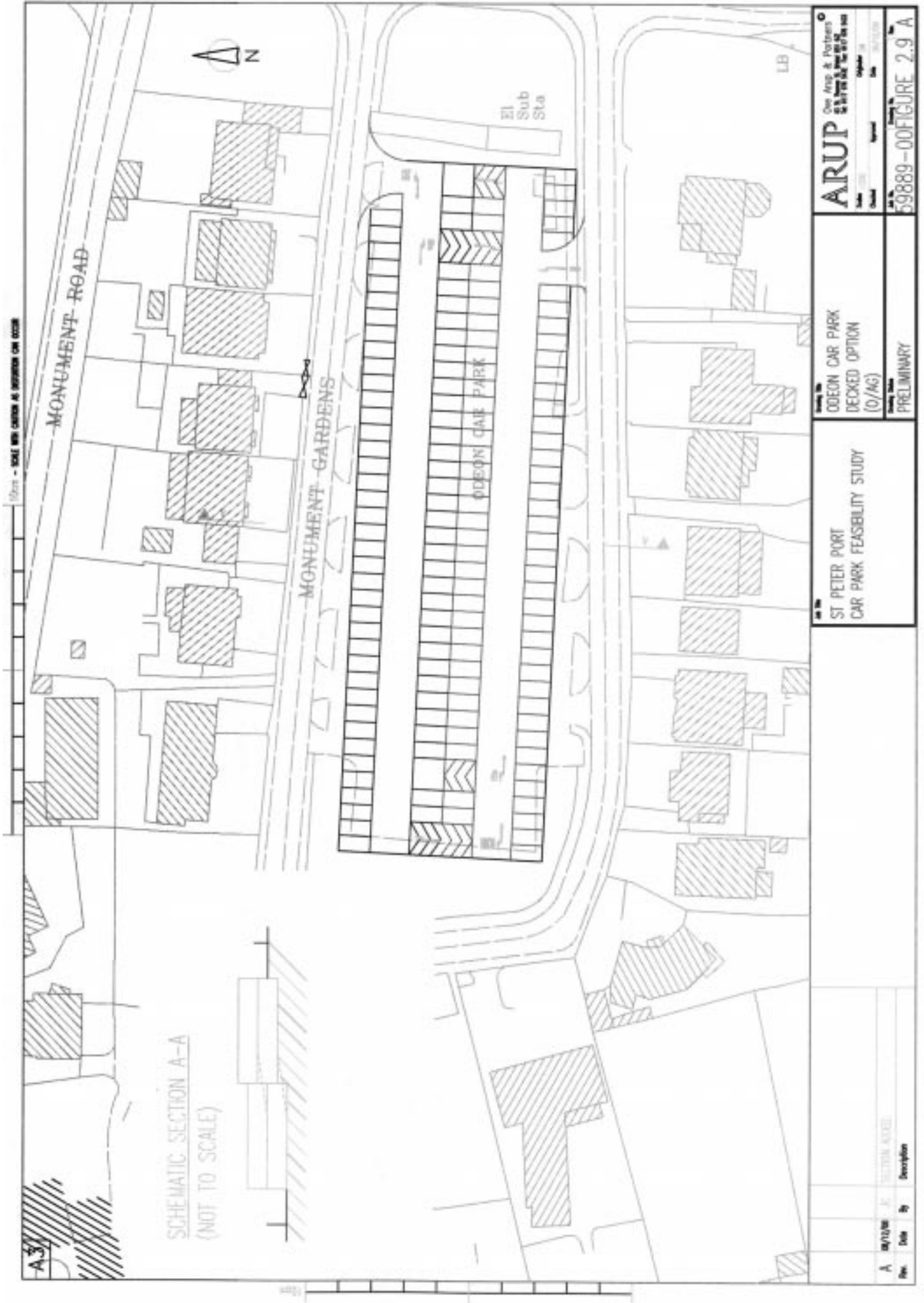


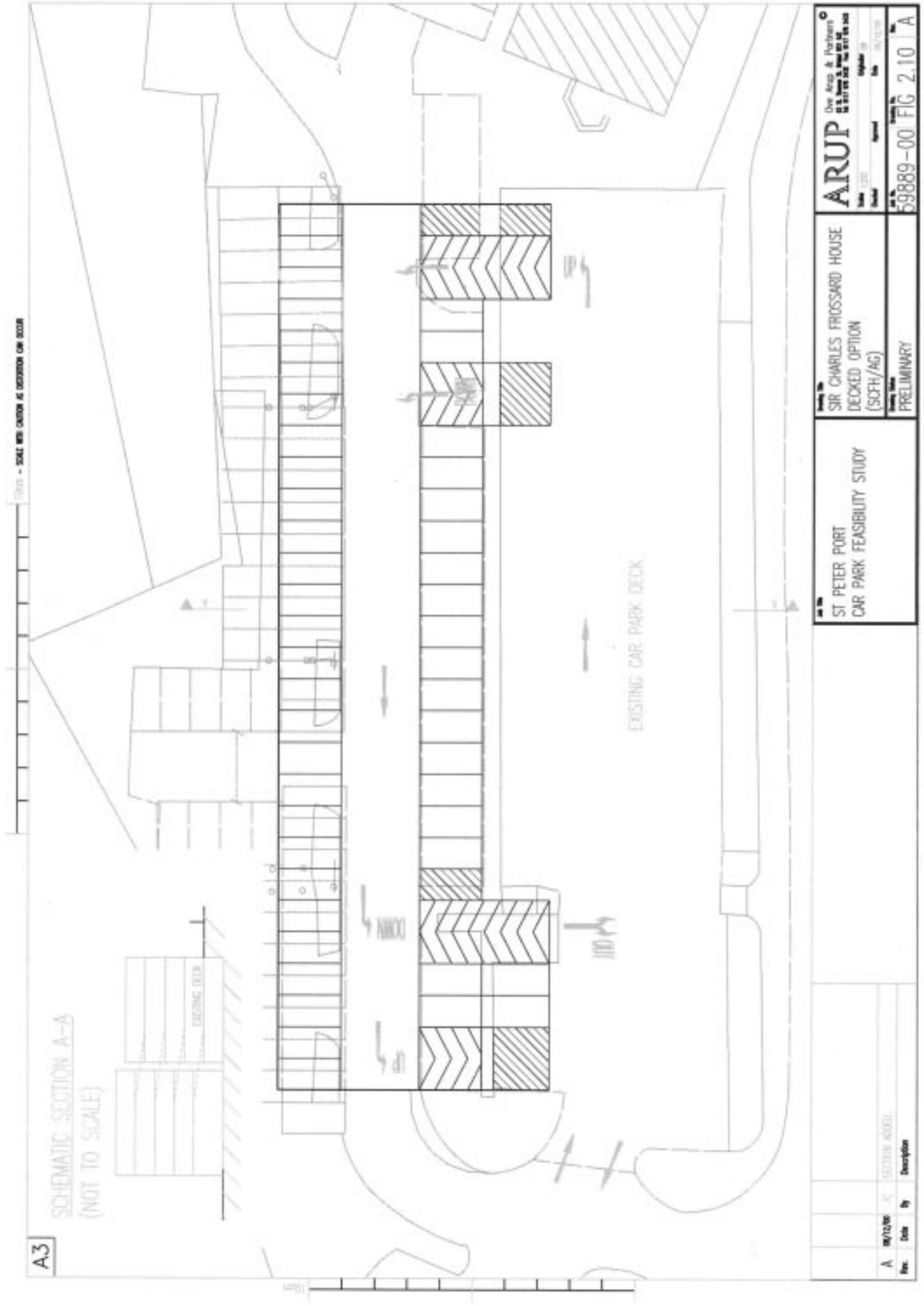




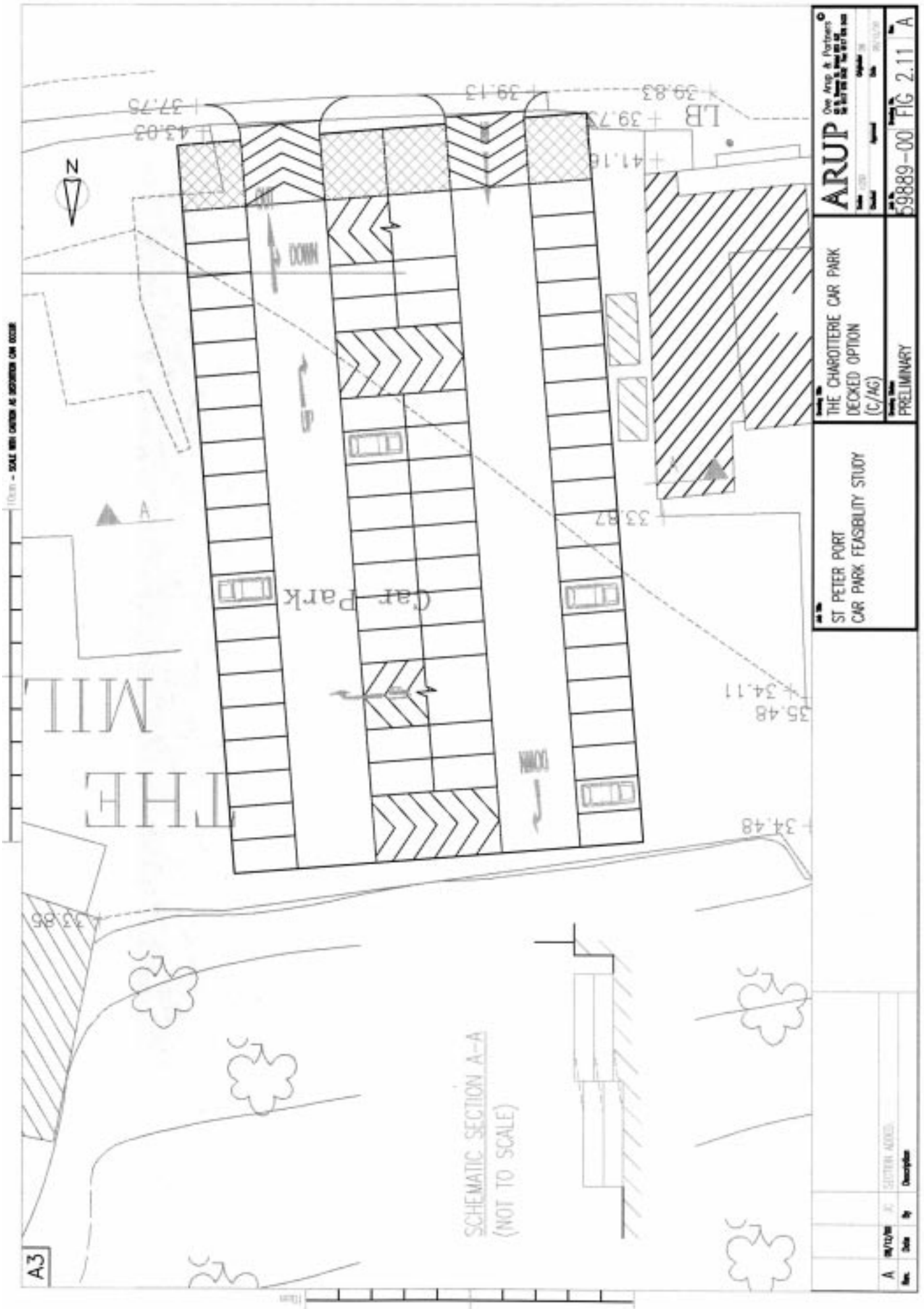


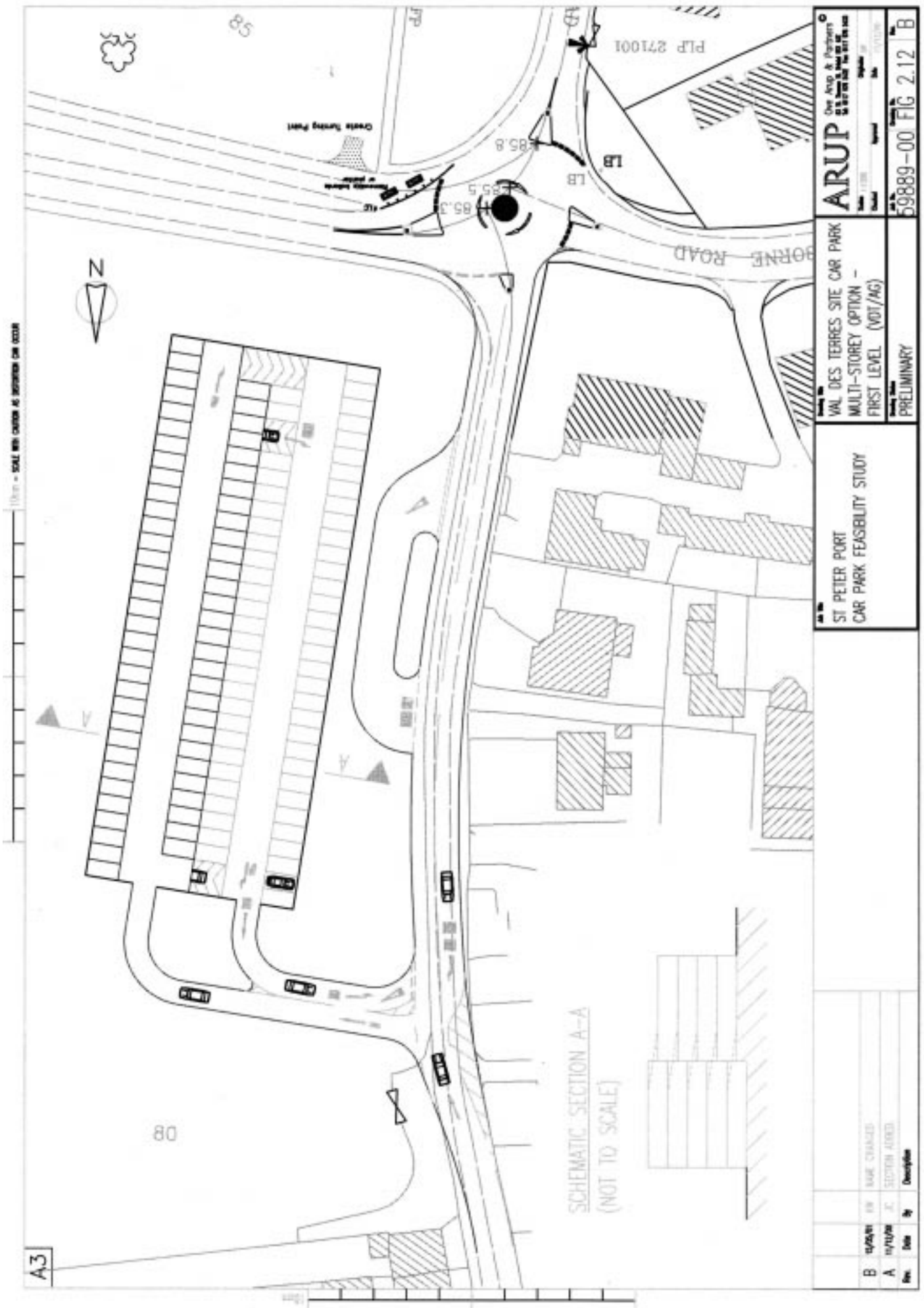


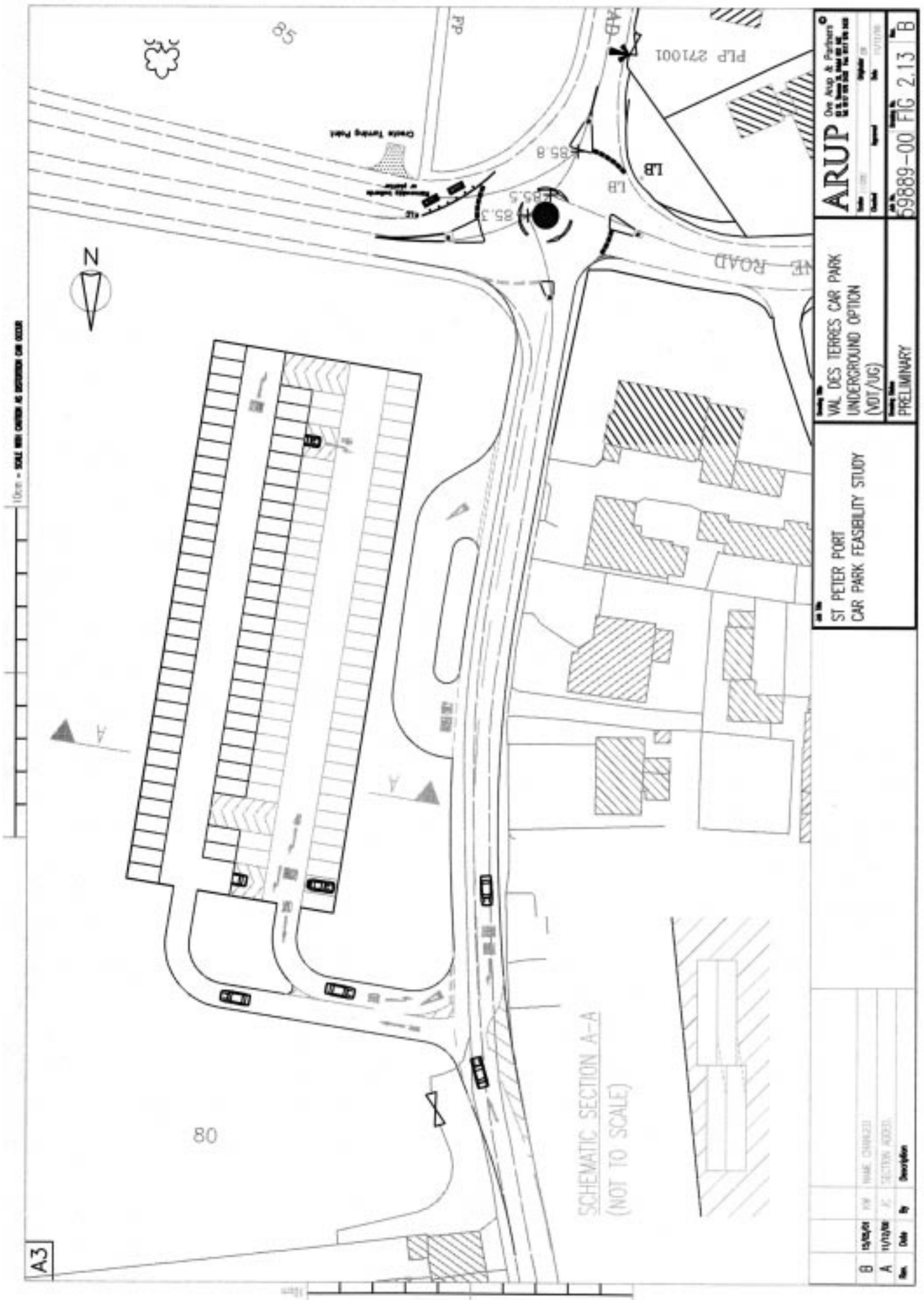




A		08/12/00	A	SECTION A-A	
Rev.	Date	By	Description		
ST PETER PORT CAR PARK FEASIBILITY STUDY					
SIR CHARLES FROSSARD HOUSE DECKED OPTION (SCFH/AG)					
PRELIMINARY					
ARUP Over Arup & Partners 111, Market Street, Adelaide SA 5000 Tel: 08 321 50 00 Fax: 08 321 50 01					
Drawn	08/12/00	Checked	08/12/00	Approved	08/12/00
59889-00 FIG 2.10					A







Appendix **A**

Construction Techniques

- A1** A variety of construction techniques are available for the construction of multi-storey and underground car parks. These are described below.

Multi-Storey Car Parks

- A2** In general, the construction of decked or multi-storey car parks is much more straight forward than underground car parks. The foundations used will depend on the bearing capacity of the ground. If this is rock or soil with a good structural strength, then pad foundations can be used. In poorer ground conditions piled foundations, which are generally more costly, may be more appropriate.
- A3** The structure of the car park can be built of steel, precast concrete, in-situ concrete or mixture of the three. There are a number of proprietary systems available. It is modern practice to use 16m spans where possible, so that parking bays are kept free of columns.

Underground Car Parks

- A4** Techniques for constructing underground car parks are more varied, and highly dependent on ground conditions and water-table levels. In the context of this study, the method of construction is likely to be considerably different for the Waterfront sites (Salerie, North Beach, and Bus Station) and the inland sites (Lukis House, Odeon and Mallets Farm). Each are described below.

Waterfront Sites – Underground Options

- A5** The poor ground and high water table means that some form of support will be required in order to permit safe, dry construction of an underground car park. The various options of forming the ‘box’ and their associated advantages and disadvantages are outlined below:

Sheet piles

- Suitable for temporary works.
- Could be retained as permanent support but corrosion issues would need to be clarified.
- Difficult to obtain adequate ‘toe-in’ to the rock so lateral restraint and seal against groundwater could be inadequate. Leaks at the toe or in the wall could lead to piping and liquefaction due to anticipated fine nature of the fill.
- Obstructions within the fill, large boulders etc, could stop or deflect individual piles from design line.
- ‘Toe in’ could be improved by controlled preblasting along a ‘stitch drilled’ line.
- Groundwater seal achieved by post installation grouting either simple injection or ‘jet grouting’ where cementitious grout is actively mixed with in situ granular soils.
- Noise and vibration issues.

Board Piles

- Secant piles required to achieve satisfactory degree of watertightness.
- Can be drilled into the rock to achieve 'toe in' and base seal.
- Obstructions can be overcome.
- Less noise.
- A secant bored pile wall comprises the installation of 'female' piles at close centres along the wall line followed by 'male' piles in between which cut onto the previously cast 'females'.
- Could be hard/hard or soft/hard.
- Installed using long casings or bentonite slurry.

Slurry trench diaphragm wall

- Wall comprising rectangular panels dug using grabs and rotating rock cutters using a bentonite slurry to provide temporary lateral support to the trench.
- Careful mud level control required to maintain stability in tidal groundwater.
- Large volumes of mud for disposal.
- Potential contamination issues in nearby Marina.

- A6** Where space permits, temporary and permanent lateral restraint to the box could be provided by rock anchors drilled into the underlying rock. Alternatively, the walls can be braced across the excavation or by raking shores. As the 'box' is likely to be wide, a 'top down' solution using the ground level deck as a prop could be practical.
- A7** Groundwater levels within the walls could be controlled using dewatering walls. The size, depth and number of wells will depend on the permeability of the fill.
- A8** The anticipated sandy nature of the fill is ideal for the use of 'jet grouting' techniques. As mentioned earlier this involves the use of special equipment to mix cementitious grout with the in situ soil. It can be used to create a 'slab' of stronger, relatively impermeable material below the proposed basement level. This would impede groundwater ingress and provide lateral restraint to the perimeter walls so considerably simplifying construction.
- A9** The car park 'box' will be buoyant relative to the surrounding ground and tension piles or rock anchors will be required to hold the structure down against the floatation forces. As there is anticipated to be competent rock beneath the fill there should be no problem with installing suitable anchors. However, the system will need to incorporate carefully designed corrosion protection systems to ensure against long term degradation in the aggressive chemical environment.
- A10** Depending on final excavation levels and the actual nature of the fill material at anticipated excavation level, it may be necessary to install piles to provide support during the construction phase. If jet grouting is used, this should not be necessary.

Inland Site - Underground Options

- A11** At some sites it may be possible to build the car park within an excavation, then backfilling around the side of the car park after its construction. The excavation through soil and weathered rock could be made in open cut with slopes battered back to a safe angle. Within unweathered rock, depending on the orientation of discontinuities (joints, faults, cracks) within the rock mass, anchors or rock bolts may be required to give support to the excavation site.
- A12** If this type of excavation is not appropriate, a king post system may be used. For the king post system, I-beams are set vertically at suitable intervals in boreholes socketted into the underlying rock. Then as material is excavated, horizontal supports are placed or cast between the webs of adjoining uprights to support the soil. Lateral restraint can be provided by cross bracing, propping or anchors. This technique may be necessary where existing buildings are close to the edge of the car park.

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

31 May 2001.

Sir,

STATES TRAFFIC COMMITTEE - PARKING IN ST PETER PORT

I refer to the letter dated 23rd May 2001 addressed to you by the President of the States Traffic Committee on the subject of "Parking in St Peter Port". The Committee is pleased to confirm its majority support for the proposals contained therein, with the exception of recommendation (x) regarding the investigation of paid parking at existing long-stay car parks in St Peter Port. The Committee is aware that the topic of paid parking is a highly contentious issue both in the community and in the States. The Committee is no different, and the views of individual members on this issue are divided.

Notwithstanding the Committee's support for the other proposals, it would wish to take this opportunity to emphasise to States Members just how important it is for every funding option to be thoroughly investigated before detailed recommended proposals are brought back to the States for approval. There are currently very high levels of capital requests being submitted by Committees which, if approved, will fully account for the limited States funds likely to be available for allocation to capital projects over the next few years. The Committee would therefore wish to see plans brought forward which would mean that the cost of the car parks would be met substantially, and preferably entirely, from private finance sources.

While supporting the proposals, the Committee notes that significant expenditure may be incurred during the design and tender stages. In accordance with normal procedures, the Committee will therefore look carefully at the matter when the Board of Administration has finalised the consultants' briefs and before the contracts for this work are let.

Yours faithfully,

L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:–

IX.– Whether, after consideration of the Report dated the 23rd May, 2001, of the States Traffic Committee, they are of opinion:–

1. To approve, in principle, the construction of new car parking facilities at the bus terminus, as set out in that Report.
2. To direct the States Board of Administration, after consultation with the States Advisory and Finance Committee, to identify and appoint appropriately qualified consultants to undertake detailed investigations and prepare detailed plans for a car park at the bus terminus.
3. To direct the States Board of Administration to seek tenders as appropriate in respect of the bus terminus site and to report back to the States with the results of those tenders as soon as possible, including details of the various options considered by that Board for the financing of the development and for the involvement of private developers, together with the reasons for its recommended option(s).
4. To vote the States Board of Administration a credit of £537,000 to cover the costs arising from the requirements placed upon it as a result of the above propositions 2 and 3, which sum shall be charged to the capital allocation of the States Board of Administration.
5. To approve, in principle, the construction of new car parking facilities at Sir Charles Frossard House, as set out in that Report.
6. To direct the States Board of Administration, after consultation with the States Advisory and Finance Committee, to identify and appoint appropriately qualified consultants to undertake detailed investigations and prepare detailed plans for a car park at Sir Charles Frossard House.
7. To direct the States Board of Administration to seek tenders as appropriate in respect of the Sir Charles Frossard House site and to report back to the States with the results of those tenders as soon as possible, including details of the various options considered by that Board for the financing of the development and for the involvement of private developers, together with the reasons for its recommended option(s).
8. To vote the States Board of Administration a credit of £396,000 to cover the costs arising from the requirements placed upon it as a result of the above propositions 6 and 7, which sum shall be charged to the capital allocation of the States Board of Administration.
9. To authorise the States Advisory and Finance Committee to take account of the balance of the States Board of Administration's capital allocation and its other capital priorities at the relevant time and, if necessary, to release to that allocation from the Capital Reserve appropriate sums up to a total of £933,000.
10. To direct the States Traffic Committee to investigate the introduction of paid-parking at existing long-stay car parks in St. Peter Port and to report back to the States with its findings and recommendations as soon as may be.
11. To direct the States Traffic Committee to undertake a comprehensive review of the opportunities to improve the Island's park-and-ride infrastructure, including the introduction of new sites and services, and to report back to the States with the results of that review.

ORDINANCE LAID BEFORE THE STATES

**THE MOTOR TAXATION AND LICENSING (GUERNSEY) LAW, 1987
(COMMENCEMENT) ORDINANCE, 2001**

In pursuance of the proviso to paragraph (3) of Article 66 of the Reform (Guernsey) Law, 1948, as amended, I lay before you herewith the Motor Taxation and Licensing (Guernsey) Law, 1987 (Commencement) Ordinance, 2001, made by the States Legislation Committee on the 21st May, 2001.

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

The Royal Court House,
Guernsey.
The 8th June, 2001.

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 27TH DAY OF JUNE, 2001

The States resolved as follows concerning Billet d'Etat No. XIII
dated the 8th June, 2001

PROJET DE LOI
entitled
THE ANSBACHER GROUP (GUERNSEY) LAW, 2001

- I. To approve the Projet de Loi entitled "The Ansbacher Group (Guernsey) 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 CRIMINAL JUSTICE (INTERNATIONAL CO-OPERATION)
(BAILIWICK OF GUERNSEY) LAW, 2001 (COMMENCEMENT)
ORDINANCE, 2001**

- II. To approve the draft Ordinance entitled "The Criminal Justice (International Co-operation) (Bailiwick of Guernsey) Law, 2001 (Commencement) Ordinance, 2001", and to direct that the same shall have effect as an Ordinance of the States.

STATES ADVISORY AND FINANCE COMMITTEE

**STATES OF ALDERNEY - INTERNAL ALTERATIONS TO CONVERT
THE JUBILEE HOME TO SHELTERED HOUSING UNITS**

- III. After consideration of the Report dated the 25th May, 2001, of the States Advisory and Finance Committee:-
1. To authorise the conversion of the Jubilee House, Alderney, to twelve flats for use principally as sheltered or very sheltered housing at a total cost, as set out in that Report, not exceeding £165,288.
 2. To authorise the States of Alderney to accept the tender in the sum of £129,708 submitted by Alderney Building Company (1992) Limited for the carrying out of that conversion.
 3. To vote the States of Alderney a credit of £165,288 to cover the cost of the above project, including flooring and carpets, contingencies and architectural fees, which sum shall be taken from the capital allocation of the States of Alderney.

STATES CIVIL SERVICE BOARD

STATES TRADING COMPANIES – EMPLOYEES' PENSION ARRANGEMENTS

IV. After consideration of the Report dated the 25th May, 2001, of the States Civil Service Board:-

1. To approve the draft States of Guernsey (Public Servants) (Pensions and other Benefits) (Amendment) Rules, 2001, which are attached to that Report.
2. To agree to underwrite the contributions of a States Trading Company into the Superannuation Fund subject to securing security from a States Trading Company against this liability as described in the Advisory and Finance Committee's letter of comment on that Report.
3. To direct the Civil Service Board and the Advisory and Finance Committee to ensure that appropriate consultations take place with States Trading Company employees and Boards on any matters which affect those bodies in relation to the Public Servants Pension Scheme.

GUERNSEY SOCIAL SECURITY AUTHORITY

EARNINGS LIMITS FOR LONG-TERM CARE INSURANCE SCHEME AND OTHER SCHEMES

V. After consideration of the Report dated the 25th May, 2001, of the Guernsey Social Security Authority:-

To note that Report.

STATES BOARD OF HEALTH

PRINCESS ELIZABETH HOSPITAL – REFURBISHMENT OF PHARMACY

VI. After consideration of the Report dated the 24th May, 2001, of the States Board of Health:-

1. To authorise the work required to refurbish the Pharmacy at the Princess Elizabeth Hospital as set out in that Report at a total cost not exceeding £598,555.
2. To authorise the States Board of Health to accept the tender in the sum of £107,029 submitted by Envair Limited for the Aseptic Suite.
3. To authorise the States Board of Health to accept the tender in the sum of £29,429 submitted by Air Handling Systems Limited for the air handling plant.

4. To authorise the States Board of Health to accept the tender in the sum of £28,341 submitted by Guernsey Ducting and Manufacturing Limited for the ventilation ductwork.
5. To authorise the States Board of Health to accept the tender in the sum of £21,025 submitted by F. W. Rihoy Limited for the electrical installation work.
6. To authorise the States Board of Health to award the supply of specialist racking/shelving to Sintak Limited in the sum of £88,194.
7. To vote the States Board of Health a credit of £598,555 to cover the cost of the above works, which sum shall be taken from that Board's allocation for capital expenditure.

STATES INCOME TAX AUTHORITY

BENEFITS IN KIND - EXEMPTION OF "DISTURBANCE ALLOWANCE" PAID BY EMPLOYERS

- VIII. After consideration of the Report dated the 17th May, 2001, of the States Income Tax Authority:-
1. To approve an increase in the amount of a disturbance allowance that will be exempt from tax, from £4,750 to £5,515, such an increase having effect in relation to any disturbance allowance payable on or after 1st January, 2001.
 2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 28TH DAY OF JUNE, 2001

The States resolved as follows concerning Billet d'Etat No. XIII
dated the 8th June, 2001

(Meeting adjourned from 27th June, 2001)

STATES BOARD OF HEALTH

TRANSPORTATION, HANDLING, STORAGE AND DISPOSAL OF
CLINICAL WASTE AND REPLACEMENT OF THE CLINICAL WASTE
INCINERATOR AT THE PRINCESS ELIZABETH HOSPITAL

- VII. After consideration of the Report dated the 24th May, 2001, of the States Board of Health:-
1. To authorise the design, manufacture and installation of a replacement clinical waste incinerator, which includes associated building and engineering works.
 2. To authorise the States Board of Health to accept the tender in the sum of £1,294,472 submitted by Waste Technology (NZ) Limited for the design, manufacture and installation of a clinical waste incinerator at the Princess Elizabeth Hospital and associated works.
 3. To authorise the States Board of Health to accept the tender in the sum of £15,458 submitted by Kliko Environmental Limited for the purchase of clinical waste storage bins.
 4. To authorise the States Board of Health to accept the tenders in the sum of £43,350 submitted by VMW Commercials for the purchase of two vehicles for transporting clinical waste.
 5. To authorise the States Board of Health to undertake adaptations in wards and departments to provide appropriate clinical waste storage areas at a cost not exceeding £50,000.
 6. To authorise the States Board of Health's Estates Managers to manage the project at a cost of £25,000.
 7. To vote the States Board of Health a credit of £1,576,817 to cover the cost of the above, including pre-contract consultants' fees, fluctuations and contingencies, which sum shall be taken from that Board's allocation for capital expenditure.

8. To direct the States Advisory and Finance Committee to take due account of the estimated additional revenue costs of transport, maintenance and reagent supplies for the filtration plant when calculating and recommending to the States the States Board of Health's revenue budget for the year 2002 and subsequent years.
9. To direct the States Civil Service Board to have regard to the staffing establishment required by the States Board of Health in connection with the replacement of the incinerator and the revised arrangements for transporting and handling of clinical waste.

STATES TRAFFIC COMMITTEE

PARKING IN ST. PETER PORT

- IX. After consideration of the Report dated the 23rd May, 2001, of the States Traffic Committee:-
1. To approve, in principle, the construction of properly landscaped surface parking at the bus terminus as described in that Report once it has been established that the relocation of the terminus is feasible on a permanent basis.
 2. To direct the States Traffic Committee to investigate the introduction of paid-parking at existing long-stay car parks in St. Peter Port and to report back to the States with its findings and recommendations as soon as may be.
 3. To direct the States Traffic Committee to undertake a comprehensive review of the opportunities to improve the Island's park-and-ride infrastructure, including the introduction of new sites and services, and to report back to the States with the results of that review.

ORDINANCE LAID BEFORE THE STATES

THE MOTOR TAXATION AND LICENSING (GUERNSEY) LAW, 1987 (COMMENCEMENT) ORDINANCE, 2001

In pursuance of the proviso to paragraph (3) of Article 66 of The Reform (Guernsey) Law, 1948, as amended, The Motor Taxation and Licensing (Guernsey) Law, 1987 (Commencement) Ordinance, 2001, made by the States Legislation Committee on the 21st May, 2001, was laid before the States.

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