



BILLET D'ÉTAT

VI
2002

WEDNESDAY, 24th APRIL, 2002

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BILLET D'ÉTAT

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I have the honour to inform you that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE, on WEDNESDAY, the 24th APRIL, 2002**, at 10.00 a.m.

STATES PROCEDURES AND CONSTITUTION COMMITTEE

RULES OF PROCEDURE AND CONSTITUTION AND OPERATION OF STATES COMMITTEES

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

14th March, 2002.

Dear Sir,

Rules of Procedure

The present Rules of Procedure in and in relation to Assemblies of the States of Deliberation of the Island of Guernsey were made on the 28th July, 1982 and have since been amended several times.

On the 25th July, 2001 and 30th January, 2002 the States directed the drafting of further amendments. The States Procedures and Constitution Committee considers that the time has come for the original text and subsequent amendments to be consolidated. The text printed in the Brochure is, therefore, a consolidation of the existing text and includes the amendments approved in principle by the States in July 2001 and January, 2002.

The new Rules, once approved by the States, will take effect immediately which means that business not concluded on Thursday, 25th April, 2002 will be adjourned to the following day.

Constitution and Operation of States Committees

Rules relating to the Constitution and Operation of States Committees were prescribed by Resolution of the States on 30th April, 1992. Those Rules have subsequently been amended eleven times.

As with the Rules of Procedure, the Committee considers that the time has come for the original text and subsequent amendments to be consolidated. The consolidated text is printed in the Brochure.

Publication of the Consolidated Texts

For the convenience of the Members of the States the Committee intends to issue the revised text of the Rules of Procedure, the Rules relating to the Constitution and Operation of States Committees and the existing Rules relating to Payments to States Members in one A5 size ring binder. This will enable Members to keep their copies up-to-date as future amendments will be made by substituting revised pages.

The three documents will also be published on the States' website.

Recommendation

The States Procedures and Constitution Committee recommends the States:

- (a) to approve the consolidated version, of the Rules of Procedure in and in relation to Assemblies of the States of Deliberation of the Island of Guernsey;
- (b) to approve the Rules relating to the Constitution and Operation of States Committees.

I should be grateful if you would lay this matter before the States with appropriate propositions.

Yours faithfully,

R.C.BERRY,

President,

States Procedures and Constitution Committee.

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

The States are asked to decide:–

I.–Whether, after consideration of the Report dated the 14th March, 2002, of the States Procedures and Constitution Committee, they are of opinion:–

1. To approve, in pursuance of the provisions of Article 7 of the Reform (Guernsey) Law, 1948, as amended, the consolidated version of the Rules of Procedure in and in relation to Assemblies of the States of Deliberation of the Island of Guernsey.
2. To approve, in pursuance of the States Committees (Constitution and Amendment) (Guernsey) Law, 1991, the Rules relating to the Constitution and Operation of States Committees.

STATES ADVISORY AND FINANCE COMMITTEE

TERRORISM LEGISLATION

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

20th March, 2002.

Dear Sir,

Terrorism Legislation

Her Majesty's Procureur has written to the Advisory and Finance Committee in the following terms:

"On 21 September 2001 I wrote to you recommending that legislation be enacted on the subjects of Corruption and Terrorism. The substantive points contained in my letter were copied into your Committee's Policy Letter (Item 21 of Billet d'État number XXI of 2001). The proposals were approved by the States of Deliberation on 1st November 2001.

In a further letter I indicated that the United Kingdom's Parliament was likely to be presented with a Bill containing further anti terrorism measures which Her Majesty's Government (the UK Government) thought necessary following the tragic events in the USA of 11th September 2001 and the extent of the terrorism threat that had been identified and has since become more evident. I contemplated that your Committee would probably want to replicate much of the United Kingdom's legislation and that a supplementary Policy Letter may well be required.

The Anti Terrorism, Crime and Security Act 2001 ("the 2001 Act") received Royal Assent on 13th December 2001. It covers a wide range of proposals some of which are not relevant as far as the Bailiwick is concerned. I do however consider the following to be relevant and should therefore be included in the new local terrorism legislation.

(i) Seizure of terrorist cash

The Terrorism Act 2000 allows the Law enforcement authorities to seize cash when it is being imported into or exported from the United Kingdom if there is a reasonable belief that it is connected with terrorism. The new Act extends the right of seizure to cash found in any part of the United Kingdom and not merely at borders.

It is not uncommon for law enforcement agencies to come across cash in suspicious circumstances. Currently the police and customs only have the power to seize money

being imported and exported from the Bailiwick which is suspected of being connected to drug trafficking.

I consider that following the change in the United Kingdom's legislation, the States should enact a similar provision where there is a reasonable belief that cash found by the law enforcement agencies is connected with terrorism.

Before the attack in the USA, and the subsequent urgent focus on terrorism issues, the United Kingdom Government had decided to extend the power to seize cash to money found anywhere in the United Kingdom regardless of the type of criminality believed to be involved. The Proceeds of Crime Bill which is currently being considered by Parliament includes a clause which will make the necessary amendment to the United Kingdom's legislation. Once the Bill has been approved I shall be conducting a review of the Bailiwick's legislation which relates to the proceeds of crime. It is therefore likely that I shall be writing to your Committee suggesting amendments to our legislation concerning the proceeds of crime.

(ii) Account Monitoring Orders

The United Kingdom Government has concluded that there are circumstances in which rather than restraining money suspected of being connected with terrorism, valuable information can be obtained by monitoring transactions in accounts which are believed to be held on behalf of terrorists. The 2001 Act therefore includes a provision which allows the law enforcement authorities to apply to a Court for an order requiring a financial institution to provide the kind of information specified in the order. The Court orders will last for up to 90 days.

Before an account monitoring order is made, a Judge must be satisfied that:—

- (a) the order is being sought for the purposes of a terrorist investigation which has commenced anywhere in the world;*
- (b) the tracing of terrorist property is desirable for the purposes of the investigation; and*
- (c) the order will enhance the effectiveness of the investigation.*

This provision will be an essential tool for the law enforcement agencies. Given that Guernsey is a major financial centre, I believe it is imperative that a similar provision be enacted here, giving power to the Bailiff [or an appropriate judge in the other Islands] to issue an order if an investigation has been commenced in the Bailiwick or elsewhere.

(iii) Freezing Orders

It is possible for the Security Services and law enforcement agencies to identify countries, individuals and companies connected with the planning and carrying out of acts of terrorism. The 2001 Act therefore includes a provision which allows HM Treasury by Statutory Instrument to specify that assets held on behalf of an individual or entity should be immediately frozen. Once a freezing order has been issued financial institutions are prohibited from making funds available to those named in the freezing order. A freezing order also prevents loans being made to those named.

For a freezing order to be made HM Treasury must have a reasonable belief that a government or a resident of a jurisdiction outside the United Kingdom has or is likely to take:—

- (a) action to the detriment of the United Kingdom economy; or*
- (b) action which constitutes a threat to the life or property of one or more United Kingdom nationals or resident persons of other nationalities.*

The new 2001 Act allows HM Treasury to issue licences allowing for certain payments to be made from frozen assets. For example, licences could be issued to enable payments to be made for humanitarian purposes.

When a freezing order is made the person or company named in the order may, in writing, require HM Treasury to give reasons as to why the order was made. Reasons must thereafter be given by HM Treasury as soon as is practicable.

I believe that it would be appropriate to introduce here a similar regime to that created under the 2001 Act. I envisage that freezing orders in the Bailiwick would mirror those issued by HM Treasury. I therefore, recommend that your Committee be given the power to make freezing orders by way of regulation.

(iv) Use or threat of noxious substances to influence a government or influence the public

Terrorist attacks may be made by the use of noxious substances. The 2001 Act creates an offence punishable with life imprisonment for a person to use a noxious substance in a manner designed to influence the government of any country or to intimidate the public or a section of the public and their actions:—

- (a) involve serious violence against a person;*
- (b) involve serious damage to property;*
- (c) endanger human life or create a serious risk to the health or safety of the public or a section of the public; or*
- (d) are likely to induce in members of the public the fear that the action is likely to endanger their lives or create a serious risk to their health or safety.*

It is also an offence to make a threat with the intention to induce in any person the fear that the threat will be carried out. In order to deter persons from using the Bailiwick as a base to make attacks using noxious substances, I believe your Committee will consider it necessary for the States to enact legislation based on the provision contained in the 2001 Act.

(v) Bomb Hoaxes etc.

Section 51 of the English Criminal Law Act 1977 (“the 1977 Act”) makes it an offence punishable with up to seven years imprisonment for a person to place any article in any place or dispatch an article by post or any other method with the intention of inducing another to believe that the item is a bomb. The Act also makes it an offence to make a bomb hoax. In the Bailiwick a person making a bomb hoax can only be prosecuted for wasting the time of the Police. This in my view does not reflect the gravity of the actions of the perpetrator of a hoax.

To complement the 1977 Act, the 2001 Act has created an offence of placing or sending any substance or other thing with the intention of inducing a person to believe that it is a noxious substance which could harm anyone. It is also now an offence to make hoaxes regarding noxious substances.

Whilst I would hope that events connected with terrorism or hoaxes of such gravity would never arise in the Bailiwick, we cannot rule out the possibility.

I am of the opinion that it would be appropriate for the States to enact provisions based upon the provisions relating to hoaxes etc. in the 1977 and 2001 Acts which relate to hoaxes connected with noxious substances.

(vi) Offences related to nuclear weapons etc.

There is widespread justified fear among governments around the world that nuclear materials may fall into the hands of terrorist organisations. In view of this threat, the United Kingdom's legislation has been amended by the 2001 Act to include a provision which makes it an offence punishable with life imprisonment for a person not authorised by the government to:—

- (a) cause a nuclear explosion;*
- (b) develop, produce or participate in the development or production of a nuclear weapon;*
- (c) participate in the transfer of a nuclear weapon; or*
- (d) to engage in military preparations, or in preparations of a military nature, intending to use or threaten to use a nuclear weapon.*

A United Kingdom national who aids, abets, counsels, procures or incites a person to commit offences related to nuclear, biological or chemical weapons will be guilty of the offence. Prosecutions can be brought in the United Kingdom for offences committed elsewhere.

Again to deter any Bailiwick residents including companies registered or managed in the Bailiwick from becoming involved in any way with the use by terrorists of nuclear weapons, I recommend to your Committee that it would be appropriate that the United Kingdom's new legislation on this topic be replicated in the Bailiwick.

(vii) Reporting of suspicion by Financial Services Businesses

Under the provisions of the Terrorism Act 2000 if a person believes or suspects that another person has raised funds for terrorists, possessed money for use in terrorism, become involved in making funding arrangements or the laundering of money connected with terrorism and the belief or suspicion arises during the course of a trade, profession, business or employment, the relevant information must be passed to the law enforcement authorities. Failure to do so is an offence.

In the 2001 Act for those businesses in what is referred to as "the Regulated Sector" (which broadly covers financial services businesses which are specified for the purposes of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999), the requirement to report suspicion concerning offences connected with the financing of

terrorism is extended to circumstances where the person in the financial services business has reasonable grounds for knowing or suspecting that a person has committed an offence.

The new enhanced reporting obligations reflects that persons who are carrying out activities in the regulated sector should be expected to exercise a higher level of diligence in handling transactions than those employed in other businesses. I recommend that the new provision contained in the Act of 2001 be enacted to cover financial services businesses which are specified for the time being in the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999.

Human Rights

I can confirm that in my opinion the proposals which I recommend in this letter and which I recommended in my previous letter on this topic are compliant with the European Convention on Human Rights.

Conclusion

The provisions I have described together with those agreed to by the States in October will enable the Bailiwick's law enforcement authorities to play a full part in the fight against the evil of international terrorism and are consistent with your Committee's policies on effectively fighting crime whenever and wheresoever it arises. I am of the view that you should recommend the States to agree to include provisions based on the United Kingdom's 2001 Act in the Bailiwick's 2001 Terrorism Law covering the following topics:–

- (i) the seizure of terrorist cash anywhere in the Bailiwick;*
- (ii) account monitoring orders;*
- (iii) freezing orders;*
- (iv) the use of threat of noxious substances to influence government or to influence the public;*
- (v) the planning or sending of noxious substances and hoaxes; including a provision concerning the making of bomb hoaxes based on section 51 of the Criminal Law Act 1977;*
- (vi) nuclear weapons; and*
- (viii) reporting of suspicion by financial services businesses.”.*

Recommendation

The Advisory and Finance Committee concurs with the views of H.M. Procureur that the Bailiwick legislation should include similar provisions to those in UK legislation to ensure that local enforcement agencies have equivalent powers to their UK counterparts and therefore recommends the States to approve:

- (i) the provisions set out in the paragraph entitled “conclusion”, and

(ii) the draft Projet de Loi entitled “Terrorism and Crime (Bailiwick of Guernsey) Law, 2002.

I am grateful to you for allowing this policy letter and the draft Projet de Loi to be laid before the States at the same meeting and would be obliged if you would lay this matter before the States with appropriate propositions.

Yours faithfully,

L.C. MORGAN,

President,

States Advisory and Finance Committee.

The States are asked to decide:—

II.—Whether, after consideration of the Report dated the 20th March, 2002, of the States Advisory and Finance Committee, they are of opinion:—

1. To approve the provisions set out in the paragraph entitled “Conclusion” contained in that Report relating to international terrorism.
2. To approve the Projet de Loi entitled “The Terrorism and Crime (Bailiwick of Guernsey) Law, 2002”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

ENTITLED

THE LONG-TERM CARE INSURANCE (GUERNSEY) LAW, 2002

The States are asked to decide:—

III.—Whether they are of opinion to approve the Projet de Loi entitled “The Long-term Care Insurance (Guernsey) Law, 2002”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

ENTITLED

THE EUROPEAN COMMUNITIES (BAILIWICK OF GUERNSEY)
(AMENDMENT) LAW, 2002

The States are asked to decide:—

IV.—Whether they are of opinion to approve the Projet de Loi entitled “The European Communities (Bailiwick of Guernsey) (Amendment) Law, 2002”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

STATES ADVISORY AND FINANCE COMMITTEE

STATES OF ALDERNEY – REPLACEMENT STATES HOUSING

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

20th March, 2002.

Dear Sir,

STATES OF ALDERNEY - REPLACEMENT STATES HOUSING

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 Alderney Policy and Finance Committee has written to the Advisory and Finance Committee in the following terms with regard to the proposed construction of four replacement States houses.

"Introduction and Background"

In 1995 the States of Alderney sold a property that was deemed uneconomic to repair or upgrade. The funds raised were added to the capital allocation. Concerns were however expressed that unless these funds were segregated they would be used for minor capital projects and there would be permanent loss to the States housing stock.

In 1997 agreement was reached with the Advisory and Finance Committee that the proceeds of such sales could be set aside, or ring-fenced, by the States of Alderney within its capital allocation for particular purposes. It was on this understanding that on 1 April 1998, the States of Alderney approved the sale of three further houses, with the specific resolution that "... the monies raised be set aside for building new States dwellings for rent, for the renovation of the present stock, or both". With these sales the total proceeds rose to £278,297. This sum has since been held by the States of Alderney, within its overall allocation, on the basis that it should be used for the purpose set out in this letter.

Over the past four years the General Services Committee has explored a number of sites for development. In 1999 it commissioned plans and sought tenders for the construction of a terrace of 3 x two-bedroomed houses at Hauteville/La Trigale. The tenders ranged from £249,000 to £305,000. The Committee took note of the physical difficulties associated with building on a restricted, split level site and what it considered to be the comparatively high cost of the project. As a result it was decided to explore the practicalities of developing elsewhere.

The Committee subsequently proposed the construction of four houses in the gardens of States houses at Coastguards. This was discussed by the States, but in the light of a considerable number of objections from residents in the vicinity, persons concerned about development in the green belt and others anxious that a rare archaeological site might be disturbed, it was decided to examine other options.

Next, the Committee identified the site at Newtown Road and decided that this would be very suitable for development. It is zoned for high-density residential use on the Land Use Plan and has the advantage of being close to the school.

Newtown Road site

Having reached agreement on the site, architectural plans were commissioned from Mr D Hamon ARIBA. The design provided for four houses, each with three bedrooms and a good level of facilities, including off-road parking.

Consultation took place with the Building and Development Control Committee and after taking into account a number of points made by that Committee, tenders were sought from potential contractors.

Three tenders were received from:—

<i>A J Bohan</i>	<i>£444,449.00</i>
<i>ABC (1992) Limited</i>	<i>£509,672.94</i>
<i>J W Rihoy & Son Limited</i>	<i>£762,971.00</i>

At that stage the General Services Committee was of a mind to recommend the acceptance of the lowest tender from A J Bohan, but in accordance with the Financial Procedures it sought the views of the Policy and Finance Committee, which commented as follows:—

“The Committee recognises the need for States housing. It does however consider that the design of these properties, with three bedrooms, one of which has en-suite facilities, to be unnecessarily extravagant.

Further, the Committee was surprised by the high price of the project and it is not at this stage persuaded that such a level of expenditure can be justified for the provision of four houses. If the high cost is attributable to an overheating of the building industry then maybe the project should be deferred until prices fall.

If the General Services Committee believes that it must press ahead with such a scheme it is suggested that the design be reconsidered to produce units that are less elaborate.”

The General Services Committee acknowledged the Policy and Finance Committee’s concerns and a number of design modifications were introduced.

The project was again offered out to tender and two were received from:—

<i>A J Bohan</i>	<i>£398,367.00</i>
<i>ABC (1992) Limited</i>	<i>£432,971.60</i>

Both Committees now support the acceptance of the lowest tender from A J Bohan.

Project Management

A project of this scale needs to be managed by a suitably qualified architect, engineer or surveyor. To contain costs it is intended that this function be carried out by the Alderney States Engineer using contracted specialists as necessary. As a result the project management is estimated at £20,000, considerably lower than the cost of engaging external services, an estimate for which was £40,000.

Total Cost

The total cost of this project will therefore be:–

<i>Preparation of plans</i>	<i>£7,500</i>
<i>Construction</i>	<i>£398,367</i>
<i>Project Management</i>	<i>£20,000</i>
<i>Contingency provision (3%)</i>	<i>£12,776</i>
	<hr/>
<i>Total Cost</i>	<i>£438,643</i>
	<hr/>

It is to be noted that expenditure on this project has been included in the States of Alderney Capital Allocation Requests in both 2000 and 2001.

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 construction of four replacement States houses at Newtown Road, Alderney; and*
- 2. To authorise the States of Alderney to accept the tender submitted by A J Bohan in the sum of £398,367; and*
- 3. To vote the States of Alderney a credit of £438,643 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 that immediately follows the meeting at which it is scheduled to be discussed by the States of Guernsey."

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

- 1. To authorise the construction of four replacement States houses at Newtown Road, Alderney; and*
- 2. To authorise the States of Alderney to accept the tender submitted by A J Bohan in the sum of £398,367; and*

3. To vote the States of Alderney a credit of £438,643 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.

I should be grateful if you would lay this matter before the States with appropriate propositions.

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 20th March, 2002, of the States Advisory and Finance Committee, they are of opinion:—

1. To authorise the construction of four replacement States houses at Newtown Road, Alderney.
2. To authorise the States of Alderney to accept the tender in the sum of £398,367 submitted by A. J. Bohan for the construction of those replacement houses.
3. To vote the States of Alderney a credit of £438,643 to cover the full cost of the above project, including contingencies and architectural fees, which sum shall be taken from the States of Alderney's allocation for capital expenditure.

STATES ADVISORY AND FINANCE COMMITTEE

REGULATION OF INVESTIGATORY POWERS

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

20th March, 2002.

Dear Sir,

Regulation of Investigatory Powers

Her Majesty's Comptroller has written to me in the following terms:

"The Law Officers have recently been conducting a review of our domestic criminal law provisions in the light of the intended introduction of the Human Rights (Bailiwick of Guernsey) Law 2000. A matter to be addressed is the investigation of criminal offences, and in particular, the use of covert techniques by public authorities.

Whilst the general perception may be that only the Police and Customs are likely to employ such techniques, you will appreciate upon reflection that many States Departments may engage in conduct which could fall within that category, in order to detect and acquire evidence of unlawful activity. For example, officers investigating breaches of our social security, fishery protection or immigration laws may from time to time carry out observations to ascertain whether a criminal offence has occurred.

Whilst I have no reason to believe that such officers operate other than properly and with due respect for the rights enshrined in the European Convention on Human Rights, I believe that some law reform may be desirable to demonstrate full compatibility with the Convention.

1. Background

When the Human Rights Law comes into force, it will require that all the Bailiwick's laws are read, so far as is possible, in a way which is compatible with the European Convention on Human Rights. If it is not possible to read a provision of a law in such a way, the court will be able to make a declaration of incompatibility. In addition the Law will require that all public authorities act compatibly with the Convention.

As criminals become more sophisticated in their methods, so the methods of detecting and investigating crime must also become more sophisticated. In the fight against serious crime, and in the interests of maintaining a safe and orderly community in these Islands, it would be foolhardy to conclude that law enforcement and other public authorities may have no need to employ covert and, exceptionally, intrusive techniques of investigation. The use of informants, undercover operations, and other such activities will be valuable tools in detecting and preventing criminal activity. Without them, the ability of law enforcement agencies to combat serious crime would be severely diminished. That is simply not a credible option.

*There is nothing new or unique in these law enforcement activities, although the need to deploy them in this Bailiwick has been very limited and hopefully will remain so. Most of these techniques are employed by civilised and sophisticated societies in order to ensure that the human rights of **all** members of the community are protected. However, the use of such techniques by their very nature may involve a degree of invasion into the private affairs of a small number of individuals where there are good grounds to suspect criminality.*

One of the underlying principles of the European Convention on Human Rights is that a public authority can only interfere with certain rights, such as the right to respect for an individual's private and family life, home and correspondence under Article 8, if there is a domestic legal framework that allows it to happen in a proper and regulated way. This is known as the principle of 'legality'. Decisions by the European Court of Human Rights have consistently shown that any authority for an interference with Article 8 rights must have a basis in law that is:

- *identifiable and established;*
- *accessible (i.e. available and written down);*
- *clear enough so that the consequences of a breach of the law can be foreseen.*

In order to ensure that law enforcement and other operations by public authorities are consistent with the duties imposed by the Human Rights Law, I believe that it is advisable to provide a comprehensive and clear statutory framework for the use of such investigatory powers by public authorities in the Bailiwick. This would replace the regime currently established in Guernsey.

2. The present position in Guernsey

In the Bailiwick, the current regime is based largely on the system which had existed in the United Kingdom prior to October 2000 when the Human Rights Act and the Regulation of Investigatory Powers Act came into force. It is based on detailed non-statutory Codes of Conduct, and underpinned by legal principles developed in case-law, including the general power for the courts to stay proceedings as an abuse of process. Hence the use of undercover officials by public authorities, including the police, for activities such as test purchases or observations is not regulated by statute.

A limited exception is the Interception of Communications (Bailiwick of Guernsey) Law 1997. This legislation contains detailed provisions and safeguards in relation to the area of activity covered by that Law.

As comprehensive as codes are in establishing good working practices which are ECHR compliant, the UK recognised the sense in putting beyond any doubt that its system would be compatible with the Convention. It is in my view essential that we should also put in place a more formal and structured basis for these activities, so that we can demonstrate without question that our regimes in the Bailiwick will be ECHR compliant.

3. Law Reform in the United Kingdom

In the light of the need for agencies to have the tools to fight crime, and to ensure that the regimes were beyond doubt ECHR compliant, the United Kingdom legislated. It did so in the Police Act 1997 and subsequently in the Regulation of Investigatory Powers Act 2000. The

2000 Act provides a comprehensive regime of primary legislation supported by **statutory** Codes of Practice. The legislation deals with a body of law which previously comprised statutory and non statutory powers. The 2000 Act includes matters covered by the Interception of Communications Act 1985 (which it repealed), surveillance of premises or individuals in the course of a specific operation, the use of covert human intelligence sources (information, agents and undercover officers), surveillance on residential premises or in private vehicles, and the power to demand electronic keys to encrypted material where there are grounds to believe that criminal activity is taking place.

The 2000 Act deals with the purposes for which these powers may be used. It identifies the law enforcement agencies and other public authorities that can use the powers, and who can authorise them. It stipulates the use that can be made of material generated as a result of using powers under the Act, and establishes a regime of independent scrutiny.

4. Recommendations

Modern detection and prevention of crime demands modern methods of investigation and up to date technology. Precisely because these powers are so vital, and have the capacity to represent a potential inroad into individual privacy, it is imperative that if they are to be used at all, the regulation of these powers is clear, up to date and carefully controlled. I therefore would recommend that the Bailiwick has in place legislation which will meet the Convention requirements of legality, and provide a suitable statutory framework for the responsible exercise of these investigatory powers.

Any legislation enacted locally should broadly mirror the provisions of the UK statutes, with appropriate modifications for the particular circumstances here in the Bailiwick. The principal provisions should address the regulation of the investigatory powers and be narrow in scope and subject matter. Each of the powers addressed in the legislation should set out, (or provide for subordinate legislation to set out) and ensure appropriate regulation of the persons or agencies who can use the technique described, what use can be made of the material acquired, and also establish a mechanism by which the proper use of the techniques can be overseen.

I recommend that the substantive provisions should take the following form:

- (i) **Interception of Communications.** This will be substantially the same regime as set out in our present Interception of Communications (Bailiwick of Guernsey) Law 1997, with appropriate changes to take into account the evolution of the telecommunications industry. The 1997 Law will be repealed.
- (ii) **Acquisition of communications data.** This will set out in statute form precisely what hurdles law enforcement and other agencies must overcome before they can require the data from the providers of communications services. It will include stringent safeguards of proper written authorisation, and set out the specific grounds upon which access to the information may be granted. To require the provision of communications data, it will have to be necessary for one of the purposes set out in the Law, which will include the prevention or detection of crime, the prevention of death or injury to a person's physical or mental health, to ensure public health or safety or to ensure the overall security of the Bailiwick. If these strict requirements are met, there will be a legal obligation upon the service provider to produce the information requested. The operation of these powers

will be subject to the scrutiny of an independent judicial authority, to ensure that all the requirements are properly observed.

- (iii) **Surveillance and Covert human intelligence sources.** *The provisions in this part will regulate the use of these techniques on a statutory basis. Where a public authority needs to use covert means to detect or prevent unlawful activity, for example, by keeping observations on individuals who are suspected of committing a criminal offence, the use of such a technique will need to be authorised as being necessary according to clear criteria set out in the Law. There will also be statutory guidelines for the conduct and use of informants, which will be substantially based upon the existing codes of practice by which the law enforcement bodies presently operate. Where such actions are properly authorised, in accordance with the provisions of the Law, that will be sufficient answer against any subsequent assertion under Article 8 of the Convention.*
- (iv) **Actions in relation to Property.** *This part will deal specifically with the use of investigative techniques where there is a need for entry onto or interference with private property in the course of the prevention or detection of serious crime. As with the use of similar techniques, there will need to be proper authorisation in order to safeguard the public from unnecessary invasions into their privacy.*
- (v) **Electronic data protected by encryption.** *Encryption is increasingly being used by criminals in order to avoid detection of their plans. This part will contain provisions to assist law enforcement agencies read information that has already been lawfully obtained, but which has been encrypted. It will introduce a limited power, with proper authorisation procedures and the most stringent safeguards, to allow the law enforcement agencies to require the decryption of that data. I would recommend that permission to obtain encryption keys must be specifically granted by judicial authority. This strictly controlled procedure will ensure that decryption authorisations are only granted exceptionally, but when granted will ensure that the law enforcement agencies are able to operate effectively in the face of increasing use of technology to frustrate detection, particularly by the perpetrators of drug trafficking and organised crime.*
- (vi) **Independent Scrutiny.** *This part will ensure that there is independent judicial oversight of the exercise of the powers contained in the Law, and establish a Tribunal as a means of redress for those who wish to complain about the use of the powers. It will also provide for the issue of detailed Codes of Practice covering the use of the powers in the Law.*

The regime which I am proposing will ensure that the Bailiwick has a comprehensive statutory framework to ensure that the investigation of criminal offences by public authorities using these methods is consistent with the Convention. A proper balance would be struck between the need to prevent serious crime and intruding unnecessarily in the private life of individuals.”.

Recommendation

The intention of the proposed legislation is to bring existing arrangements for a wide range of investigatory powers up to date with technological developments whilst complying with Human Rights requirements. The Committee emphasises that the local legislation will include stringent safeguards, which will set out the limited grounds on which authority to access communications may be granted, and what use may be made of the information gained. As at present, such authority will only be granted after careful consideration by one of the Law Officers.

The Board of Industry, which is responsible for the Bailiwick's e-business strategy, endorses the need for adequate powers to be available to combat the use of communications for criminal purposes balanced with adequate provisions to prevent misuse of those powers.

The Advisory and Finance Committee therefore concurs with the views expressed by H.M. Comptroller and recommends the States to agree that legislation be prepared on the lines set out in this letter.

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

Yours faithfully,

L C MORGAN,

President,

States Advisory and Finance Committee.

The States are asked to decide:—

VI.—Whether, after consideration of the Report dated the 20th March, 2002, of the States Advisory and Finance Committee, they are of opinion:—

1. That legislation be enacted along the lines set out in that report with regard to the regulation of investigatory powers.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATES BOARD OF ADMINISTRATION**GUERNSEY AIRPORT – REDEVELOPMENT OF TERMINAL BUILDING AND ENVIRONS**

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

20th March, 2002.

Dear Sir,

**GUERNSEY AIRPORT REDEVELOPMENT OF TERMINAL BUILDING
AND ENVIRONS**

1. Executive Summary

1.1 At its meeting of 30 November 2000, the States considered the Board of Administration's proposals regarding the redevelopment of the Guernsey Airport Terminal Building and environs. The States agreed, in principle, to the construction of a new Terminal Building at Guernsey Airport as described in the Board's Report (dated 23 October 2000) and as outlined in the plans attached to that Report.

1.2 The States directed the Board to seek tenders for the construction of the said Terminal Building and to report back to the States with details of the tenders received. As a result of the Board's ongoing consultation with various interested parties, amendments were made to the detail of the Terminal Building.

1.3 The new Terminal Building is essential in order that the Airport can continue to comply with the conditions of its operating licence. Those conditions were amended in accordance with Civil Aviation Authority recommendations, with effect from 30 April 2001, such that it must be ensured that no part of any aircraft infringes the Airport's transitional surface. By way of an example, in order for a BAE 146 aircraft to park in an east-west alignment (i.e. parallel) to the north of the existing Terminal, the building's depth would need to be reduced by 35 metres (from a total building depth of 48 metres, which clearly is a total impossibility). Temporary measures have been implemented in order to ensure that the aircraft parking arrangements satisfy the amended licence conditions. Part of those safety measures mean that larger aircraft are only permitted to park to the west of the existing Terminal, resulting in seriously congested aircraft parking areas and delays in the processing of passengers. Guernsey Airport cannot continue to operate in its current configuration for any significant period and the Board needs to ensure that the new Terminal is constructed and commissioned at the earliest opportunity.

1.4 Prior to the Spring of 2001, Guernsey Airport had thirteen designated apron stands for parking of commercial aircraft, although only eight of those stands were fully available for regular use (as described in the Board's report of 23 October 2000). Those stands had benefits of inherent

operational flexibility and could be used according to the length and wingspan of the aircraft using Guernsey Airport. For example, the BAE 146-300 series aircraft – being the largest aircraft that requires parking at Guernsey Airport on a regular basis – could be accommodated at any one of eight stands.

1.5 The Airport's operating licence was amended with effect from 30 April 2001 (as detailed in Paragraph 1.3 above). Although the Board was able to rearrange the parking stands in order to ensure that no aircraft infringed the transitional surface, the number of stands which could accommodate the BAE 146-300 was reduced to three (rather than eight). A fourth stand is available to that aircraft type subject to the direction and strength of the wind. The new operating licence conditions reduced the number of stands at Guernsey Airport available to other types of aircraft. This has, and will continue to have, the potential to impact adversely on Airport operations.

1.6 The Board has constantly striven to ensure that the Terminal Building Redevelopment Project, as proposed by the Board in this letter, is compliant with the original budget as detailed in the Board's Report of 23 October 2000. However, there is a supplementary cost element (in the order of £727,000) associated with the addition of an extra commercial aircraft stand and the extension and enhancement of the Airside walkways from the Terminal Building to all the aircraft stands; which walkways were amended in order to comply fully with the security requirements of the Department for Transport, Local Government and the Regions.

1.7 The construction costs have increased since those detailed in the Board's Report of October 2000. This is partly due to the detailed and comprehensive consultation process undertaken by the Board, as required by the States, which resulted in changes to the new Terminal Building design but also caused a delay in the design and tender process. That delay has been reflected in increased construction costs for the Project. Additionally, the increases in Guernsey building costs are disproportionately high during the period since November 2000 compared to increases in building prices in the United Kingdom. The Board understands that the Board of Industry's forthcoming Report on the construction industry and the States capital spending programme demonstrates that the cost of building in Guernsey is 47% more expensive than the UK average and 26% more expensive than Jersey.

1.8 Following the tender process and subsequent post-tender negotiations, the Board recommends acceptance of the negotiated revised tender from Hochtief (UK) Construction Ltd. If the States were to approve the contract at its meeting of April 2002, and the contract to be awarded during the first week of May 2002, the new Terminal Building should become functional during July 2003.

2. Introduction

2.1 At its meeting of 30 November 2000, the States considered a Report, dated 23 October 2000, from the Board of Administration. Following consideration of the Report, the States resolved:–

1. *“To approve in principle the construction of a new terminal building at Guernsey Airport as described in that Report and as outlined in the plans attached to that Report.*
2. *To direct the States Board of Administration to seek tenders for the construction of a new Airport terminal building as outlined above.*
3. *To direct the States Board of Administration to report back to the States with details of the tenders received.*

4. *That, with effect from 01 January 2002, an airport surcharge of £1.00 per single movement for passengers travelling to or from the UK and Europe and £0.50 per single movement for inter-island passengers shall be levied, provided that the successful tenderer has been appointed before that date.*
5. *To NEGATIVE THE PROPOSITION that, with effect from 01 January 2002, the Airport shall not be liable to repay to the Ports Holding Account the loan interest incurred as a result of the construction of the new Airport Terminal.*
6. *To direct the States Board of Administration to report to the States within the next six months on the strategic options in respect of alterations to the runway at Guernsey Airport.”*

2.2 The financing of the Guernsey Airport Terminal Project was subsequently considered as part of the Airport Fees and Charges debate during the States’ meeting on 31 January 2001. The States considered a Report, dated 14 December 2000, from the Board of Administration. Following consideration of the Report, the States resolved:–

1. *“To approve the adjustment in fees and charges for the use of Guernsey Airport with effect from the 1st April, 2001, as set out in Appendix I to that Report.*
2. *To approve the adjustment in fees and charges for the use of Alderney Airport with effect from the 1st April, 2001, as set out in Appendix 2 to that Report.*
3. *That, with effect from the April, 2001, an Airport Development Charge of £1.00 per single movement for passengers travelling to or from the UK and Europe shall be introduced in order to repay funds borrowed from the Ports Holding Account for the purpose of paying airport redevelopment costs and consultants’ fees.*
4. *That, with effect from the 1st January, 2002, an Airport Development Charge of £0.50 per single movement for inter-island passengers shall be introduced for the purpose of paying airport redevelopment costs and consultants’ fees.*
5. *To rescind paragraph 4 of the Resolutions of the 30 November, 2000, taken on Billet d’État No. XXII of 2000.*
6. (1) *That an immediate transfer of funds from the Ports Holding Account to the States Advisory and Finance Committee’s Consultancy Fees and Site Investigation vote shall be made of such sums as have been paid from that account in respect of consultants’ fees for the Airport Terminal Redevelopment project up until such time as that Report is approved by the States of Deliberation.*
 (2) *That, as from the date of approval of that Report, future expenditure necessary for payment of consultants’ fees shall be met from the Ports Holding Account by way of establishment of a capital vote for that purpose with the approval of the States Advisory and Finance Committee.*
7. *That future alterations in airport fees and charges may be implemented with the agreement of the States Advisory and Finance Committee and without reference to the States, provided that increases do not exceed the change in the Guernsey Retail Price Index as at the 30th June of the year preceding that of the new charges.*
8. *To direct the Board of Administration to report back as soon as possible with proposals for putting the Ports accounts on a conventional trading basis and adopting conventional accounting principles.*
9. *That, with effect from the April, 2001, the Airport shall not be liable to repay to the Ports Holding Account the loan interest incurred as a result of the construction of the New Airport Terminal.”*

2.3 At its meeting of 13 December 2001, the States considered a Report, dated 01 November 2001, from the Board of Administration regarding the Guernsey Airport Runway. Following consideration of that Report, the States resolved:–

1. *“That a runway extension shall not be constructed at the present time.*
2. *To direct the States Board of Administration to continue its consultation with the States Advisory and Finance Committee, the States Board of Industry, Island Development Committee, States Tourist Board, States Transport Board, relevant Douzaines and other interested parties with regard to a possible future extension of the Guernsey Airport runway and report back to the States with its findings when necessary.*
3. *To direct the States Board of Administration to investigate options with regard to an enhanced Instrument Landing System at Guernsey Airport.*
4. *To direct the States Board of Administration to undertake the routine/rehabilitation works for the existing runway.*
5. *To direct the States Board of Administration to formulate a programme to replace the concrete aprons at the Airport, phased over a period of three to five years.*
6. *To direct the States Board of Administration to seek advice from the Civil Aviation Authority regarding the most appropriate length for the Runway End Safety Areas at Guernsey Airport and to report back to the States with options for those Runway End Safety Areas.”*

3. Design process for the new Terminal Building

3.1 The Terminal Building, approved in principle by the States in November 2000, has been designed to meet both the needs of present air traffic levels and those expected in the foreseeable future. During 2001, the total number of air passenger movements was approximately 863,000; compared to 730,000 during 1993, when the most recent extension was undertaken. The Airport is a vital gateway to the Island, offering strategic links for business and leisure travellers alike. In 2001, approximately 70% of the passenger movements for the Island were through the Airport.

3.2 Following the States’ decision of 30 November 2000, the Design Team (led by Kensington Taylor – the Project Architects – with assistance from the Babbie Group – the Project Engineers) commenced detailed planning. The aim of that planning stage was to refine the design and layout for the new Terminal and adjacent aprons; with a proposed completion date of 15 August 2001 for the design programme.

3.3 The new Terminal Building location and design offers advantages in the increased capacity for the parking of commercial aircraft; increased car parking capacity; allows future expansion if necessary; permits the existing Terminal to remain in use whilst the new is constructed which in turn causes minimal delays to the aircraft passengers; larger floor space; better utilisation of space; increased security provisions in line with the Department for Transport, Local Government and the Regions’ (DTLR) increasingly stringent requirements; provision of an enclosed and ventilated smoking area; additional seating; all facilities expected of a modern airport (offices, check-ins, baggage handling, duty free shop, catering facilities, departure lounge, viewing area, children’s play area, toilets, etc).

4. Detailed description of finalised Airport Terminal Building plans

4.1 Following the initial planning stages for the Guernsey Airport Terminal Redevelopment Project, the Department of the Environment, Transport and the Regions (DETR, now DTLR) issued notice that it required Guernsey Airport to identify and enforce a clear Restricted Zone, requiring full screening and checking of all vehicles and persons entering that Zone. It was also intimated that the continued mixing of commercial and private aircraft, within the Restricted Zone, was no longer acceptable and had to cease at the earliest possible opportunity.

4.2 The Royal Court accepted advice given by the Civil Aviation Authority (CAA), to the effect that the parking of commercial aircraft at the Airport, with effect from 30 April 2001, must conform to the CAA's requirements such that no part of any aircraft infringes the Airport's transitional surface. The implementation of arrangements to comply with the requirements of the Royal Court applies irrespective of whether or not the States gives final approval for the redevelopment of the Terminal Building. In order for Guernsey Airport to remain operational, it must comply with all terms of its Aerodrome Licence. Temporary measures have been implemented in order to ensure that the aircraft parking arrangements satisfy those conditions. Part of those safety measures mean that larger aircraft are only permitted to park to the west of the existing Terminal, resulting in seriously congested aircraft parking areas and delays in the processing of passengers.

4.3 During the initial planning stages for the Guernsey Airport Terminal Redevelopment Project, it was suggested that 21 light aircraft could be parked on an area of the South Grass. An allowance was included within the overall Project budget in order to provide suitable strengthening of that area.

4.4 As a result of the conditions imposed by the Royal Court and the DTLR, the parking provisions for commercial and private aircraft required revision, which impacted upon both the existing Terminal Building and the proposed new Terminal Building. It also affected the associated apron areas.

4.5 Prior to the Spring of 2001, Guernsey Airport had thirteen designated apron stands for parking of commercial aircraft, although only eight of those stands were fully available for regular use (as described in the Board's report of 23 October 2000). Those stands had benefits of inherent operational flexibility and could be used according to the length and wingspan of the aircraft which were using Guernsey Airport. For example, the BAE 146-300 series aircraft – being the largest aircraft that requires parking at Guernsey Airport on a regular basis – could be accommodated at any one of eight stands.

4.6 Following the amendments to the Airport's operating licence, from 30 April 2001 (as detailed in Paragraph 4.2 above), it was necessary to ensure that no aircraft infringed the transitional surface. The Board was able to rearrange the parking stands to satisfy this condition, but the number of stands which could accommodate the BAE 146-300 was reduced to three (rather than eight). A fourth stand is available to that aircraft type subject to the direction and strength of the wind. The new operating licence conditions have also reduced the number of stands at Guernsey Airport available to other types of aircraft. This has, and will continue to have, the potential to impact adversely on Airport operations.

4.7 Therefore, during the design process it became apparent that it was essential that the site of the new Terminal be varied in order to comply with the conditions of the Aerodrome Licence, the CAA's regulations and recommendations and with the security requirements of the DTLR. The new Terminal Building site has consequently been moved south of the originally intended location and centralised (by moving it slightly to the west). This fully utilises the South Grass area in order to provide a more logical modal interchange and public car park.

4.8 The new site for the Terminal Building has some additional advantages, including the maximisation of space available for commercial aircraft parking; a refinement of the layout for the public car park; an improvement to the road access and traffic circulation on the landside of the new Terminal Building. The change in location of the Terminal Building will also facilitate any possible future extension of the Building to the east or west, if that were required.

4.9 A further advantage, which has accrued as a result of this new siting, is the improvement of the aircraft stands layout on the airside of the Terminal. This in turn creates a very safe segregation of passenger and vehicle movements.

4.10 The revised new public car park can accommodate 155 cars and a further 162 cars can be parked in the reorganised existing public car park. The total number of cars that can be accommodated is 317; this is in comparison to the current capacity of 277 vehicles. The site layout still includes dedicated areas for taxis, coaches and motorcycles and drop-off areas for public use. The revised site layout utilises the majority of the existing car park and main access road. Additionally, the existing private parking remains as it is to the east (i.e. opposite the existing cargo sheds). The layout permits the option to expand the car park considerably in future; most simply by the addition of an extra row(s) to the outside edge of the western fan-shaped car park.

4.11 Copies of the finalised plans are attached as Appendix I; including the site plan, external elevations, floor plans and a cross-section through the building. The mezzanine floor, as indicated in the cross-sectional drawing, runs through the centre of the building and is intended for plant, equipment and associated services. Access to that area is possible without entering public or tenanted areas.

4.12 All passenger and baggage processing will be carried out on the ground floor, through twelve check-in desks. Motorised conveyors will move baggage from the check-in desks to the baggage sorting and processing area. That area will incorporate an x-ray facility to screen all bags. An extended departure lounge will be provided; incorporating one or two airline/business lounges and a duty-free sales area.

4.13 All outgoing passengers will depart via a security comb, ensuring full passenger and hand baggage screening. All arriving passengers will be processed through a single arrivals hall, located in the northeast corner of the building. That hall will be equipped with two motorised baggage carousels.

4.14 Other features on the ground floor include a restaurant/communications café, ticket reservation desks, an information desk, two hire-car desks and provision for up to two cashpoints.

4.15 Covered and enclosed walkways will extend from the arrival and departure areas onto the apron, in order to minimise the distance which passengers have to traverse in the open between their aircraft and the Terminal Building. Incoming and outbound passengers are segregated in order to conform to DTLR security requirements. There was one walkway to the east stands indicated in the plans appended to the Board's Report of 23 October 2000. That walkway has been elongated and enhanced due to the variation in the Terminal Building's position (as in Paragraph 4.7) and the DTLR security requirements. Additionally, a walkway to the west stands has been included for the same reasons. The longer, divided Airside walkways and the additional aircraft stand gained by the curved aircraft parking layout to the north of the Terminal Building have resulted in increased costs in the order of £727,000. [The Board's Report of 23 October 2000 showed the costs for an *"Extended pier to eastern stands from terminal"* as £280,000. The negotiated revised tender amount for the amended Airside walkways, which are compliant with DTLR security requirements, is in the sum of £1,007,000. The difference between those amounts is £727,000.] Security provisions are discussed further in Section 9.

4.16 The first floor will be accessed via either a staircase or two 13-person lifts. It is anticipated that a children's play area will be situated on the first floor of the new Terminal Building; sufficient space has been allowed for this purpose. Additionally, the first floor will also contain tenanted accommodation, a bar, catering area, viewing area and a separate area for smokers.

4.17 Following completion of the new Terminal Building, it will be necessary to demolish the existing building and to replace it with pavement quality concrete that will then form part of the aircraft parking areas. This is included within the scope of the Project.

4.18 Although not part of the Terminal Building Redevelopment Project, the Board is aware that substantial portions of the existing concrete aprons, which were laid down in 1958 and 1963, no longer have sufficient load-bearing strength to support continued use by the heavier aircraft currently using Guernsey Airport. The Board is instituting a programme of works to ensure phased replacement of the existing concrete in the future, as instructed by the States during its Meeting of December 2001. That programme will be phased in order to ensure that adequate parking is available for commercial passenger and cargo aircraft whilst work is in progress.

4.19 The revised apron layout plan provides for twelve commercial aircraft parking stands. This compares favourably to the eight existing stands that are fully available for regular use (as described in the Board's Report of 23 October 2000).

4.20 Ten of the stands will require aircraft to utilise the nose-in/push-back parking method. The other two stands, located on the east apron, will still require self-manoeuvred parking. The relocation of existing cargo facilities would permit the latter two stands to be upgraded to full-size nose-in/push-back stands in the future. Additionally, further stands could be created to the west of the Airport control tower if required in the longer term.

4.21 The site plan (included in Appendix I) shows the ten nose-in/push-back stands, configured to accommodate various types of aircraft that currently operate at the Airport and larger aircraft which might operate in the future (such as those produced by Boeing and Airbus Industries). The layout ensures that none of the aircraft types would infringe the Airport's transitional surface when parked.

4.22 Whilst the site layout illustrates the capacity for large commercial aircraft, the apron can be reconfigured for operational use with various combinations of aircraft types. This would enable Airport management to optimise the space available at any particular time, dependent on the aircraft being operated by airlines serving Guernsey routes.

4.23 The stand layout also complies with CAA regulations and recommendations, regarding the spacing of aircraft stands, and provides a service road to the rear of parked aircraft.

5. Cargo accommodation at Guernsey Airport

5.1 In order to accommodate the commercial aircraft parking stands, associated aprons and taxiways and vehicular access routes, the Airport Terminal Redevelopment Project requires the removal of 50% of the existing cargo accommodation. If further expansion to the apron area were to be required in the future, it would be possible to remove the remaining 50% of the existing cargo accommodation.

5.2 The existing cargo buildings were built in the 1970s and are in need of substantial refurbishment. They no longer satisfy the security requirements of the United Kingdom's DTLR and the Board has accepted that those requirements should be applied at Guernsey Airport.

5.3 The Board, with the approval of the Advisory and Finance Committee, commissioned BAE Systems (Operations) Limited to undertake a review of the current and future requirements for

cargo handling facilities at Guernsey Airport. The study was completed in October 2001, and is being considered by the Board in conjunction with further consultation with interested parties.

5.4 The Board would ensure that any new cargo facilities would satisfy health, safety and security criteria. The Board would envisage that any such new cargo accommodation would be of modular construction to allow for expansion in the future, if that were required. The funding of cargo accommodation would be either from the Ports Holding Account or from the private sector and tenants would be required to pay a full commercial rent.

6. Parking provisions for private aircraft

6.1 In parallel to the work on the parking provision for commercial aircraft, the Board continued to assess the requirements for parking of private aircraft. The most immediate concern was the requirement for year-round parking for a minimum of 20 such aircraft. In an effort to ensure continuous operations and to enable the Airport to continue to meet the requirements of its licence, it became vital for the Board's programme for facilities for private aircraft to be accelerated.

6.2 To this end, the Board received the approval of the Advisory and Finance Committee, in principle, to spend up to £100,000 fortifying the surface of part of the west grass area in order to provide the necessary parking for all weather conditions. The Board has initiated a tender process for those fortification works. During the period of those works, the Board is satisfied that there should be sufficient space available at the Airport to accommodate all the private aircraft that may be displaced temporarily from the grass areas or that may wish to visit Guernsey Airport during that period.

6.3 Additionally, an area of grass adjacent to the east apron will be available for use by locally-based aircraft during the peak summer months.

7. Guernsey Airport Runway

7.1 The States agreed, at its meeting of 13 December 2001, that a runway extension at Guernsey Airport should not be constructed at that time. It directed the Board of Administration to continue investigations into the matter and to report back to the States at such time as was necessary regarding its further findings concerning the runway. That report is to include any potential enhancements to the Airport's Instrument Landing System.

7.2 It is possible that the States might decide, in the future, to extend Guernsey Airport's runway and that aircraft with larger passenger capacities could subsequently utilise that extended runway. The Board is satisfied that the new Terminal Building would have sufficient capacity to accommodate the greater numbers of passengers who travel on larger aircraft and who consequently require processing through the Airport at any one time.

7.3 Within the next few years, as a completely separate issue from the redevelopment of the Terminal Building, the Board intends to bring proposals to the States for the necessary resurfacing and maintenance works to the Guernsey Airport runway. It might be appropriate for any resurfacing, strengthening and/or lengthening works to occur simultaneously in order to minimise both costs and operational disruptions.

8. Guernsey Airport Terminal Redevelopment- contractual arrangements

8.1 Following completion of the Terminal Building design process, contractual documentation was finalised in order to invite tenders on 24 September 2001. The contract provides for Mr Phil Nokes, BAE Systems (Operations) Limited to be Project Manager and resident Civil Engineer with

day-to-day assistance being provided by a contracted Clerk of Works. Mr Nokes has been a Project Manager for the last 12 years and was the Resident Engineer for the £75 million new Prague Airport Terminal between 1996 and 1998 when it was completed very successfully. Additionally, Normandie Health & Safety will supervise the application of the provisions of the Health and Safety at Work (General) Guernsey Ordinance of 1987. That Company will carry out an asbestos survey of the existing Terminal Building, prior to its demolition, and supervise the controlled removal of any such substance if so found. Responsibility for ensuring that the appointed contractor carries out all works in accordance with the approved design will rest with Kensington Taylor, and its appointed Design Team.

8.2 Monitoring of the Project, to date, has been carried out by the Board, through receipt of monthly progress reports prepared by BAE Systems (Operations) Limited. In addition, the Board received, prior to the issue of the tender documents, three cost check reports from Davis, Langdon & Everest, the Design Team's Quantity Surveyors. Those cost check reports stated that only minor variations had occurred in the general cost provision for the Project. Davis, Langdon & Everest also submitted a pre-tender estimate based on the tender bill of quantities, detailed design and specifications which made up the tender package. The tender process and received tenders are detailed in Section 14.

9. Security provisions

9.1 In accordance with an agreement between the Board and the UK's DTLR (formerly DETR), security standards at Guernsey Airport comply with the United Kingdom's National Aviation Security Programme.

9.2 As detailed in Paragraph 4.2, the Guernsey Airport Aerodrome Licence was amended in Spring 2001. This introduced new arrangements for aircraft parking and a consequent alteration in related security provisions. All departing passengers, including inter-island passengers, are now required to use the central departure lounge and to be subject to security screening.

9.3 Following the tragic events in the United States of America on 11 September 2001, the security provisions at all airports were urgently reviewed. The DTLR required all airports, including Guernsey, to introduce enhanced security search and screening procedures for all passengers, hand baggage and hold baggage. This enhanced requirement is being met at Guernsey Airport.

9.4 Airport security charges are usually recovered by means of a charge levied on passengers. A separate Report was considered by the States, during its meeting of February 2002, with regard to future dues and charges at Guernsey and Alderney Airports.

9.5 It is not possible to detail the security requirements within this Report as their effectiveness might be compromised thereby. However, the preliminary provisions for security at the new Terminal Building were submitted to the DTLR and are subject to continual review by, and ongoing correspondence with, the Security Inspectorate of the DTLR. The proposed Terminal Building, and any other associated developments to the Airport and its facilities, will incorporate all the necessary elements to comply with all the DTLR security requirements and appropriate Civil Aviation Authority regulations and recommendations regarding safety and security. Appropriate security provisions will be undertaken during the construction works associated with the Guernsey Airport Terminal Redevelopment Project. Additionally, it is intended that the new cargo accommodation will have increased security provisions which will comply with the requirements of the DTLR.

10. Consultation

10.1 During the design process, the Design Team, Project Management and Airport Management consulted extensively, both with organisations currently based at Guernsey Airport and with organisations which had specific interest in the future of the Terminal Building. (Appendix II is a list of the organisations consulted during various stages of the Guernsey Airport Redevelopment Project.)

10.2 Design review and user workshops were held in February 2001 for various stakeholders to discuss the proposals for the Terminal Building. (Appendix III contains a list of those organisations invited to attend the consultation workshops and of those which subsequently attended the workshops) Where necessary, follow-up meetings were arranged with individuals or organisations in order to obtain clarification or additional information. Additionally, the Board has met with the Douzaines of the Forest, St Pierre du Bois, St Saviour and St Andrew to explain the proposed development in detail. The Board's consultants considered all comments and suggestions and a number of changes resulted to the appearance and layout of the Terminal Building.

10.3 The Advisory and Finance Committee and the Island Development Committee, in particular, have been involved in frequent consultation and correspondence with regard to the overall strategic development of the Airport and its facilities. Their opinions and suggestions have been greatly valued by the Board and their comments relating to the specific details of the Terminal Building redevelopment plans have been evaluated and incorporated wherever possible within the finalised plans.

10.4 In a letter, dated 18 December 2001, from the Island Development Committee (IDC) to the Project's Architects it was stated that, "*the Committee decided to raise no objections to your proposal*", subject to a number of provisos.

10.5 The Project's Architects wrote to the IDC on 29 January 2002, in order to detail amendments to the site layout, and the IDC responded on 06 February 2002. The Board wrote again to the IDC, on 12 February 2002, in order to reiterate that any further delays would only cause an escalation in construction costs and a later commissioning date. The Board also advised the IDC that Guernsey Airport cannot continue to operate in its current configuration for any significant period and the Board needs to ensure that the new Terminal is constructed and commissioned at the earliest opportunity.

10.6 The IDC's reply, dated 20 February 2002, stated that the Committee was "*mindful of the need to provide a swift response*" and its formal comments were received by the Board on 22 February 2002. The Board noted the Committee's comments regarding the Board's "*laudable commitment to reduce the cost of the development*", and commending the Board's "*commitment to good design in relation to the terminal project*." The Board refutes IDC's comments that the revised site layout was a "*regression from good design*". In fact, the Board is of the view that the revised bunds soften the visual impact of the Project from the main road and that the centralisation of the modal interchange enhances the symmetry of that feature aligned with the Terminal Building. (a copy of the aforementioned letters dated 06, 12, 20 and 22 February 2002 are attached as Appendix IV.)

10.7 The Board of Industry's forthcoming Report on the construction industry and the States capital spending programme demonstrates that the cost of building in Guernsey is 47% more expensive than the UK average and 26% more expensive than Jersey.

10.8 Throughout the period of the Guernsey Airport Terminal Redevelopment Project, the Board has exchanged a substantial volume of correspondence with various interested parties and met a

number of times with various representatives of those groups. The Board recognises the interest and input of the parties, listed in Appendix II, throughout the design process and the changes that have resulted from their contributions.

10.9 The Board of Administration acknowledges the contribution of all the interested parties that have submitted their views on the proposed Project and is pleased that it was able to work together with those parties to ensure that the needs of the Island's community are met to the fullest possible extent.

10.10 Unfortunately, whilst many ideas were considered to enhance the Terminal Building they have not been included in the final design as they were not thought justifiable in terms of cost. For example, the proposed walkways in the car park were fully explored and costed by the Project Team (the Project Team being the Project Manager and the Design Team); indeed, they formed part of the tender package. However, the Board has had to exclude them as one of the items that are a 'nicety' rather than a 'necessity'. It is possible that such an element could be added to the Airport's facilities in the future, should they prove necessary and should the requisite funds become available.

10.11 The Board strongly urges that any States Member who wishes to propose amendments to the attached plans should also include details of their proposed method to finance the amendment. The Airport could not afford to operate if any additional elements were added to this Project. Any additional costs would have to be passed on to the Airport's users, i.e. the airlines and air passengers.

11. Financial implications

11.1 The total costs for the Redevelopment Project were estimated at £16,847,094, as detailed in the Board's policy letter of 23 October 2000. Of that sum, the construction costs were estimated at £13,498,700; a risk contingency allowance of 10% of the construction costs was included at £1,349,870; and the fees entailed were estimated at £1,913,524.

11.2 Those costs included: Construction costs; Fees (including expenses); Site investigations; Provision for Clerk of Works (2 years local); and Risk contingency (10% of construction).

11.3 The construction costs included the following items:

Extended simple covered walkways to eastern stands from Terminal (this does not include the further extended and divided walkways which were later included);

New car park payment and control system;

Demolition of half existing cargo accommodation and replace its footprint with Pavement Quality Concrete (PQC);

Furniture and fitments to all public areas including lounges although the restaurant, first floor bar/snack area, kitchens, shops and business lounges will be shell and core provisions, to be fitted out by the respective lessees;

and an element of the Geogrid SS40 tensile works for the West Grass Area.

11.4 The fees for the Design Team (Kensington Taylor, Babbie Group and Davis, Langdon & Everest) are cash-capped. That cap was based on a maximum 12% of an earlier budgeted Project construction cost.

11.5 The capital monies for the works are to be borrowed from the Ports Holding Account. The States resolved, on 31 January 2001, that the capital costs only should be recouped through the application of an Airport Development Charge (ADC) (as detailed in Paragraph 2.2). The States also resolved, at the same Meeting, that the Airport would not be liable to repay to the Ports Holding Account the loan interest incurred as a result of the construction of the New Airport Terminal.

11.6 An ADC of £1.00 per single passenger movement for passengers travelling to or from the UK and Europe was introduced on 01 April 2001. An ADC of £0.50 per single passenger movement for inter-island passengers was introduced with effect from 01 January 2002.

12. Legislative implications

12.1 The proposed redevelopment works at Guernsey Airport do not require the introduction of new legislation nor the amendment of any existing legislation. The Board of Administration will ensure that all aspects of the construction, commissioning and operation of the new Airport Terminal Building and associated works will comply with all Guernsey legislation and with the conditions of the Guernsey Aerodrome Licence.

12.2 The Board of Administration will submit the relevant licence application for the new Terminal and the demolition works to the Royal Court at the appropriate time.

13. Impact Assessments

Impact on staffing resources

13.1 The proposed redevelopment of Guernsey Airport should have no impact on staffing levels for established staff (although there might be an impact on non-established or contracted staff). Increased security requirements, recently introduced by the DTLR, will require an additional staffing element; but it is intended that such security measures would be funded by a small additional levy on the passengers.

Impact on strategic objectives of the States

13.2 In the 2001 Policy and Resource Planning Report, the States recognised that, "*Guernsey Airport is a major asset for the future of the Island's economy*" (p1092, No. 8.6.1).

13.3 Strategic Policy 22 states that, "*The provision of airport-related facilities for Guernsey Airport may be supported, provided that adequate measures are taken to mitigate and harmful environmental consequences of the Airport's operation.*" Additionally, Strategic Policy 16, identifies that, "*In reviewing the Rural Area Plan, consideration may be given to provision for development requiring accommodation at or adjacent to the Airport.*" The Report also recognised that, "*The Plan encourages the future development of the Airport, but only by businesses and industries that require an airport location.*" (p 1089, No. 8.4.9).

13.4 The Board is firmly of the view that the provision of a Terminal Building capable of meeting the needs of air travellers for the foreseeable future; the provision of sufficient commercial and private aircraft parking; and the provision of air cargo handling companies' accommodation are of vital importance to the Island and are consistent with the Island's strategic objectives.

Impact on the environment

13.5 The redevelopment of the Terminal Building and its environs would have a minimal impact on the environment of the Island, as it is primarily to occur within existing Airport boundaries. The

majority of the land to be redeveloped already consists of artificial surfaces or has existing structures. Additionally, the area surrounding the Airport would not be adversely affected when the new Terminal Building becomes functional, as the operations at the Airport would not alter significantly in the short-term. Any potential future substantial changes in aircraft type or frequency would be closely monitored by the Board as part of its usual procedures.

13.6 There would be an impact on the immediate area surrounding the Airport during the period of construction of the new building; consisting of noise, dust and other such standard impacts. However, it is intended to reduce such impacts to a minimum level wherever feasible.

14. Tenders

14.1 The Board, through the Project Team, sought tenders for the construction and commissioning of the new Terminal Building and associated works and for the demolition of the existing Terminal Building.

14.2 Following the scheduling of a long list of contractors and a series of interviews, a short list of four companies were invited to tender for the construction element of the Guernsey Airport Terminal Redevelopment Project.

14.3 The tenders from the four selected companies were due to have been submitted by 09 November 2001. However, following representations from three of the four tenderers it was agreed that the tender period would be extended by two weeks, for receipt by noon on 23 November 2001. The additional period was requested due to extreme difficulties encountered in obtaining prices from potential sub-contractors.

14.4 A summary of the tender documents, which were received by the due date and opened in the presence of representatives of the Board of Administration, BAE Systems (Operations) Limited and Davis, Langdon & Everest, is shown below:

<i>Name of tenderer</i>	<i>Tender value</i>
Hochtief (UK) Construction Ltd (Tender Option 'A')	£19,572,611
Dew Construction Limited (Tender Option 'C')	£19,721,360
Dew Construction Limited (Tender Option 'A' or 'B')	£20,697,848
Sir Robert McAlpine Ltd / RG Falla Ltd (Tender Option 'A')	£20,879,000
John Mowlem & Co Plc / JW Rihoy & Sons Ltd (Tender Option 'A')	£23,977,948 (No Bills of Quantity Submitted)

Tender Option 'A' was a fixed price tender project with specified contract period;

Tender Option 'B' was a fixed price tender based on Contractor's programme if more economic than Option 'A';

Tender Option 'C' was suggested by Dew Construction Limited. It is based on Option 'A' but has a number of specification divergences, which that company claimed had no material effect on the project's design.

15. Post-Tender Negotiations and Resultant Cost Reductions

15.1 All four tenders were considerably in excess of the cost plan budget set by the Board of Administration and the pre-tender estimate (in the sum of £14,568,457) submitted to the Board by the Project Team's Quantity Surveyors, Davis, Langdon & Everest. The Board, therefore, negotiated with the lowest tenderer (through its professional consultants) reductions in various elements of the tender price in order to bring about a negotiated revised tender which is as close as possible to the cost estimate. Those negotiations were undertaken using the rules laid down in the Advisory and Finance Committee's "Guidance on Post-Tender Negotiations" (issued by that Committee on 19 September 1995).

15.2 The Board's cost consultant, Davis, Langdon & Everest, confirmed that the NJCC (National Joint Consultative Committee) Code of Procedure for Single Stage Selective Tendering, January 1996, and relevant Guidance Notes were advised within the preliminaries of the tender documents. Therefore, all tendering companies were advised of the procedures that would be followed. Clause 7.2 of that Code of Procedure states that *"Should the tender under consideration [the lowest received tender] exceed the employer's budget the recommended procedure is for a reduced price to be negotiated with the tenderer, based on agreed changes to the specification or the quantity of work. The basis of negotiations and any agreements made should be fully documented."*

15.3 At all times during the cost saving analysis and value engineering phase, the Project Team was mindful that neither the functionality nor the overall quality of the new Terminal Building facility should be affected by the post-tender negotiated contract.

15.4 The Board employed two independent consultants to carry out a review of the cost plan, the lowest tender, and the negotiated reductions on that tender. The consultants are Tillyard, which reviewed the quantity surveying aspect, and Hoare Lea Consulting Engineers, which reviewed the mechanical and electrical services element. The independent consultants were appointed as both companies had current experience of similar large construction projects in the Island.

15.5 The reports of the original Project Team and the independent consultants, received during the post-tender negotiation process, satisfied the Board that the Project could still proceed at an acceptable cost and that the achieved savings were both realistic and not detrimental to the quality of the Project.

15.6 As described in Section 16, the only relatively major change to the site plan appended to the Board's Report of 23 October 2000 is that the roundabout has been eliminated and replaced by a filter-in-turn system. This is on the grounds of cost and due to the fact that the Constables of the Forest did not grant the Board's request to issue a bornement in respect of the roundabout. There have also been amendments to the entrance road and car parking arrangements to make more economic use of the existing road and car park.

15.7 Following detailed evaluation and consultation with the Advisory and Finance Committee, the Board recommends that the Project be awarded to Hochtief (UK) Construction Ltd, in the sum of £16,410,066.

15.8 The total works, including commissioning and demolition of the existing Building, will take approximately 24 months in total. The new Terminal Building will be completed and available for use some 14 months following project commencement on site. Therefore, if the Guernsey Airport Terminal Redevelopment Project is approved by the States of Guernsey at its meeting of 24 April 2002, it is anticipated that the new Terminal Building would become functional during July 2003.

This is based on the contract being awarded to Hochtief (UK) Construction Ltd during the first week of May 2002 and a four-week mobilisation period, as detailed in the Hochtief (UK) Construction Ltd construction programme.

15.9 The Board is aiming to complete the new Airport Terminal Building before Guernsey hosts the Island Games in June/July 2003.

15.10 For ease of comparison with the Board's Report of 23 October 2000, and Paragraphs 11.1 and 11.2 above, the total costs of the Project are as follows:

Construction costs	£16,410,066
Fees (including expenses)	£ 2,029,431
Site investigations	£29,896
Provision for Clerk of Works	£60,000
Risk contingency	£1,000,000
TOTAL	£19,529,393

15.11 The construction costs (shown in Paragraphs 15.7 and 15.10) include a number of amendments since the outline plans of the Board's earlier Report, with particular reference to the elongated and enhanced Airside walkways (Paragraph 4.15) and the filter-in-turn junction (Paragraph 16.4). Additionally, delays caused by the consultation process and high Guernsey construction costs contributed to higher costs than the cost plan budget (Paragraphs 10.7 and 15.1).

15.12 The fees element has slightly increased, compared to the Board's earlier Report, due to intensive reviews of the post-tender negotiations undertaken by independent consultants (Paragraph 15.4). Of the total sum for fees, £1,305,181 has already been voted and approved by the Advisory and Finance Committee in accordance with the Resolutions of 31 January 2001 (Paragraph 2.2). Therefore, the Board now requests the balance of £724,250 in respect of consultancy and project management fees through to completion of the construction period. This sum comprises £418,800 for the Design Team; £261,450 for the Project Manager; and £44,000 for the independent consultants.

15.13 The risk contingency element has slightly decreased since the Board's earlier Report, due to decreased risks associated with the value engineering and cost saving analysis undertaken in the post-tender negotiation phase.

16. Junction with the Forest Road

16.1 As outlined in Paragraph 15.6, the cost of the proposed roundabout for the junction between the Airport public access road and the Forest Road was prohibitive.

16.2 The States of Guernsey Building Regulations require permission to be granted from the Constables of the Parish for works to be carried out within 9 metres of any public or private road or way. In accordance with these Regulations, the Board's Consultants applied for permission from the Constables of the Forest with regard to the possibility of using a roundabout at the junction with the Forest Road. Various correspondence was exchanged between the Board and the Constables and a letter, dated 04 December 2001, was received from the Constables of the Forest stating that they were *"not prepared to issue a Bornement."*

16.3 The layout of the roundabout (or any alternative junction with the main road), together with the Airport public access roadways and car parks, have been subject to ongoing consultation with

the States Traffic Committee and the Board's professional traffic engineering consultants, throughout the design process and tender period. The Board stressed to all tenderers, that it reserved the right to redesign or remove the roundabout from the overall Project following receipt of the tenders, if that were felt to be justifiable. On 09 January 2002, the Board wrote to the States Traffic Committee to advise that the Board had reconsidered the matter of a roundabout, *"in the light of the very high cost thereof and the refusal by the Forest Douzaine to issue a bornement..."* and had agreed in principle, *"that a roundabout should not be provided and that a satisfactory alternative solution should be considered."*

16.4 The Board agreed that the junction between the Airport public access road and the Forest Road should be a filter-in-turn format. The Board requested the Advisory and Finance Committee's Guernsey Technical Services department to design a suitable, safe and workable filter junction, as the Project Team does not have sufficient experience of this Guernsey road traffic system. [The junction is shown in the site layout plan, Appendix I.]

16.5 A letter from the States Traffic Committee to the Island Development Committee, dated 22 February 2002, is included within Appendix IV. The Committee has stated that it, *"would not raise any objections at this time to the loss of the roundabout"*. The States Traffic Committee is aware of the intended change to a filter-in-turn junction and the Board intends to request the Committee's formal comments following receipt of the detailed design from the Guernsey Technical Services department (as detailed in Paragraph 16.4). The Committee's comments that the, *"proposed filter-in-turn has not been particularly well designed"* are noted, but relate only to an early plan which showed the location of that junction and not the detail thereof

17. Related issues

17.1 Throughout the previous sections reference has been made to considerations for Guernsey Airport's long-term future, which matters are not included within the scope of the Airport Terminal Redevelopment Project. Those matters include the parking provision for both commercial and private aircraft (various Paragraphs including 4.20 and 6.1); provision of improved cargo accommodation (Paragraph 5.3); the strategic options relating to a possible extension of the runway (which matter was considered during the December 2001 States Meeting) (Paragraph 7.1); the routine maintenance and resurfacing of the runway (Paragraph 7.3); and the possibility of strengthening (and possibly enlarging) the apron areas for aircraft taxiing and parking (Paragraph 4.18). Where appropriate, it is intended to bring additional proposals concerning these elements to the States as separate issues from that of the redevelopment of the Terminal Building.

17.2 Additionally, there are elements of the Guernsey Airport Terminal Redevelopment Project which the Board proposes should be undertaken whilst the other construction and commissioning works occur, in order to maximise cost savings. These elements are to be funded from budgets other than the Guernsey Airport Terminal Redevelopment Project budget. These include: the provision of CCTV cameras, ducting and cabling – for which a joint capital budget provision has been made by the Board of Administration (Customs and Immigration Department), Home Affairs Committee and the Airport; the provision of Airside lighting – which is to be funded from a separate Airport Capital Allocation, as part of its rolling maintenance programme; and the provision of Customs' offices in the new Airport Terminal – which is already included within the Customs and Immigration Department's planned budgets. Each of these additional elements will be subject to separate policy letters or to Advisory and Finance Committee approval, in accordance with usual States Procedures.

18. Conclusions

18.1 The States has already recognised that the current Airport would not meet the needs of air travellers for the foreseeable future. It has approved, in principle, the construction of a new Terminal Building at Guernsey Airport; in order to provide an excellent gateway to the Island and to supply all the necessary capacity and facilities for business and leisure travellers, locals and visitors alike.

18.2 Following the extensive post-tender negotiations and being minded of inflationary increases in construction costs, the Board agreed that the negotiated revised tender from Hochtief (UK) Construction Ltd and the associated supervisory fees are apposite for the works to the new Terminal Building. The external works will provide for appropriate landside access and for the parking and manoeuvring of commercial and private aircraft.

19. Recommendations

The Board of Administration recommends the States:

- i) to authorise the construction of a new Terminal Building and associated external works at Guernsey Airport, as set out in this Report, at an estimated cost of £18,224,212 (which sum includes construction costs, risk contingency sum, consultancy and project management fees, fluctuations, site investigations costs and provision for a Clerk of Works);
- ii) to authorise the Board of Administration to accept the negotiated revised tender from Hochtief (UK) Construction Ltd for the construction of a new Terminal Building and associated external works at Guernsey Airport in the sum of £16,410,066 (which sum includes £727,000 for the necessary enhancement and elongation of the Airside walkways in order to comply with DTLR security requirements);
- iii) to vote the States Board of Administration a credit of £18,224,212 for the above purposes, which sum to be charged as capital expenditure in the accounts of Guernsey Airport.

I should be grateful if you would lay this matter before the States with appropriate propositions.

Yours faithfully,

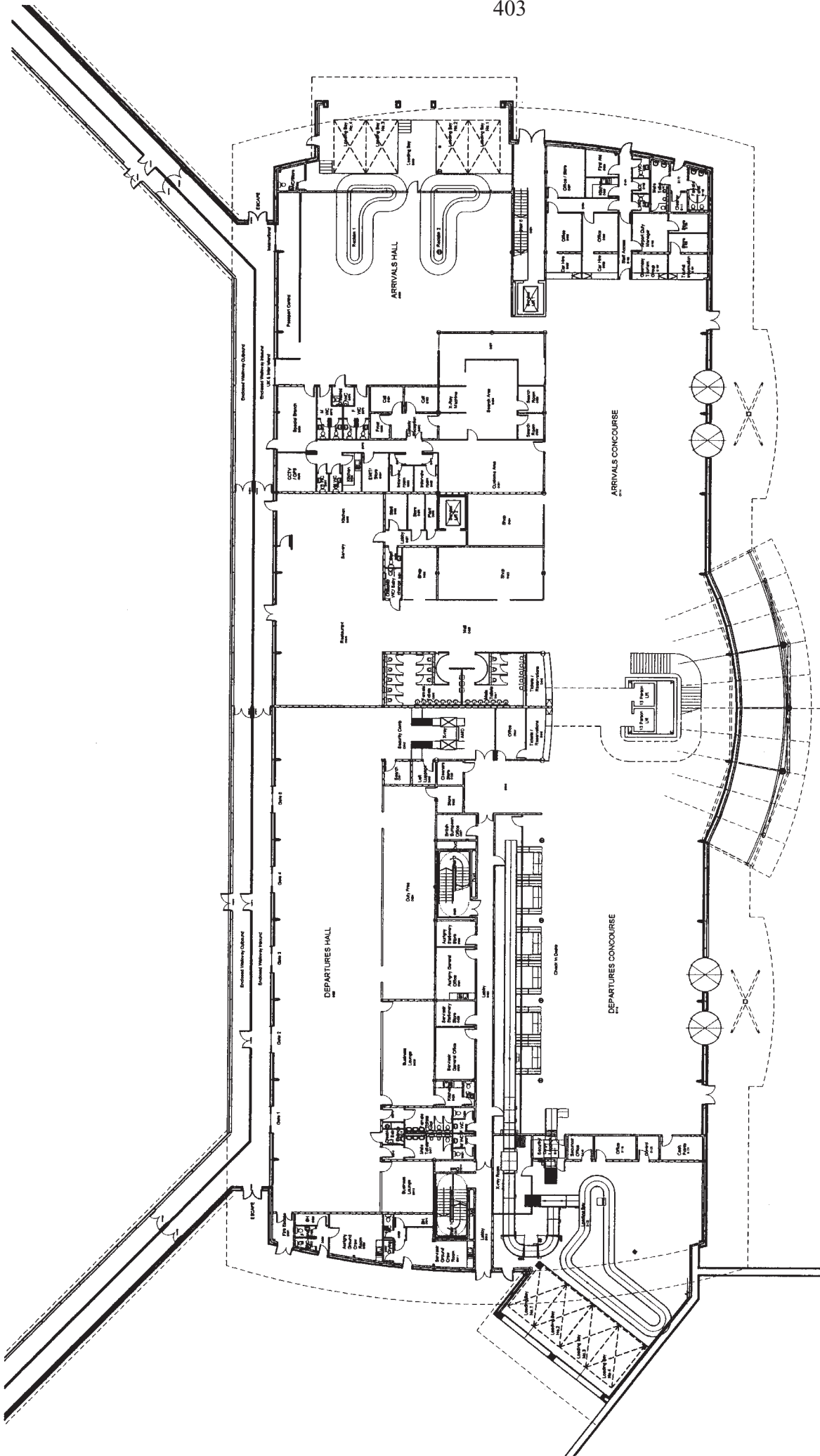
R. C. BERRY,

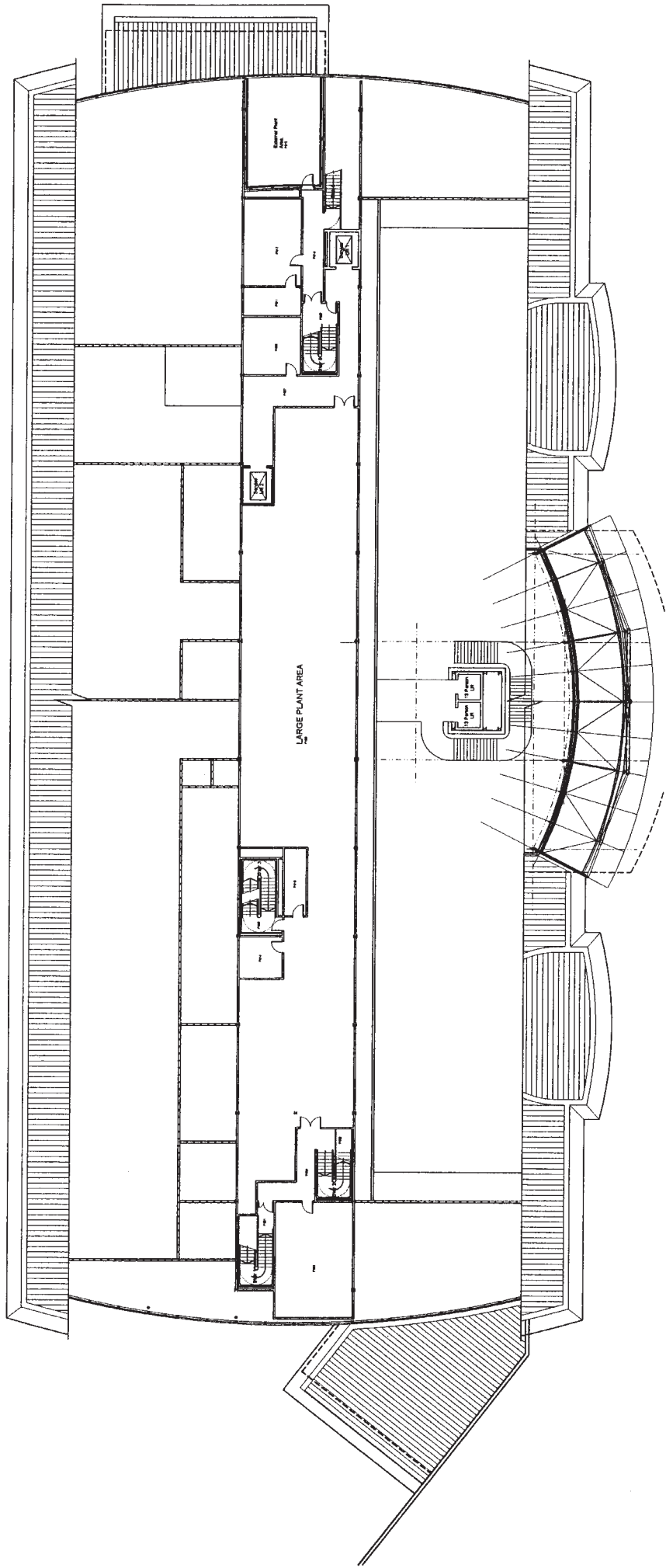
President,

States Board of Administration.

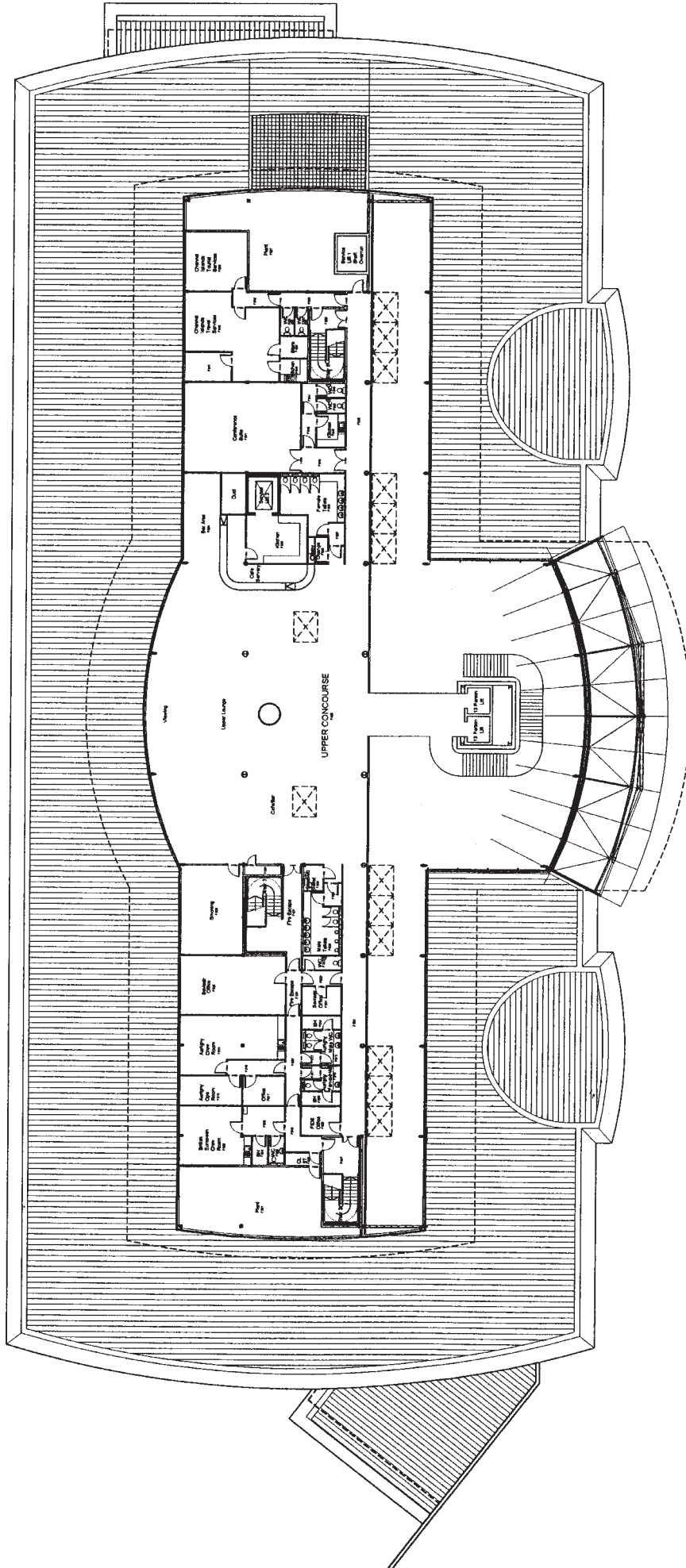
APPENDIX I – GUERNSEY AIRPORT TERMINAL REDEVELOPMENT FINALISED PLANS

Ground floor plan
Mezzanine plan
First floor plan
General elevations
Cross-section
Site layout

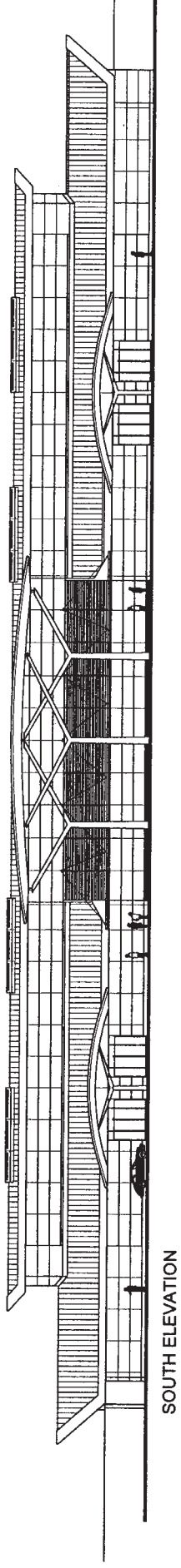




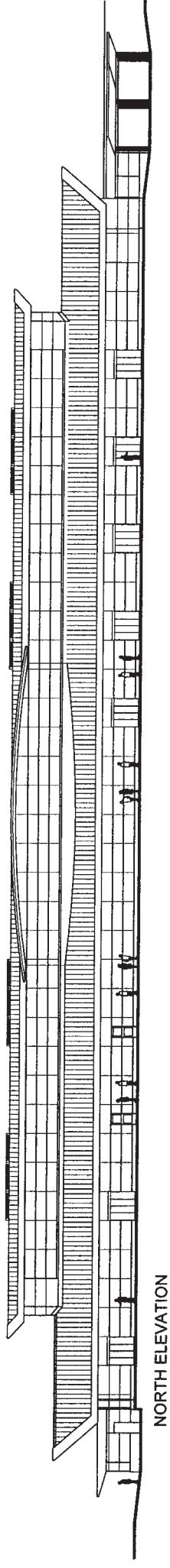
MEZZANINE PLAN - SCALE 1:500



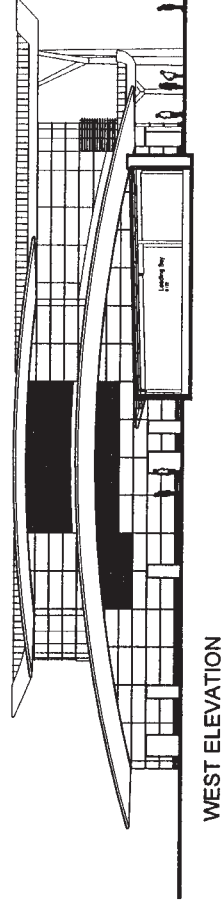
FIRST FLOOR PLAN - SCALE 1:500



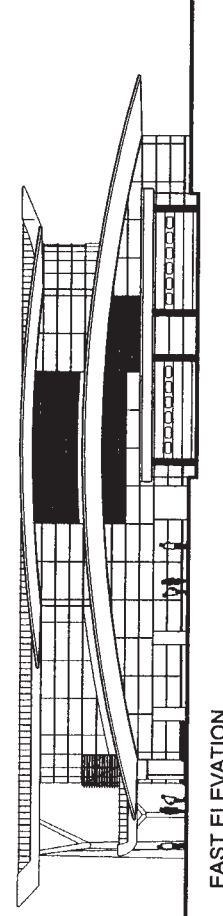
SOUTH ELEVATION



NORTH ELEVATION

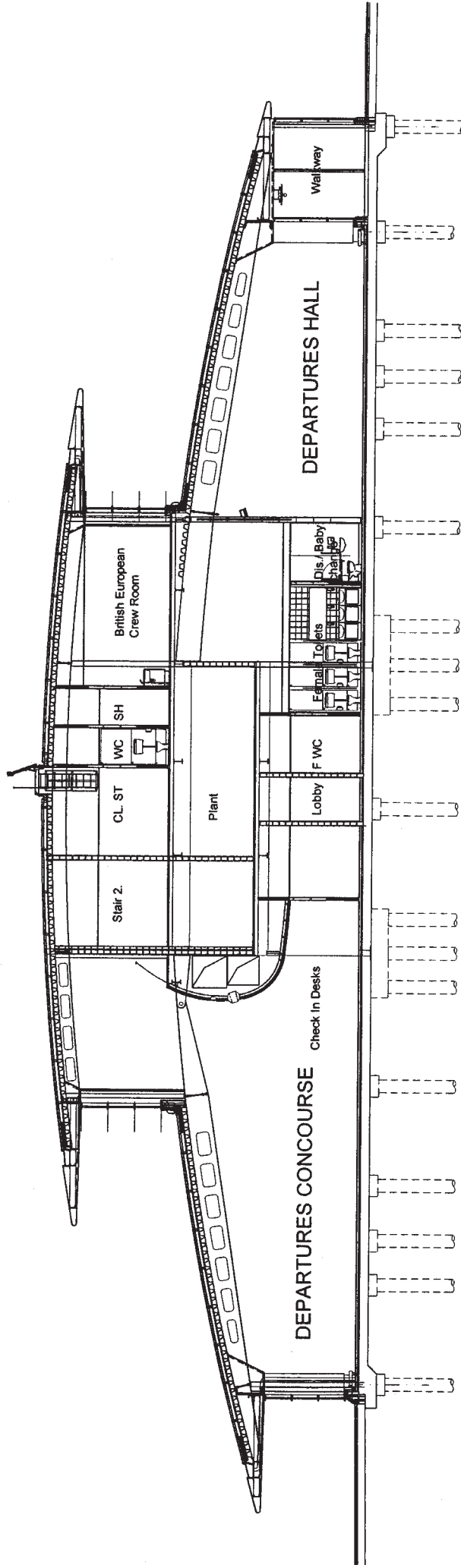


WEST ELEVATION

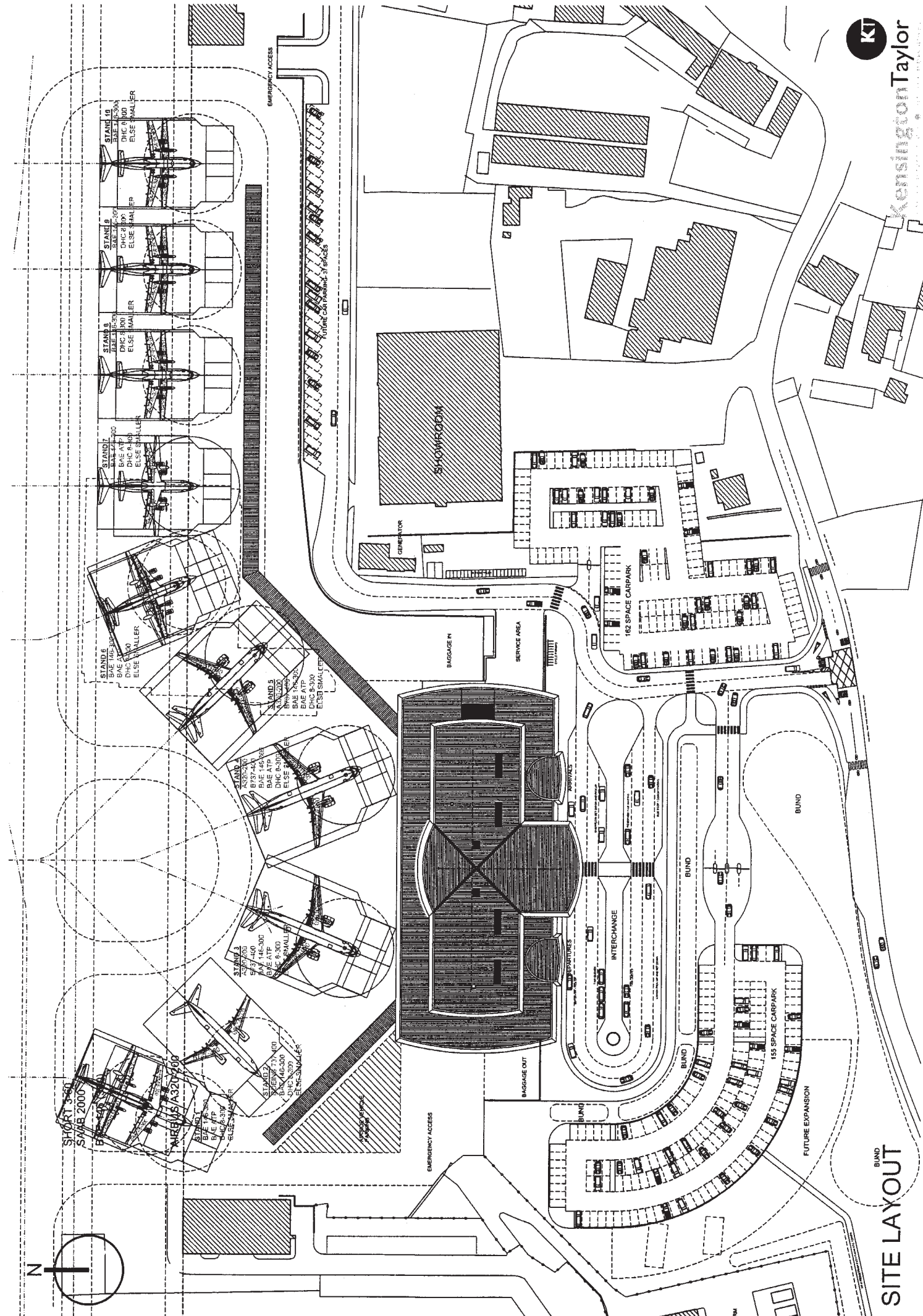


EAST ELEVATION

GENERAL ELEVATIONS - SCALE 1:500



SECTION AT GRID 3 - SCALE 1:200



SITE LAYOUT

APPENDIX II – GUERNSEY AIRPORT TERMINAL REDEVELOPMENT CONSULTATION WITH INTERESTED PARTIES

The following organisations were consulted, formally or informally, with regard to the proposed Guernsey Airport Terminal Redevelopment.

A.N.C. (Guernsey)
 Aircraft Servicing (Guernsey) Limited
 Airport Management Airport Services
 Architects Panel
 Aurigny Air Services Ltd
 British Aerospace
 British Airports Authority (BAA plc)
 British Airways
 British European (formerly Jersey European Airways)
 British Regional Airlines Ltd
 Brymon Airways
 Channel Express (CI) Ltd
 CityFlyer Express Ltd
 Civil Aviation Authority
 Customs & Immigration Department
 Department for Transport, Local Government and the Regions
 Environmental Health Services
 Forest Douzaine
 Fuel Supplies (CI) Ltd
 GP Express (CI) Ltd
 Guernsey Aero Club
 Guernsey Blind Association
 Guernsey Chamber of Commerce
 Guernsey Consumer Group
 Guernsey Fire Brigade
 Guernsey Freight Services Ltd
 Guernsey Hard of Hearing Association
 Guernsey Hotel and Tourism Association
 Guernsey Police
 Guernsey Society for the Physically Disabled
 Guernsey Telecoms
 Guernsey Tourism Group
 Guernsey Tourist Board Guernsey
 Transport Board Guernsey
 Transport Users Committee
 Hire Car Association
 Huelin-Renouf Air Freight Ltd
 Institute of Directors
 Island Coachways
 La Société Guernesiaise
 Museum Services – Archaeology Department
 Museum Services – Natural History Department
 National Childbirth Trust

Property Services Unit (formerly States Department of Engineering)
Relay Freight Services Ltd
Securicor Security Services Ltd
Servisair Ltd
St Andrew's Douzaine
St Martin's Douzaine
St Pierre du Bois Douzaine
St Saviour's Douzaine
States Advisory & Finance Committee
States Board of Industry – Health and Safety Executive
States Electricity Board
States Heritage Committee
States Island Development Committee
States Meteorological Department
States Public Thoroughfares Committee
States Traffic Committee
States Water Board
Taxi Owners' Federation
Wine & Beer Importers (Guernsey) Ltd

**APPENDIX III – GUERNSEY AIRPORT TERMINAL REDEVELOPMENT –
DESIGN REVIEW AND USER WORKSHOPS HELD DURING WEEK COMMENCING
19 FEBRUARY 2001**

Organisation	Invited	Workshop attended	Did not attend workshops
A.N.C (Guernsey)		Wed 21.02.01, 09:00	
Aircraft Servicing (Gsy) Ltd		Tues 20.02.01, 14:00	
Anglo Normandy Aeroengineering Ltd			<i>Did not attend</i>
Aurigny Air Services		Mon 19.02.01, 14:00	
British Airways*		Mon 19.02.01, 14:00	
British European			<i>Did not attend</i>
British Regional Airlines Limited*		Mon 19.02.01, 14:00	
Brymon Airways*		Mon 19.02.01, 14:00	
Chamber of Commerce		Mon 19.02.01, 09:30	
Channel Express (CI.) Ltd		Tues 20.02.01, 09:00	
CityFlyer Express Limited*		Mon 19.02.01, 14:00	
Customs & Immigration Department		Tues 20.02.01, 09:00	
Department of Engineering (now Property Services Unit, Advisory and Finance Committee)		Tues 20.02.01, 09:00	
Electricity Board		Tues 20.02.01, 14:00	
Forest Douzaine	N	Mon 19.02.01, 14:00	
Fuel Supplies (CI.) Ltd		Wed 21.02.01, 09:00	
GP Express (CI.) Ltd			<i>Did not attend</i>
Guernsey Aero Club		Mon 19.02.01, 09:30	
Guernsey Bicycle Group	N	Mon 19.02.01, 14:00	
Guernsey Blind Association		Tues 20.02.01, 14:00	
Guernsey Consumer Group		Mon 19.02.01, 09:30	
Guernsey Fire Brigade		Wed 21.02.01, 09:00	
Guernsey Freight Services Ltd		Wed 21.02.01, 09:00	
Guernsey Hard of Hearing Association		Tues 20.02.01, 14:00	
Guernsey Hotel and Tourism Association		Mon 19.02.01, 09:30	
Guernsey Police		Tues 20.02.01, 09:00	
Guernsey Society for the Physically Disabled		Tues 20.02.01, 14:00	
Guernsey Telecoms		Tues 20.02.01, 14:00	
Guernsey Tourism Group			<i>Did not attend</i>
Guernsey Transport Users Committee		Mon 19.02.01, 09:30 Mon 19.02.01, 14:00	
Harlequin Hire Cars	N	Wed 21.02.01, 09:00	
Health & Safety Executive		Wed 21.02.01, 09:00	
Hire Car Association		Wed 21.02.01, 09:00	
Huelin-Renouf Air Freight Ltd		Wed 21.02.01, 09:00	
Institute of Directors		Tues 20.02.01, 09:00	
Island Coachways		Tues 20.02.01, 14:00	
National Childbirth Trust		Mon 19.02.01, 09:30	
Public Thoroughfares Committee			<i>Did not attend</i>
Relay Freight Services Ltd			<i>Did not attend</i>
Securicor Security Services Ltd		Mon 19.02.01, 14:00	
Servisair Limited		Tues 20.02.01, 09:00	
St John Ambulance & Rescue Service			<i>Did not attend</i>
States Traffic Committee		Tues 20.02.01, 14:00	

Organisation	Invited	Workshop attended	Did not attend workshops
States Water Board		Wed 21.02.01, 09:00	
Taxi Owners Federation		Tues 20.02.01, 14:00	
Value Rent-a-Car	N	Wed 21.02.01, 09:00	
Wine & Beer Importers (Gsy) Ltd		Mon 19.02.01, 14:00	
Women's Royal Voluntary Service			<i>Did not attend</i>

* British Airways, British Regional Airlines Limited, Brymon Airways, CityFlyer Express Limited all being part of the same group (at the time of writing).

All the organisations listed in this appendix were specifically invited to attend the workshops, except where indicated in the table above. "N" indicates that the organisation was not specifically invited; although no organisations were excluded from the workshops.

Guernsey Airport Management was represented at all of the Design Review and User Workshops, except that held during the afternoon of Tuesday 20 February 2001. The Final Review was held on Wednesday 21 February 2001 p.m. and was attended by various organisations, including the Airport Management Group

**APPENDIX IV – GUERNSEY AIRPORT TERMINAL REDEVELOPMENT –
CORRESPONDENCE WITH THE ISLAND DEVELOPMENT COMMITTEE**

Letter, dated 06 February 2002, from the Island Development Committee to Kensington Taylor (the Project Architects)

Letter, dated 12 February 2002, from the Board of Administration to the Island Development Committee

Letter, dated 20 February 2002, from the Island Development Committee to the Board of Administration

Letter, dated 22 February 2002, from the Island Development Committee to the Board of Administration

Letter, dated 22 February 2002, from the States Traffic Committee to the Island Development Committee (copied to the Board of Administration by the IDC)

Mr J Harrison
Kensington Taylor
27 Victoria Park Road
EXETER
EX2 4NT

6th February, 2002.

Dear Sir

GUERNSEY AIRPORT TERMINAL REDEVELOPMENT

Thank you for your letter of 29 January 2002 and enclosed drawing number 9783 LO1.01.

The matter was considered by the Committee at its meeting on 5 February 2002. Before commenting formally on the revised proposals, however, the Committee would wish to consult with the public and other relevant authorities.

I would be grateful if you would forward five further copies of your drawings to assist this process. On completion of these consultations, the Committee will respond to your proposals as rapidly as possible.

Yours faithfully,

A. J. ROWLES,
Development Control Manager,
Island Development Committee.

The President
 States Island Development Committee
 Sir Charles Frossard House
 La Charroterie
 St Peter Port
 Guernsey
 GY1 1FH

12th February, 2002.

Dear Deputy Langlois

GUERNSEY AIRPORT TERMINAL REDEVELOPMENT

I refer to my letter, dated 07 February 2002, regarding the Guernsey Airport Terminal Redevelopment Project and to a letter, dated 06 February 2002, from the IDC Development Control Manager to Kensington Taylor, the Board's architects for the Project.

The Board considered the matter further at its meeting this afternoon. Board Members were unanimously of the opinion that your Committee's proposal "*to consult with the public and other relevant authorities*" was totally unnecessary at this time and the Board does not agree to such further consultation taking place. As the Island Development Committee is fully aware, the Board has ensured that the Guernsey Airport Terminal Redevelopment Project has been the subject of detailed and comprehensive consultation with a huge variety of interested parties. I enclose, for your information, a list of the interested parties with which the Board has consulted through correspondence, meetings and public design workshops.

The changes detailed to the Committee in Kensington Taylor's letter of 29 January 2002 are minor amendments, with the exception of the omission of the roundabout only. As previously advised to you, the Forest Douzaine has refused to grant a bornement for that roundabout. Therefore, the Board has decided to utilise a filter-in-turn system at that junction instead. The Board will forward a copy of the revised plan to the States Traffic Committee at the earliest possible opportunity and is currently awaiting preliminary advice from the Property Services Unit in this regard.

The retention of much of the existing car park and access road and the corresponding realignment of the new car park have permitted design improvements to (a) the Terminal Building by creating enhanced symmetry and (b) the linked bund between the car park and the road edge with resultant increased screening and minimisation of the visual impact of the car park.

As the Island Development Committee is aware, the Guernsey Airport Redevelopment Project is a major strategic construction project to be undertaken by the States of Guernsey. Whilst approval in principle was granted by the States of Deliberation in November 2000, the subsequent delays to the project are much to be regretted. The Board is sure that your Committee will recognise that any further delays will only cause an escalation in construction costs and a later commissioning date. Guernsey Airport cannot continue to operate in its current configuration for any significant period and the Board is anxious that the new Terminal be constructed and commissioned at the earliest opportunity. To that end, the Board intends to take the matter to the States of Deliberation during its April 2002 meeting. Failure to meet that deadline would mean that, aside from the important

aforementioned concerns, the new Terminal could not be completed in time for the Island Games to be held in Guernsey during the Summer 2003.

The Board looks forward to receiving a positive response from your Committee at the earliest possible opportunity in order to facilitate this key project for the Island. I should advise you that the Board's policy letter for this matter is due to be considered by the Advisory and Finance Committee's Estates Sub-Committee at its meeting of 22 February 2002. The Board has included in that policy letter your Committee's comments thus far. However, should you wish any further comments to be included, please ensure that they reach the Board's offices no later than 21 February 2002 in order that the Board can consolidate the final version of the policy letter and achieve the submission dates for the April Billet d'État.

Yours sincerely,

R. C. BERRY,

President,

States Board of Administration.

cc: President, Advisory and Finance Committee
James Harrison, Kensington Taylor
Phil Nokes, BAE Systems (Operations) Limited
Airport Director, States Airport

The President,
Board of Administration,
Sir Charles Frossard House,
La Charroterie,
St Peter Port,
Guernsey.

20 February, 2002.

Dear Deputy Berry,

GUERNSEY AIRPORT TERMINAL REDEVELOPMENT

Thank you for your letters of 7th and 12th February, 2002 regarding the above.

In seeking to consult with the public and other relevant authorities regarding the proposal, the Committee is merely following its normal practice. Providing the opportunity for comment by members of the public and bodies who may be directly affected by the proposal is intended to assist rather than hinder the development process, by ensuring that potential problems and their solutions are identified at the earliest possible stage.

In this case, the Committee is mindful of the need to provide a swift response and has requested that its consultees respond as a matter of urgency. The Committee will endeavour to comment formally on the proposal before the 21st February, 2002. Any comments that are received after that date will be forwarded to you and can be addressed if necessary in the States debate.

I hope that this is of assistance.

Yours sincerely,

JOHN E. LANGLOIS,
President,
Island Development Committee.

The President,
States Board of Administration,
Sir Charles Frossard House,
St Peter Port,
Guernsey,
GY1 1FH.

22nd February, 2002.

Dear Deputy Berry,

**GUERNSEY AIRPORT TERMINAL REDEVELOPMENT – VARIATIONS TO
PROPOSED SITE LAYOUT**

The Island Development Committee considered at its meeting on 19th February, 2002 your proposed variations to the previously approved site layout for the redevelopment of the airport terminal building, including the revised service road, car parking facilities and road junction layout.

As you are aware, the IDC was gratified by the design of the previous layout submitted by you, which was an impressive setting for the new terminal building. Indeed, the Committee is aware that the airport is now the main gateway into and out of the island for business and leisure visitors and therefore it is appropriate that the design of the whole redevelopment be to a high standard.

With this in mind the Committee was disappointed at the regression from good design which has occurred as a result of the revised plans. Having said that, the committee fully understands your Board's laudable commitment to reduce the cost of the redevelopment.

In its consideration of the matter, the Committee considered that the retention of the existing 75 year old access road and the existing car parking and the consequent relocation of the roadway and interchange in front of the terminal building further to the west represents a significant missed opportunity in terms of enhancement of the appearance of the approach to the airport.

The committee is concerned that the latest proposals would also effectively prejudice implementation at a future date of the previous superior scheme when finances may become available to complete the scheme as originally planned.

In summary, the IDC concluded that, as currently proposed, the scheme would be seen for what it is, namely, a poor compromise and a less than satisfactory setting for Guernsey's new airport terminal building on the approaches to the terminal as a temporary expedient which would not preclude your previous superior scheme from being implemented at a later date.

I would be obliged if you would arrange for this letter to be appended to your Board's Policy Letter relating to the proposed development.

In order to provide fuller comments on the revised scheme the Committee has consulted with the States Traffic Committee and the Constables of the Forest. It has also advertised the revised scheme inviting comments from the general public in the normal way. Given the very restricted timescale within which the Board of Administration has requested the comments of the IDC on this matter, the Committee regrets that it is unable to provide within this letter an indication of the views of those bodies or of expressed public opinion. The Committee will forward to you any comments arising from this consultation process as soon as they are received to enable you to make the States aware of them during the course of the debate itself.

I trust that the above comments do not detract from the fact that the IDC commends your Board for its commitment to good design in relation to the terminal project.

Yours sincerely,

JOHN E. LANGLOIS,

President,
Island Development Committee.

The President,
 Island Development Committee,
 Sir Charles Frossard House,
 La Charroterie,
 St Peter Port,
 Guernsey GY1 1PH

22nd February, 2002.

Dear Deputy Langlois

GUERNSEY AIRPORT TERMINAL REDEVELOPMENT

The Committee has only very recently received the latest proposals for the above mentioned development. Consequently, at its meeting held on Monday, 18th February, 2002, the Committee could only give very superficial consideration to the proposed alterations to the traffic management arrangements and in particular the decision to replace the proposed roundabout with a filter in turn junction.

Whilst the Committee would not raise any objections at this time to the loss of the roundabout, we believe the Board of Administration should be advised to approach the development in a manner which still retains sufficient land to facilitate the possible introduction of a roundabout at this junction at some time in the future. The Committee is satisfied that the existing junction arrangements could remain in place and an assessment of the traffic flows and other relevant considerations made in the light of experience, once the Airport terminal has been redeveloped.

The Committee acknowledges that a traffic assessment may indicate that the junction could remain unchanged. Alternatively, the optimum solution may well prove to be a roundabout and it is with this in mind that the Committee believes the Board should take appropriate measures to ensure that sufficient land will be available to implement such a measure should this prove to be necessary.

With regard to the other proposed changes including alterations to the car park layout and the possibility of the introduction of a filter in turn at this junction, the Committee has decided to seek advice from its Traffic Engineers. Certainly the first impressions are that the proposed filter in turn has not been particularly well designed.

I trust our initial observations will be of assistance to your Committee at this time and I will write to you again once we have received the technical advice from our Traffic Engineers.

Yours sincerely,

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

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

26th March, 2002.

Dear Sir,

I refer to the letter dated 20 March 2002 addressed to you by the President of the Board of Administration on the subject of the redevelopment of the Airport Terminal Building and Environs.

The existing terminal is an old building that has been extended and modified over a number of years and whilst it has served the island well it does not comply with modern standards, nor does it meet the expectations of the travelling public. Most importantly it does not comply with current regulations which are continually changing to require enhanced safety and security measures. The Committee accepts that the existing terminal can no longer be economically altered to meet today's and future standards and recognises that the best value solution is the provision of a new purpose built terminal that is flexible and, as far as further changes to regulations can be predicted, future proof.

Whilst the Committee is concerned to note the cost of the project, the proposals have been considered by the Estates Sub-Committee on a number of occasions. Members have been pleased to acknowledge the close scrutiny the Board has given to all aspects of the project, the use of components fabricated off island, and the reduction in costs it has achieved without affecting the core requirements for a modern terminal of which the Island will be proud. The Committee asks other States Committees to follow the Board's example in closely examining proposals to minimise the impact on the local construction industry, reduce cost and provide better value. This is particularly important in the current climate where the cost of building in Guernsey is so much higher than the UK and where demand for construction skills far outweighs availability.

With regard to the current demand for construction the Committee must caution Members that the Island's economy simply cannot sustain all of the revenue and capital projects planned by various Committees. The Committee asks individual Committees to review their spending plans and prioritise the allocation of resources such that only those proposals that can be demonstrated to be absolutely necessary are put forward for consideration by the States.

The Committee also wishes to draw States Members attention to the fact that even if Committees restrict their requests for spending it will be necessary for the States to scrutinise very closely the allocation of resources, and to carefully balance competing demands for those resources with the economic and social well being of the Island. States Members should reject proposals that are not necessary or cannot be afforded.

In this instance the Committee recognises that the provision of proper terminal facilities is essential both for the continuing economic success of the Island, and as a gateway to Guernsey for

business people, visitors and the general public. The existing terminal does not provide the facilities air travellers require, and expect, and does not reflect Guernsey's position as a successful, modern and stable community. The replacement of the terminal must be afforded a high priority and the Advisory and Finance Committee recommends the States to approve the proposals.

Yours faithfully,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

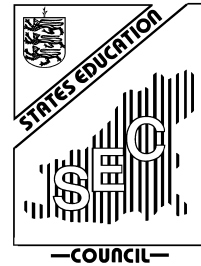
The States are asked to decide:—

VII.—Whether, after consideration of the Report dated the 20th March, 2002, of the States Board of Administration, they are of opinion:—

1. To authorise the construction of a new Terminal Building and associated external works at Guernsey Airport, as set out in that Report, at an estimated cost of £18,224,212 inclusive of constructions costs, risk contingency sum, consultancy and project management fees, fluctuations, site investigations costs and provision for a Clerk of Works.
2. To authorise the States Board of Administration to accept the negotiated revised tender in the sum of £16,410,066 (which sum includes £727,000 for the necessary enhancement and elongation of the Airside walkways in order to comply with DTLR security requirements) submitted by Hochtief (UK) Construction Limited for the construction of that new Terminal Building and associated external works.
3. To vote the States Board of Administration a credit of £18,224,212 to cover the cost of the above works, which sum to be charged as capital expenditure in the accounts of Guernsey Airport.

STATES EDUCATION COUNCIL

A SITE DEVELOPMENT PLAN FOR THE REORGANISATION OF SECONDARY,
POST-16 AND SPECIAL NEEDS EDUCATION IN THE BAILIWICK OF GUERNSEY



STATES EDUCATION COUNCIL

A SITE DEVELOPMENT PLAN

FOR THE REORGANISATION OF

SECONDARY POST-16 AND

SPECIAL NEEDS EDUCATION

IN THE

BAILIWICK OF GUERNSEY

MARCH 2002

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

19th March, 2002.

Dear Sir,

A Site Development Plan for the Reorganisation of Secondary Post-16 and Special Needs Education in the Bailiwick of Guernsey

I EXECUTIVE SUMMARY

1. In May 2001 the States instructed the Education Council to:
 - *retain the Grammar School as an 11-18 school incorporating a Sixth Form Centre*
 - *report back to the States as soon as may be with proposals to develop three new High Schools, such proposals to include outline costs for the complete redevelopment*
 - *report back to the States with proposals to develop an improved College of Further Education on its existing site or such alternative site as the Council considers appropriate, such proposals to include costs for the complete development*
 - *raise the school leaving age to 16 by the beginning of the academic year 2008/9 or sooner if resources and curriculum arrangements permit.*
2. Since then the Council has been working with its headteachers and other States Committees to identify, within the structure approved by the States, the most effective provision of education opportunities for the young people of the Island.
3. Having determined a clear picture for the rationalisation of provision, the Council now submits within this policy letter a Site Development Plan to comply with the States' resolutions of May 2001. This is shown below as Programme 1 of a three-part Development Programme. (Table 1)

<u>TABLE 1 Development Programmes</u>
<p>Programme 1</p> <p><u>Site Development Plan [rebuilding]</u></p> <p>SDP1A – Special Schools and Services SDP1B – Secondary Schools SDP1C – Post-16 Institutions SDP1D – Associated Primary [St. Sampson’s Infants’, La Mare de Carteret Primary]</p>
<p>Programme 2</p> <p><u>Site Development Plan [rationalisation, renovation and improvement]</u></p> <p>SDP2A – Primary [excluding St. Sampson’s Infants’, La Mare de Carteret Primary] SDP2B – Grammar School SDP2C – Education Department and Central Services [excluding special]</p>
<p>Programme 3</p> <p><u>The Development Funding and Accountability of Non-States Schools</u></p> <p>FANS1 – Blanchelande Girls’ College FANS2 – The Ladies’ College FANS3 – Elizabeth College FANS4 – Voluntary Schools FANS5 – Private Schools</p>

4. **Programme 1** necessarily includes the reorganisation of the Special Schools and Services. These are currently housed in inadequate and deteriorating accommodation and the growth in the number of children with special needs means that more places and better facilities are urgently needed. Constructing the new buildings in proximity to mainstream schools will give more flexibility and opportunity for developing courses for these young people to meet the whole range of their special educational needs. The States were informed of these developing plans in the Policy Planning Report approved by the States in 1999.
5. The Council will be working on aspects of the two other programmes of action concurrently with the Site Development rebuilding programme. **Programme 2** covers the rationalisation, renovations and improvement of the other premises for which the Council is responsible. **Programme 3** covers the development, funding and accountability of the non-States Schools: i.e. the grant-aided Colleges, the private schools and the voluntary schools.

6. The basic principles underpinning the development of these proposals in Programme 1 are shown in Table 2:

<u>TABLE 2 Principles</u>
<p style="text-align: center;"><u>Educational Principles</u></p> <ul style="list-style-type: none"> • The new secondary schools should be non-specialist 11-16 schools for up to 720 pupils offering the full national curriculum and providing the opportunity for the setting of pupils. • The Grammar School Sixth Form Centre should focus on providing predominantly academic courses at level 3 (A and AS level courses). • The new College of Further Education should focus on providing predominantly vocational courses from entry level to level 4 courses (degree level). • The new Special Needs buildings should provide places for more children than now. There should be more differentiation of courses to meet children's individual needs through the provision of better facilities and greater opportunities for the appropriate inclusion of special needs children within the mainstream. • The new institutions should provide for the developing role of Information and Communication Technology in teaching and learning. • There should be greater partnership and collaboration between institutions to allow for wider course choice, and individualised learning. • The new buildings should be designed to encourage greater community use. • The new buildings should recognise the need to provide better facilities not only for pupils but also for teaching and support staff. • The new buildings should encourage all sectors of the population to participate in lifelong learning. <p style="text-align: center;"><u>Design Principles</u></p> <p>The planning of the new buildings should provide for:</p> <ul style="list-style-type: none"> • high design quality • flexibility of space • energy efficiency • whole life cycle maintenance awareness • maximisation of natural light and ventilation • ICT capability • cost efficiency • environmental compatibility • timely completion • a safe but inviting environment • minimisation of disruption during construction

7. This policy letter lays before the States the plans for **Programme 1**. The Council anticipates that **Programme 1** will require expenditure of up to £120 million over a possible 10-year building period. Offset against this expenditure will be the return to the States of the College of Further Education's Coutanchez Site, the Brock Road old Boys' Grammar Site and Grange House in the Grange.

Executive Summary

8. In total these sites' estimated worth is between ten and fifteen million pounds. In addition, the Council will be vacating the Longfield site, Granville House in Mount Durand and the Mont Varouf buildings pending further consideration of their use for educational purposes.
9. A Grouped Schools Site Development Plan of this complexity and magnitude requires the appointment of an overall project manager, the project management expertise of specialist companies and the collaboration of many other States Committees. The Council will work with these bodies to develop a detailed project execution plan to ensure timely and cost efficient completion.
10. A provisional building schedule is shown in Table 3 although the Council wishes the States to be aware that this **scheduling will be subject to change as the project execution plan is developed**. A key feature of this planning will be the minimisation of disruption to the work of the schools.

TABLE 3: Provisional Building Programme

<u>SITES</u>	CONSTRUCTION	
	START	FINISH
1. A new-build Special Education Centre at a site adjacent to the Forest School playing fields to include: a Primary Special School for 150 pupils aged 4-11 a multi-agency Pre-School Nursery and Assessment Centre an Administration Centre for Special Education Support Services a Child Development Centre (administered by the Board of Health)	July 2003	July 2005
2. A new-build College of Further Education at the St. Peter Port Secondary School site to include: Youth Service and Youth Theatre facilities and a Business School. The existing secondary school building to be demolished.	Jan. 2004	Dec. 2007
3. A new-build Sixth Form Centre block on the Grammar School site.	Jan. 2004	Dec. 2005
4. A new-build 720-pupil co-educational 11-16 school at the Les Beaucamps site.	July 2004	Dec. 2006/ July 2007
5. A new-build 720-pupil co-educational 11-16 school and a Secondary Special School at a site in the North of the Island.	July 2004	Dec. 2006
6. The temporary use of Longfield as a Centre for Pupils with Emotional and Behavioural Difficulties pending its permanent placement at Oakvale School.	from from	Sept. 2005 April 2007
7. A new-build 720-pupil co-educational 11-16 school at the La Mare de Carteret site	Jan. 2007	Dec. 2008
8. A new-build three-form entry primary school on the La Mare de Carteret site	Jan. 2009	Dec. 2010
9. The conversion of St. Sampson's Secondary School to a two-form entry primary school (The infant premises possibly utilised as an outreach Youth Centre in the future).	Jan. 2011	Dec. 2011
10. The demolition of the buildings at the Longfield Centre site.		Aug. 2008
11. The vacating of the three sites used by the College of Further Education		Jan. 2008

11. Outline costs are shown in Table 4, although the Council advises the States that, at this stage, these are indicative estimated costs for the buildings based on a cost per square metre assessment. These costs will be further refined in the detailed project execution plan to be progressed following the States' consideration of the basic output specification outlined in this policy letter.

TABLE 4: Estimated Costs	
BUILDING	EST. COST @ £1800 p.s.m. £m
Special Education Centre	7.7
College of Further Education	22.8
Sixth Form Centre	2.7
720 pupil 11-16 school (Les Beaucamps)	16.8
720 pupil 11-16 school (North School)	16.2
Secondary Special School	7.2
720 pupil 11-16 school (La Mare de Carteret)	16.8
3-form entry Primary School (La Mare de Carteret)	5.2
2-form entry Primary School conversion (St. Sampson's)	1.3

Total without fees £96.7m

Fees at 12% £11.6m

Fixtures, fittings £3.0m

Total estimated cost £111.3m

(costs exclude relocation costs and other conversion costs, land purchases, abnormal substructure costs and external works.)

II Introduction

12. The purpose of this report is to lay before the States the Education Council's plans for development and site reorganisation in the light of the States Resolutions following the debate on "The Future Organisation of Secondary and Tertiary Education in the Bailiwick of Guernsey" in April/May 2001.
13. These resolutions were:
- *To instruct the Education Council to retain the Grammar School as an 11-18 school incorporating a Sixth Form Centre.*

II Introduction

- *To instruct the Education Council to report back to the States as soon as may be with proposals to develop three new High Schools, such proposals to include outline costs for the complete redevelopment*
 - *To instruct the Education Council to report back to the States with proposals to develop an improved College of Further Education on its existing site or such alternative site as the Council considers appropriate, such proposals to include costs for the complete development*
 - *To raise the school leaving age to 16 by the beginning of the academic year 2008/9 or sooner resources and curriculum arrangements permit.*
14. Because of the inter-dependence of different parts of the education system, the Council cannot present these proposals without also bringing to the attention of the States the contiguous plans necessary for the development of the special education schools and services [which were, in outline, laid before the States in the 1999 Policy Planning Report].
 15. For the same reason, the Council brings to the States its plans for the rebuilding of La Mare de Carteret Primary School and the reorganisation of St. Sampson's Infant School into a two-form entry primary school to occupy the vacated St. Sampson's Secondary School buildings.
 16. In order to deliver the required Site Development Plan, the Council estimates that it will be asking the States to approve in principle a capital allocation of up to £120 million over the next ten years.
 17. To complete the full review of education provision, the Council is also planning to review its future accommodation requirements for all its other premises, including the Grammar School and the primary sector, and will also review the funding, governance and quality assurance of the non-States schools in the Bailiwick.
 18. The review of primary accommodation requirements will look at the premises maintenance needs of the primary sector and the need for renovation and replacement. The review will also look at the present accommodation capacity against demographic trend and whether there should be any rationalisation of provision. This may include the enlargement of some schools and the closure of others.
 19. The review of the funding and governance of non-States' schools will address differing aspects according to the different status of the various schools and Colleges which are outside of the States maintained sector. For the grant-aided Colleges, i.e. **Elizabeth College and The Ladies' College**, the present systems of public funding and accountability are due to be reviewed in line with the States' resolutions of 1998. The Council will also be returning shortly to the States with The Ladies' College business plan which will require a significant building programme. The extension of grant-aided status to the independent **Blanchelande Girls' College** following the May 2001 amendment to the Council's policy letter also requires a report to be submitted to the States and there are increasing issues being raised over the capital funding of the **Voluntary Schools** (St. Mary and St. Michael R.C. Primary School and Notre Dame du Rosaire R.C. Primary School) and concerning the registration requirements of other **independent schools**.
 20. The Council has, therefore, allocated the work to three concurrent programmes of activity as shown in Table 1.

TABLE 1 Development Programmes

<p>Programme 1</p> <p><u>Site Development Plan [rebuilding]</u></p> <p>SDP1A – Special Schools and Services SDP1B – Secondary Schools SDP1C – Post-16 Institutions SDP1D – Associated Primary [St. Sampson’s Infants’, La Mare de Carteret Primary]</p>
<p>Programme 2</p> <p><u>Site Development Plan [rationalisation, renovation and improvement]</u></p> <p>SDP2A – Primary [excluding St. Sampson’s Infants’, La Mare de Carteret Primary] SDP2B – Grammar School SDP2C – Education Department and Central Services [excluding special]</p>
<p>Programme 3</p> <p><u>The Development Funding and Accountability of Non-States Schools</u></p> <p>FANS1 – Blanchelande Girls’ College FANS2 – The Ladies’ College FANS3 – Elizabeth College FANS4 – Voluntary Schools FANS5 – Private Schools</p>

21. The States debate in April/May 2001 confirmed that the basic structure of secondary and post-16 education for the Bailiwick should remain selective. The Council has looked at the curriculum and qualifications developments occurring in the UK, and internationally, to assess how the significant curriculum and qualification changes which are being made can be incorporated into the States education system.
22. The transformation of secondary education now being managed on the UK mainland has several distinct strands, all focused on providing a wider range of academic and vocational courses and qualifications to meet the needs of the individual learner. These are intended to raise the skills and knowledge levels of the general community and will encourage all sectors to participate in lifelong learning.
23. Of particular significance to the Council’s site development plans is the forthcoming raising of the school leaving age to 16 in the Bailiwick and the changes in 14-19 education, whereby schools and colleges of further education will be expected to work in collaboration to provide between them a varied range of academic and vocational opportunities for learners, with young people moving between institutions to gain access to particular courses. UK guidelines for school accommodation are being revised to create more accommodation for these courses and for the increasing use of ICT in schools.
24. In its planning for the new schools and post-16 facilities, the Council has been mindful of its need to be able to offer these “multiple pathways in an inter-dependent framework” and has worked closely with its Headteachers and the Principal of the College of Further Education

II Introduction

III Primary Education

in producing a design brief which ensures that the maximum opportunities for learning will be available in the Island without unnecessary and unjustifiable duplication of facilities.

25. **The States instruction to develop proposals for three new High Schools addresses the concern felt by the Council, States members, teachers and parents about the condition of the existing Secondary Schools and recognises that the cost of replacement should be set in the context of the expenditure which would, in any event, be necessary to raise the condition of the existing schools to an acceptable standard.**
26. Increasing the pupil numbers in each school by replacing the four secondary schools with three will greatly enhance the opportunity for improving curriculum flexibility, widening the use of setting, and providing more specialist teachers in the schools. The falling 11-16 population towards the end of this decade would otherwise leave the four existing secondary schools with unviable numbers and increased difficulties in recruiting specialist teachers and providing a broad curriculum and wide range of qualifications.
27. To reduce to two schools of over 1,000 pupils each however, would be to create schools too large to be contained on existing sites, or on any known available new sites, and would pose great problems in terms of traffic flow and pedestrian safety. Such large schools would be likely to be unpopular with parents, teachers and pupils and this would lead to further recruitment problems for teachers and increased disruption in the schools.
28. Relocating the College of Further Education from its present cramped site and inadequate buildings means that the College will be able to centralise and improve its facilities, remove itself from the Brock Road and Grange House sites and be nearer to the new Sixth Form Centre at the Grammar School. These arrangements will result in the more efficient delivery of further education, the improvement of curriculum opportunities for post-16 students and the development of facilities to meet the growing demand for lifelong learning.
29. This policy letter is specifically concerned with **Programme 1, the site development plan for secondary, post-16 and special education**. The Council has also outlined its plans for the maintained school provision for primary education in order to complete the picture of the education system within the Island. The three phases of education: **primary, secondary and post-16** education are dealt with in chronological order and this is followed by the reorganisation plans for **special educational needs**.

III Primary Education

30. Parents will still be allowed to register their child to attend their catchment area States school from the beginning of the school year in which the child reaches the age of 5. This will remain subject to the availability of places, as now.
31. The Council will be looking again at the educational and resource implications of providing places for 3 year olds, either through accommodation in the States schools or through partnership with private nurseries. This will be the subject of a later review and, if necessary, submission to the States.
32. The location and accommodation needs of schools in the primary sector will be reviewed in **Programme 2**. However, because of their inter-dependence with the Site Development Plans for the secondary sector and because of the clearly identified need for these projects, the Council intends to rebuild La Mare de Carteret Primary on the same site and to develop a St. Sampson's Primary School in the buildings currently used for St. Sampson's Secondary School.

IV Secondary Education

Selection

33. The Eleven Plus process will remain unchanged, although the Council does not rule out some minor amendments to the procedure over time. Children will continue to be selected to attend the Colleges, the Grammar School or one of the three new 11-16 schools.

Location

34. The three new schools, for a maximum of 720 pupils each, will be built on the sites of Les Beaucamps Secondary School, La Mare de Carteret Secondary School and at a new location in the North of the Island.
35. In consultation with the Estates Sub-Committee, the Council has commissioned MPM Capita Limited to conduct a site appraisal of potential locations for the new school for the North of the Island. A site of approximately 22 acres will be required. The most suitable site for the school has been identified as the Belgrave Vinery, although other sites are still under consideration.
36. The Council will be returning to the States as soon as possible, once the final results of the site appraisal are known, in order for the States to take a decision on this matter. The States are asked to note the urgency of this decision, which affects the scheduling of the whole Site Development Plan.

Catchment Areas

37. The three new schools will replace the four existing secondary schools. St. Peter Port Secondary School will close and the children from the Amherst and Vauvert School catchment areas will attend one of the other three schools. There may be some adjustments to the new schools' catchment areas to ensure the most geographically appropriate distribution of pupils. At present, it is intended that the catchment areas will be as follows:
38. The new school on the Les Beaucamps site will take the children from Castel Primary, St. Andrew's Primary, St. Martin's Primary and Vauvert Primary.
39. The new school on the La Mare de Carteret site will take the children from the Forest Primary, La Houquette Primary, La Mare de Carteret Primary and Amherst Junior.
40. The new school for the North of the Island will take the children from the Vale Junior, Hautes Capelles Junior and the new St. Sampson's Primary.
41. Children attending the Voluntary Schools (Notre Dame du Rosaire R.C. Primary School and St. Mary and St. Michael R.C. Primary School), will attend the secondary school appropriate to the catchment area of their place of residence.

School Names

42. The new schools will relinquish the title "Secondary", which will remain only as the generic name for the educational provision made available for 11-16 year old pupils, regardless of their designated school or college. The schools' names have still to be decided.

IV Secondary Education

Curriculum and Organisation

43. Each of the schools will offer a full general curriculum to the age of 16. There will be six forms of entry in each year giving an average class size of 24 pupils and opportunities for setting in different subjects. With the raising of the school leaving age to 16 in 2008, in line with the rest of the UK, pupils whose 15th birthday falls between 1st September, 2008 and 31st August, 2009 will no longer be able to leave during that year, but will be required to stay on in school until the end of their Year 11 schooling. This means that the children who are currently in Year 3 will be the first year group who cannot leave in Year 10.
44. There will be increased opportunities for pre- 16 students to undertake some of their courses at other schools or at the College of Further Education. This will allow minority subjects to be offered at viable participation levels and also help avoid unnecessary duplication of expensive equipment and teaching resources.
45. This increased partnership and collaboration will be aimed mainly at the 14-16 age group and builds on the successful link-course provision already established for the schools at the College of Further Education. It will provide a wider range of courses for learners, including courses in work-related learning, and wider opportunities for gaining qualifications other than GCSE, and it will allow more able students to move more quickly to the achievement of qualifications when their skills and knowledge permit.
46. All three of the schools will provide the accommodation generally identified within national school accommodation area guidelines as requisite for an 11-16 six-form entry co-educational school. The schools would, therefore, in addition to their general teaching classroom spaces, have specialist facilities available for science, technology, music, art, drama and sport.

ICT

47. Information and communication technology will be pivotal to learning in the future and schools will have to be adequately equipped with the Space and technology to allow for multi-platformed access to computers. Not only will there continue to be a need for computer rooms, but national guidance on the school of the future also indicates the need for faculty-based provision of computers and the general availability of ICT in classrooms.

Special Needs in the New Secondary Schools

48. The Council's policy, in conformity with the Education (Amendment) (Guernsey) Law 1987 (Section 2 subsection 2), is to provide opportunities for the inclusion, where possible and beneficial, of pupils with special educational needs within mainstream education. The Council also wishes to avoid disability discrimination.
49. The new schools will, therefore, be built to allow full disabled access within the classroom and with small group room accommodation to provide learning support and withdrawal facilities. Such access will affect many aspects of the schools' design, such as the width of corridors and the size of classrooms.

Child Protection

50. Child protection guidelines stress the importance of good building design in minimising opportunities for young people to make allegations against teachers and others in authority. Incorporated in the planning for the new buildings will be elements of such sensible building design, for example by ensuring that interview rooms have windows and are large enough to avoid enforced close physical proximity.

IV Secondary Education

Community use

51. In addition to the accommodation necessary to provide for the developing curriculum, the schools will be able to provide facilities for community use. Some of these are intended to be dual-purpose facilities, where the school and the community have access to the facilities at different times. It is planned that other accommodation should be available throughout the school day to provide for community access to meeting rooms.
52. Discussions will be entered into with the Guille-Allès Library regarding the potential benefits of relocating the Schools' Library Service to the new site for the school for the north of the Island. This will have the advantage of providing more accessible facilities for schools in making use of the service and also of freeing up space at the main Guille-Allès site. If the Guille-Allès Board is so disposed, it is possible that a branch library facility could also be available at the site.
53. Discussions will also be entered into with private playgroups and nurseries concerning the feasibility of locating crèche facilities on the three new school sites. Not only is it understood that there is a demand for such facilities, but it is considered that the on-site provision of the facilities could prove a useful teacher recruitment incentive.

Sport

54. Each of the schools is planned to have a sports hall and indoor swimming pool, together with an outdoor all-weather playing surface. The Council's existing school facilities are already extensively used for community purposes and for evening class use out of school hours and it is intended that the sports facilities would be available, in liaison with the Recreation Committee, for the enhancement of community sporting activities.
55. The Council will seek to establish, within the detailed planning for the project, the feasibility of one of the schools' sports complexes being provided with public access spectator facilities. This would allow the facilities at Beau Sejour to be released for general use by providing an alternative venue for competition and club activities.

Refreshment Facilities

56. Adequate provision will also have to be made for refreshment facilities, particularly at lunchtimes. Although there is no statutory requirement in Guernsey for schools to provide school meals, the days of children going home to lunch are long past. The great majority of children now stay on the premises at lunchtimes and this needs to be reflected in the provision of eating and recreational facilities.

Staff Facilities

57. The British Government is placing very heavy emphasis on the upgrading of school facilities to provide adequate accommodation for teachers to be able to fulfil the non-teaching responsibilities of their roles. This means the provision of sufficient interview, meeting, marking, reprographic, storage and office facilities.
58. Mainland schools are also being provided with greatly increased numbers of teaching assistants and technicians. There is no doubt that the improvement in teacher facilities and human resource support will become a recruitment issue for the Guernsey education service if this UK increase cannot be replicated locally. It will be necessary to ensure, therefore, that accommodation is available within the design plans for such additional staff, where provided, to have adequate facilities for work preparation and storage of materials.

IV Secondary Education

Staff Accommodation

59. Consultation with school headteachers has identified the value of providing caretaker housing on each of the sites, both for the security oversight which is provided and as a recruitment incentive for these posts. Should such accommodation not be required by a caretaker, the house would be available for rent, either for incoming teachers or within the public sector.
60. The Council will also investigate whether any of the sites would be large enough to allow for the construction of additional housing units for public sector rental purposes.

Energy Efficiency

61. The consultation process has identified a number of design aspects which the Council and the headteachers of the schools would wish to see incorporated in the design of the new premises, in addition to the elements identified above. In terms of environmental impact, the schools should be energy efficient and make maximum use of natural light and ventilation. This will include the establishment of zoned heating systems to prevent whole buildings having to be heated when they are only partially used for community events.

Security

62. While still maintaining a welcoming environment, the schools should be designed to avoid unauthorised access and for the security of their inhabitants and the premises themselves. Design aspects such as single access points, appropriate use of barriers, zoned access to the buildings, security lighting, CCTV and intruder alarm systems will all contribute to the necessary security upgrading which the schools now require.

Promotion of Good Behaviour

63. The buildings will be planned to promote good behaviour. By providing, for example, maximum visibility in the design of corridors and the layout of the school grounds, the occurrence of vandalism, bullying and other types of bad behaviour has been shown to be reduced.

Health and Safety

64. Health and Safety requirements will obviously be a major factor in the design of the new buildings and appropriate fire precaution systems will need to be in place.
65. The schools will need to be provided with much greater separation of facilities for car access and parking away from the pedestrian and playground areas. This will be a particular need where community use of the site is frequent throughout the day.
66. The school grounds also need to be planned to allow for the provision of different areas for different types of use during breaks and lunchtimes and this must include the provision of shaded areas.

Consultation

67. As part of the project execution plan which will be formulated following approval in principle being given by the States, the Council will be consulting with all stakeholders, including teachers and parents and other States committees, in the preparation of the detailed plans for the establishment and future organisation of the new institutions.

V Post-16 Education

68. At age 16, students will have the option of leaving full time education or enrolling for a full time 16-19 course at either the Sixth Form Centre, administered by the Grammar School, or the College of Further Education. Enrolment will be subject, as now, to students meeting the admission criteria for the courses for which they are applying. The Council will determine the admission criteria for admission to each institution and establish the framework of courses to be offered by each institution.

Va Sixth Form Centre at the Grammar School

Curriculum and Organisation

69. There will inevitably be some duplication of courses between the two institutions, but the Sixth Form Centre will concentrate on the provision of courses at AS and A2 Level (level 3 courses) for full-time students aged 16-19. A few level 2 GCSE courses in the core subjects as well as key skills and other supplementary courses may be offered to support the level 3 courses being taken by the students.
70. Students will still be expected to participate in and contribute to the life of the Grammar School and to attend classes and activities in the main buildings, but the establishment of this new Sixth Form Centre building will help to create a Sixth Form ethos which recognises the transitional nature of sixth form study as being the final stage before work or higher education.

New Accommodation

71. The development of this new building will help to create a more coherent identity for the Sixth Form students, 50% of whom come from other Bailiwick schools. The design brief will focus on providing much-needed reception, administration, social and recreational facilities, as well as a Sixth Form study centre and specialist classroom and seminar rooms.

Location

72. Subject to further review within the project execution plan, it is planned that the Sixth Form Centre building should be erected on the Grammar School's present softball pitch, which lies northward from the School's car park and parallel to Footes Lane. This will provide straightforward access from the road and will be well placed to provide access to the rest of the Grammar School facilities via a covered way. It will also be within easy walking distance of the new College of Further Education site.
73. There will need to be some remodelling of accommodation in the existing school buildings to complement the provision of new facilities in the Sixth Form Centre and this will form part of the Programme 2 work.

Vb College of Further Education

Curriculum and Organisation

74. Students intending to study courses of a primarily vocational nature, including level 3 Advanced Vocational A Levels (AVCE's), will study for them at the College of Further Education. Courses will be offered in the traditional craft areas, as well as courses in business related subjects, ICT, health and social care, catering, travel and tourism, art and design and the performing arts.

V Post-16 Education

75. Level 2 courses, including GCSE's in new and retake subjects, will also be available at the College. All other courses (part-time courses, earner-learner courses, Apprenticeship Scheme courses and evening classes) will be provided at the College. Some level 4 (degree level) courses will be offered, either in full or in part, in association with universities or professional bodies.
76. The collaborative arrangements already being developed between the present College of Further Education and the Grammar School Sixth Form to allow students from either institution to undertake courses at the other institution will be further developed to provide the widest possible choice of courses and qualifications.
77. It is also expected that students at both institutions should be able to avail themselves of membership of the College's student union which will give them access to the social and recreational facilities on either site.
78. The College will develop its range of link courses to provide more courses for pre16 students in partnership with the pre-16 schools.
79. The College will also provide facilities for post-16 special needs students in order to offer them a structured and supported route from school to adult life.

Location

80. It is intended that the new College should be located on the St. Peter Port Secondary School site in a campus style arrangement of buildings with car parking distributed around the site to be associated with different facilities offered – in the same way, for example, as the zoned parking at the Princess Elizabeth Hospital.

Design Criteria

81. The key design elements to be incorporated in the planning for the College of Further Education, in addition to suitability for purpose and cost efficiency, are that the facilities should be:
 - accessible to the whole community
 - of high design quality to create a welcoming environment and to value vocational education designed for flexibility and ease of access
 - focused on accommodating the changing requirements demanded by the use of information and communication technology
 - of a low maintenance specification
82. The campus will be providing for a wide range of learners, from full-time 16-19 year olds to businessmen and women and pensioner evening class members. It will, therefore, be important that the surroundings should feel welcoming and safe, with the College's partnership with industry, commerce and the community reflected in the collaborative planning of the site and with active encouragement for sponsorship and franchising of certain aspects of its operation.
83. Because of the proximity with Footes Lane and the Grammar School sporting facilities, playing fields are not considered to be an essential aspect of the provision, although the landscaping of the grounds should aim to soften the car parking areas and to provide sifting areas.

Lifelong Learning Centre

84. The principal building of the campus will be the Lifelong Learning Centre, which will provide the facilities for reception, administration, the Information, Advice and Guidance Centre, the Student Services Centre, refreshments, a gym, the library, the Independent Learning ICT Centre and the Learning Difficulties and Disabilities Centre.

The Training Street

85. From this hub, different programme areas will be accessible. Those training facilities which encourage public involvement: hairdressing, beauty therapy, College restaurant, for example, would form a distinct 'street' of facilities for easy access to the general public.

Business School and Information Advice and Guidance Centre

86. The College will house new premises for the Guernsey Business School and will allow further links to be developed with the Training Agency. The Guernsey Careers Service will relocate from the Education Department site to form the heart of the larger Information, Advice and Guidance Centre mandated to be a one-stop shop for careers and training advice and guidance for the general community.

Performing Arts

87. The Brock Road premises of the College of Further Education are currently also the home for the Youth Service and Youth Theatre, as well providing facilities for uniformed youth groups.
88. The Youth Theatre will be offered a base within the Performing Arts facilities to be provided at the new College of Further Education. The Youth Theatre would have its own office and storage facilities within that Arts Complex.
89. Performing Arts facilities would include a multi-purpose performance base with retractable seating, sound and lighting technology and storage facilities for the equipment and technology available for use by the schools in general.
90. These facilities would allow for Dance, Drama and Music Technology courses to be offered to level 3 qualification, as well as providing public access facilities for hire by community and commercial organisations.

Schools Peripatetic Music Service

91. It is intended that the Peripatetic Music Service should be based at the Creative and Performing Arts Centre to be developed at the College of Further Education. The Music Service currently stores a wide range of instruments in very unsatisfactory conditions at the Education Department and there are no rehearsal facilities available to it, other than after school hours in the schools themselves. Although the Saturday Music Centre will still need to be housed in a variety of schools to allow for the large number of classes being held, the provision of a base within the Arts Centre buildings will encourage closer cooperation and more curriculum collaboration between the disciplines housed there.

V Post-16 Education**VI Special Education Needs Provision****Youth Service**

92. The Youth Service operates very successfully from its Town Centre base at Brock Road where it maintains its administration offices as well as providing a youth club and various meeting and activity rooms. It will be essential for the Youth Service to maintain its Town Centre presence and the provision of Youth Service facilities will be best served by the establishment of facilities for it on the new College of Further Education site.

Consultation

93. As part of the project execution plan to be formulated following approval in principle being given by the States, the Council will be consulting with all stakeholders including teachers, students, parents and the employer groups, in the preparation of the detailed plans for the establishment and future organisation of the new institutions.

Vacating of Sites

94. As soon as possible after the new schools and College of Further Education have been built, the Council will wish to return to the States the main College of Further Education site at the Coutanchez, the Art Department annexe at Grange House, and the old Boys' Grammar School site at Brock Road, all sites being of considerable value to the States with a provisional capital receipt estimate of ten to fifteen million pounds.

VI Special Educational Needs Provision

95. An extensive programme of planning for the reorganisation of the delivery of education and services to children with special educational needs was included in the Policy Planning Report approved by the States in 1999. A large number of meetings have been held and many options considered by a Council working party of special needs professionals before the structure outlined below has been finalised.
96. The plans have the support of the great majority of staff working within the Special Needs field, both within the education service and in the associated services managed by the Board of Health and the Children Board. They also have the support of all the headteachers in the Island. The Board of Health and the Children Board, both of which bodies have been involved in discussions concerning inter-committee joint provision for children with special needs, fully support the proposals.
97. The Council emphasises that these plans cannot be considered in isolation, but as part of an inter-related programme of building provision to meet the needs of all children in the Bailiwick. The rebuilding implications for this reorganisation must be integrated and synchronized with the planning for the new secondary and post16 institutions.
98. The current arrangement of schools and services for children with significant special educational needs is causing growing problems, both in organisational terms and because of the inadequacies of the present accommodation. The problems are exacerbated because of the growth in numbers of children with:
- Profound and multiple learning difficulties
 - Language and communication difficulties including autistic spectrum disorders
 - Emotional and behavioural difficulties including mental health disorders

VI Special Education Needs Provision

99. This growth in numbers means that children are having to remain in mainstream education when their needs would be better addressed by there being greater accessibility to placement in a special school. **The current lack of such places is adversely affecting the functioning of the mainstream schools and we are failing to provide the flexibility and opportunities that young people with special educational needs have the right to expect.**

Special Education Centre

100. The Council will establish a **Special Education Centre** on a site adjacent to the Forest Primary School playing fields. This Centre will include:
- a **Primary Special School**
 - a multi-agency **Pre-school Nursery and Assessment Centre**
 - an administration **centre for special education support services**
 - accommodation for the Board of Health **child development** team.
101. Those primary children who would currently be educated at Mont Varouf School, The Longfield Centre or at Oakvale School will transfer to this new Primary Special School. The children will spend most of their time at the Special School, which will have its own headteacher, staff and curriculum and grounds but, where appropriate, they will be able to be included in lessons in the mainstream school. This new special school will provide accommodation for up to 150 pre-11 children.

Closure of Existing Special Education Buildings

102. The provision of these facilities in the Forest will allow for the closure of the fast deteriorating buildings at The Longfield Assessment Centre, the transfer of the primary age children away from the increasingly inadequate facilities at Mont Varouf School and the relocation of the special educational needs services from Granville House.

Secondary Special School

103. For secondary age pupils, an equivalent **Secondary Special School** will be established on the same site as the new school in the North of the Island. As with the Primary Special School, the Secondary School will have its own grounds, its own headteacher and staff and its own curriculum. The children in the special school will spend the majority of their time within the specialist learning environment which it provides but, where appropriate, they will be able to participate in the activities of the mainstream school. It is anticipated that provision needs to be made for up to 130 children in this school.

Special Education Provision in Mainstream Secondary Schools

104. All three of the new secondary schools will be provided with accommodation suitable for those children with special educational needs who will be able to benefit from a fuller integration into mainstream schooling. This will permit individual and small group accommodation and specialist learning facilities for the times when an alternative curriculum is more appropriate.

Centre for Children with Emotional and Behavioural Difficulties

105. A centre for children with emotional and behavioural difficulties will be established to provide a different form of educational provision for pupils who cannot be educated successfully in mainstream schooling and who are disruptive of the work of other pupils.

VI Special Education Needs Provision

VII La Mare de Carteret Primary School and St. Sampson's Primary School

This will eventually be in the buildings currently occupied by Oakvale School, which should need little conversion work for this new purpose. The Council is looking to establish this centre as soon as possible, but the shortage of suitable accommodation means that a temporary base may have to be considered, such as at the Longfield Centre (once the Forest Special Education Centre is opened) until the Oakvale buildings become available. The Centre at Oakvale will have facilities for a maximum of 80 pupils, although some may be present on a short-term basis only. It will also provide a resource base for the Pupil Support Advisory Service, which will continue to operate an outreach service working in the Island's schools.

Special Education Facilities at the College of Further Education

106. The facilities at the new College of Further Education for post-16 pupils with special educational needs, previously referred to in section 85, will complete the provision planned for this expanding group of young people.

Consultation

107. As part of the project execution plan to be formulated following approval in principle being given by the States, the Council will be consulting with all stakeholders including teachers, parents and other States committees, in the preparation of the detailed plans for the establishment and future organisation of the new institutions.

VII La Mare de Carteret Primary School and St Sampson's Primary School

La Mare de Carteret Primary School

108. The School, built at the same time and of the same construction as its adjacent secondary school, will be rebuilt on the present La Mare de Carteret site to continue as a three-form entry primary school. The accelerating deterioration of the buildings, as at the secondary school, means the school suffers from flooding and water penetration through the roof and through the cladding of the building. In addition, the need for some relocation within the site to accommodate the footprint of the new secondary school, means that this school should be replaced within the overall Site Development Programme.

St. Sampson's Primary School

109. The residents of the North of the Island have, for many years, requested that the present St. Sampson's Infants' School should be expanded to become a two-form entry primary school, thereby relieving pressure on numbers at Hautes Capelles Infants and Junior Schools and the Vale Infants' and Junior Schools and removing the need for continued accommodation at those schools in old and deteriorating huts. The opportunity afforded by the removal of the Secondary School to new premises means that the buildings, which were given a multi-million pound renovation by the States in the early 1990's, are able to be adapted for use by this school. It is possible that the present infant school buildings could be adapted to provide a much-needed **Youth Centre facility** for the north of the Island, to be administered by the Youth Service, and that the Education Development Centre, currently in cramped buildings within the Education Department complex, could be relocated to another part of the buildings on the site.

VIII Summary

The Project Process

The process to date

110. Since the States resolved in May 2001 to instruct the Education Council to report back to the States with its proposals for the development of secondary and post-16 education the Council has been working with its headteachers and other States Committees to identify, within the structure approved by the States, the most effective provision of educational opportunities for the young people of the Island.
111. The complexity of the project has been further added to by fast changing developments in curriculum and qualifications on the mainland, to which the Council must pay heed, and by the development of partnership models of educational provision, the development of lifelong learning opportunities and the increasing reliance on information and communication technology.
112. Having determined a clear picture for the rationalisation of education provision within the structure determined by the States, the Council now lays these proposals before the States for approval of them so that further progress of this multi-faceted and urgent programme of development may begin in earnest.

Recommendation for the Appointment of a Project Team

113. Following consultation with the Estates Sub-Committee, the Council wishes to progress the basic output specification which is outlined in this policy letter through the appointment of an overall Project Manager and other advisers including individual project managers, architects, engineers, quantity surveyors and cost controllers. Each part of the overall site development plan will be a significant project in its own right.
114. The overall Project Manager will report to the Council as a member of its senior management team with a sole focus on the Site Development Plan. The overall Project Manager will be responsible for deciding on the project strategy, coordinating the input from the other members of the project team and reporting to the Project Board on all issues relating to the project. The role will evolve as progress is made on implementation, but in the early stages will encompass coordination of the Council's input to the plan, preparation of a project execution plan, advising on the appointment of a team of professional advisors, including project managers for individual projects, undertaking option appraisals and strategic planning for each of the individual projects.
115. The detailed project execution plan will define the strategy for the management of the project to ensure the successful design, procurement and delivery of the project in line with the Council's objectives and constraints.

Project Planning Costs and Scrutiny

116. The Council expects that a budget of up to £4,000,000 will be required to cover the costs of compiling the project execution plan and formulating proposals for the initial individual projects, which will be submitted to the States or the Advisory and Finance Committee as appropriate. Such costs will include the appointment of advisors and associated expenses, site investigations, feasibility studies and enabling works, all of which will be subject to the approval of the Advisory and Finance Committee.

VIII Summary

117. At each stage in the development of Programme 1 the Council will review with the Estates Sub-Committee the remaining building projects and their fit within the overall plan, before returning to the States with detailed plans and tenders.

Summary of the Programme 1 Site Development Plan

118. The States are therefore asked to approve the following outline Site Development Plan. This fulfils the resolutions made by the States in May 2001 and will provide the facilities for a coherent, high quality education service which meets the future education and training needs of the Island:

Secondary Schools

119. A new-build 720-pupil co-educational **11-16 school at the Les Beaucamps site** to replace the existing school. It is anticipated that the pupils would remain on site during the rebuilding process.
120. A new-build 720-pupil co-educational **11-16 school on a new site in the North** of the Island.
121. A new-build 720-pupil co-educational **11-16 school at the La Mare de Carteret site** to replace the existing school. It is anticipated that pupils would decant to the vacated St. Sampson's Secondary School for the period of construction, following the opening of the new North Secondary School.

Post 16 Institutions

122. A new-build **College of Further Education at the St. Peter Port Secondary School site** to include Youth Service and Youth Theatre facilities and Business School premises. The existing secondary school building would be demolished during the final stages of construction of the new College.
123. The vacating of the three sites used by the College of Further Education: the Coutanchez site, Grange House and the old Boys' Grammar School site – each site to be returned to the States for development use.
124. A new-build **Sixth Form Centre block** on the Grammar School site (with associated conversion works in the existing Grammar School buildings as part of Programme 2.)

Special Education

125. A new-build **Special Education Centre at a site adjacent to the Forest School playing fields**, the Centre to include a Special School for up to 150 primary age children.
126. A new build **Secondary Special School** for up to 130 pupils on a **site adjacent to the secondary school for the North**.
127. The conversion of **Oakvale School** to become a **Centre for Children with Emotional and Behavioural Difficulties** following its possible temporary placement at **The Longfield Centre**. These moves will happen after the children from Mont Varouf, Longfield and Oakvale have transferred to their new accommodation in the Primary and Secondary Special Schools.

VIII Summary

128. The demolition of the buildings at the Longfield Centre site and the vacating of this site, Mont Varouf and Granville House pending further consideration of their use for educational purposes.

Primary Schools

129. A new-build **three-form entry primary school on the La Mare de Carteret site** to replace the existing primary school. Pupils would decant to the vacated St. Sampson's Secondary School for the construction period which would follow the building of the new La Mare de Carteret Secondary School.
130. The conversion of St. Sampson's Secondary School to a two-form entry primary school which will replace the on-site infant school. (The infant premises may be utilised as an outreach Youth Centre in the future.) This would follow on from the temporary use of the Secondary School to house the decanted La Mare de Carteret pupils.

Site Development Schedule and Outline Costs

131. The Council emphasises that the building schedule and associated outline costs shown on the next page are provisional estimates based on the Council's experience of building earlier schools and on commissioned research including the Drivers Jonas report on post-16 site appraisal, the Sheffield Survey of the Council's Schools, the Barnett report on Options for Secondary Education and the Capita Report on site appraisal for the North School project. The drawing up of a detailed project execution plan, and the expert scrutiny this will involve, will inevitably lead to revision to both the phasing of the building programme and the costings.
132. In its Budget Report for 2002, the Advisory and Finance Committee stated that the Capital Reserve will be required to fund significant expenditure on the Council's proposed programme of enhancement and replacement of schools. The Council is aware that prevailing economic circumstances and other demands on States funding over the next decade may affect the implementation of the site development plan. Accordingly, the Council's proposals provide for the Advisory and Finance Committee to take account of such matters in recommending to the States revenue and capital allocations associated with the furtherance of the site development plan.

133.

Indicative Site Development Schedule and Outline Costs

BUILDING	SITE	SITE AVAILABILITY	EST.CONSTRUCTION PERIOD	EST. COST @ £1800 psm
New build Special Education Centre comprising: a Primary School for 150 pupils aged 4-11 a multi-agency Pre-School Nursery and Assessment Centre an Administration Centre for Special Education Support Services a Child Development Centre (administered by the Board of Health)	derelict vinery adjacent to Forest Primary School playing fields plus use of part of school playing field	Now	July 2003 - July 2005	£7.7m
New build College of Further Education comprising: Vocational Studies Centre, Lifelong Learning Centre, Youth Centre, Business School, Performing Arts Centre	St. Peter Port Secondary School site (new buildings to be erected on school playing fields with Secondary School buildings eventually demolished.)	As pupil numbers decrease and less of the playing fields are required.	Jan. 2004 - Dec. 2007	£22.8m
New build Sixth Form Centre block comprising: Reception area, administration offices, Learning Resource Centre, refreshment facilities, social areas, small group rooms	on Grammar School playing field adjacent to car park on existing Grammar School site	Now	Jan. 2004 - Dec. 2005	£2.7m
New build 720 pupil 11-16 school to include: Crèche facilities, community room, pool, sports hall and all-weather pitch	Existing Les Beaucamps Secondary School site	incremental building programme replacing existing buildings while pupils remain on site	July 2004 - July 2007	£16.8m
1. New build 720 pupil 11-16 school to replace St. Sampson's Secondary School and to include: Crèche facilities, community room, pool, sports hall and all-weather pitch 2. A new build 130 pupil Secondary Special School	new site in North of Island	subject to States decision on location	July 2004 - Dec. 2006	£16.2m £7.2m
New build 720 pupil 11-16 school to include: Crèche facilities, community room, swimming pool and sports hall and all-weather pitch	existing La Mare de Carteret Secondary School site (existing school to be demolished)	when pupils move to vacated St. Sampson's Secondary School in January 2007	Jan. 2007 - Dec. 2008	£16.8m
New build 3-form entry primary school	existing La Mare de Carteret Primary School site (existing school to be demolished)	when pupils move to vacated St. Sampson's Secondary School in January 2009	Jan. 2009 - Dec. 2010	£5.2m
Conversion of vacated St. Sampson's Secondary to a 2-form entry primary school	existing St. Sampson's Secondary School	when decanted La Mare de Carteret Primary pupils move back to new school in January 2011	January 2011 - Dec. 2011	£1.3m

Total without fees £96.7m

Fees at 12% £11.6m

Fixtures, fittings £3.0m

Total estimated cost £111.3m

(costs exclude relocation costs and other conversion costs, land purchases, abnormal substructure costs and external works.)

IX Recommendations

134. The States are therefore asked:

1. to approve in principle the outline proposals for the reorganisation of secondary, post-16 and special needs education in the Bailiwick of Guernsey
2. to approve in principle the Council's proposals for the relocation of education facilities, alterations to premises and construction of new buildings as set out in its Site Development Plan
3. to authorise the Council to progress the Site Development Plan by the appointment, subject to the approval of the Advisory and Finance Committee, of an overall Project Manager and other advisers to assist in the production and implementation of a detailed project execution plan, individual elements of which will be submitted to the States or the Advisory and Finance Committee as appropriate
4. to vote a credit of £4,000,000 to cover the cost of compiling the project execution plan and formulating proposals for the initial individual projects, which sum shall be taken from the capital allocation of the States Education Council
5. to authorise the Advisory and Finance Committee, bearing in mind the prevailing overall economic circumstances, other financial demands on States funding and the ability of the construction industry to undertake the works, to take account of the Education Council's balance of 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 for the furtherance of the Site Development Plan
6. to direct the Advisory and Finance Committee when recommending to the States revenue allocations for the States Education Council for 2003 and subsequent years, to take account of the additional costs associated with the Site Development Plan.

Yours faithfully,

M. A. OZANNE,

President,
States Education Council.

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

20th March, 2002.

Dear Sir,

A Site Development Plan for the Reorganisation of Secondary Post-16 and Special Needs Education in the Bailiwick of Guernsey.

I refer to the above policy letter dated March 2002 from the President of the States Education Council.

The Advisory and Finance Committee acknowledges the need for major reinvestment in the physical infrastructure of the Island's Education Services, and notes that in submitting this report to the States the Council is complying with the States Resolutions of May 2001 (which followed consideration of the Council's policy letter on "The Future Organisation of Secondary and Tertiary Education in the Bailiwick of Guernsey").

The Committee has met with representatives of the Council to discuss its integrated plans for the development of educational provision in the Island. The current policy letter covers the outline proposals for progressing the first of the Council's three Programmes of development.

When considering this matter States Members will need to be fully aware that the States' ability to spend approximately £120 million over the next decade will be dependent upon the continued success of the Island's economy over this period. Such a long-term commitment will dominate capital allocations over a decade when the States have also indicated high priorities for major health and housing projects, and when major capital expenditure may have to be faced in regard to waste disposal.

The Council has also advised that Programmes 1, 2 and 3 are not consecutive, but concurrent. It can therefore be expected that in due course the capital requirements of the Council over the next decade will be significantly higher than the £120 million which is currently estimated on Programme 1. In these circumstances the Committee does not believe that the States can commit to anything other than the principle of allocating the necessary funds to complete Programme I within the ten-year period identified by the Council.

In addition to these financial considerations, the Committee is very concerned that the Island's building industry may not be able to undertake such an ambitious programme of development, given all the other construction work which is understood to be in the pipeline over the next five years for both the private and the public sectors. It may be that the only way to be able to accommodate this building programme will be to enable an even greater temporary influx of construction workers. The scale of the problems associated with the capacity of the construction industry and the States Public Expenditure Programme is clearly explained in the Board of Industry's policy letter entitled "The Construction Industry and the States Capital Spending Programme", which is also due for debate at the April 2002 States Meeting.

The Committee also draws attention to the fact that the Council's policy letter is seeking only in principle approvals for Programme 1 of its Site Development Plan. The Council understands that if the States approve its proposals in principle, it will be necessary for it to submit each and every development for consultation in the normal way with the Estates Sub-Committee and the Advisory and Finance Committee, and ultimately for approval by the States.

Having discussed the complexities of the developments contained in Programme 1 with representatives of the Council, the Committee fully supports the recommendation to progress the project through the appointment of a Project Manager and other advisers. In this way a detailed project execution plan can be produced and implemented.

While applauding the Council's desire to see Programme 1 of its Site Development Plan completed within ten years, the Committee wishes to point out to States Members that it will only be after the overall Project Manager has been appointed, and a detailed rolling project execution plan has been developed, that the time frame for the Programme can be established. Even then, exact progress will be subject to the availability of sufficient capital allocations.

The Committee has been in discussion with the Council about potential sites for the new school in the north of the Island (see paragraphs 35 and 36), and as explained further work is being progressed to help resolve this matter. The Committee wishes to make it clear that its support in principle for the Council's proposals for the relocation of education facilities, alterations to premises and construction of new buildings as set out in its Site Development Plan is on the basis of the site for the new school in the north of the island being left undefined (as set out in the Summary table in Section VIII of the policy letter). Until all the relevant information has been received and studied the Committee will not be in a position to comment on any specific site for this school. In view of the above, the Committee is pleased to note that the recommendations of the policy letter are not site specific on this matter.

Finally, the Committee would add that it hopes very much that the States debate on this comprehensive development plan for future educational provision in the Island does not become focused onto a single issue. It is very clear from the Council's policy letter that it has taken a comprehensive view of the overall educational provision which encompasses the needs of all pupils who would benefit from such services, and not just those who are currently doing so. The proposals submitted by the Council involve a number of elements, all of which must be put in place to achieve the objectives. It is important that the States approve the Education Council's proposals to deliver the modernised services as outlined. Otherwise significant delays to improving the services for all pupils would result. The Committee is pleased to support fully the Council's integrated approach to future educational provision in the island.

The Committee therefore recommends the States to support the Council's Recommendations, subject to the provisos stated above in relation to the performance of the economy, other States needs for capital provisions over the next decade, and the ability of the construction industry to undertake the necessary works.

Yours faithfully,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

The States are asked to decide:—

VIII.—Whether, after consideration of the Report dated the 19th March, 2002, of the States Education Council, they are of opinion:

1. To approve in principle the outline proposals for the reorganisation of secondary, post-16 and special needs education in the Bailiwick of Guernsey.
2. To approve in principle the States Education Council's proposals for the relocation of education facilities, alterations to premises and construction of new buildings as set out in its Site Development Plan.
3. To authorise the States Education Council to progress the Site Development Plan by the appointment, subject to the approval of the States Advisory and Finance Committee, of an overall Project Manager and other advisors to assist in the production and implementation of a detailed project execution plan, individual elements of which will be submitted to the States Advisory and Finance Committee as appropriate.
4. To vote the States Education Council a credit of £4,000,000 to cover the cost of compiling the project execution plan and formulating proposals for the initial individual projects, which sum shall be taken from that Council's allocation for capital expenditure.
5. To authorise the States Advisory and Finance Committee, bearing in mind the prevailing overall economic circumstances, other financial demands on States funding and the ability of the construction industry to undertake the works, to take account of the States Education Council's balance of 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 for the furtherance of the Site Development Plan.
6. To direct the States Advisory and Finance Committee when recommending to the States revenue allocations for the States Education Council for 2003 and subsequent years, to take account of the additional costs associated with the Site Development Plan.

STATES BOARD OF HEALTH

LA CORBINERIE SITE – CONTINUING CARE WARDS

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

20th March, 2002.

Dear Sir,

La Corbinerie Site – Continuing Care Wards

Introduction and Background

1. Mental health services for adults and older people are currently based at the Castel Hospital. However, the Board has been concerned for some time at the condition of patient accommodation on this site. It is overcrowded, none of it meets current standards, the majority is not on the ground floor and there are serious fire risks which must be addressed. The long stay wards for confused older people must be regarded as the final home for these patients, some of whom will spend years rather than months in such surroundings.
2. As far back as 1985 Professor Black, who led a review of the arrangements for health care in Guernsey, described the Castel Hospital as no longer a suitable place to provide modern psychiatric care. More recently Professor Brian Edwards, Professor of Health Care Development at the University of Sheffield, who was appointed by the Advisory and Finance Committee in 1999 to review the Board's site development plan, expressed great concern about the condition of the Castel Hospital and recommended replacement as a matter of some urgency. He strongly advised that acute psychiatry should be located on the Princess Elizabeth Hospital site, because of the close relationship with the acute hospital diagnostic and treatment facilities. He also recognised that it would not be desirable to split the service between two sites and suggested that all the Castel Hospital services be transferred to the Princess Elizabeth Hospital site, using the land at La Corbinerie.
3. The Board subsequently endorsed the proposals put forward by Professor Edwards. The advantages of this plan are that it maintains the integrity of the services currently at the Castel Hospital, whilst locating acute psychiatry within the grounds of the Princess Elizabeth Hospital, yet still providing long-stay wards in a setting which will not feel like a general hospital. It also reduces the number of sites on which the Board's services operate and vacates the Castel Hospital for other uses. In addition, it addresses the need for ground floor accommodation, acceptable modern standards of accommodation, adequate fire precautions and appropriate separation of patients with different types of mental illness.
4. The provision of three continuing care wards for confused older people is the first element of the transfer of the mental health services from the Castel Hospital to La Corbinerie site.

5. This project was identified in the Board's revised site development plan approved in principle by the States in July 1999 (Billet d'État XV) when it was resolved, inter alia "To endorse the development of long-stay wards for confused older people at La Corbinerie as development essential to the health of the community, which justifies exceptional consideration in planning terms, save that the exact location shall not necessarily be as laid out in the Report but may be an alternative location and siting agreed following consultations between the Board of Health, the Island Development Committee and other relevant States Committees."

Consultation on Site Layout

6. Concerns were expressed by local residents about the location of buildings, protection of trees and impact on traffic in the vicinity. Following consultation with the parish of St Martin and with the Island Development Committee, the Board changed the site layout plans for La Corbinerie to comply with a suggestion made at a public meeting in St Martin's in November 1999 and supported by those present.
7. The revised layout, which involves the loss of five mature trees, was submitted to the Island Development Committee but there was concern about the loss of these trees. Further consideration was given to the trees, in conjunction with the Committee for Horticulture's arboriculturalist and a slightly amended layout for the buildings was submitted to the Island Development Committee. Whilst this did not change the number of trees that would be lost, the extent of damage to roots of the remaining trees would be significantly reduced. It must, however, be borne in mind that, according to specialist advice received by the Board, the condition of one of these trees is such that it should be felled anyway, whether or not the Board develops the site, and the condition of a second one is very suspect. This layout plan was approved by the Island Development Committee. It embraces extensive landscaping sensitive to the needs of the area and will include tree planting in consultation with the Committee for Horticulture's arboriculturalist.
8. With respect to traffic, the access to La Corbinerie was changed in the plans so that it would be from the Princess Elizabeth Hospital side and a traffic impact assessment was commissioned. This independent study identified a net increase in traffic movement but this was not considered by the advisers to be of sufficient concern to necessitate any particular measures being taken. The Board has, however, constructed a public footpath within La Corbinerie site, adjacent to Oberlands Road, in the interest of public safety.

Description of Wards

9. The wards will be single storey with shallow pitched tile roof and of load bearing crosswall blockwork construction with traditional purlins. Their proposed orientation has the advantage of:
 - protection from the prevailing south westerly winds in the external garden area on each ward
 - no northern aspect to any of the residents bedrooms, thus giving sunlight to all of them at some time during the day.
10. Each ward will accommodate 20 long stay patients and contain the following facilities:
 - 20 single rooms with en suite WCs
 - 1 dining/sitting area incorporating a conservatory and wandering loop
 - 2 assisted bathrooms
 - 2 assisted shower rooms

- 2 assisted WCs
- 2 activity rooms
- 1 kitchen
- 1 clean utility room
- 2 dirty utility rooms
- 1 linen store
- 1 general store
- 1 disposal room
- 1 cleaners' room
- 1 staff room with WC/shower facilities
- 1 office
- 1 reception area

These layout plans take account of new UK standards and current best practice in respect of accommodation for confused older people. The main reference is the UK Care Standards Act 2000.

The advantages of this revised layout over the Board's initial design plans are as follows:

- A single central social area with two annexed activity spaces which allows efficient staffing/supervision
 - Inclusion of an internal wandering loop, now considered essential for this particular client group
 - Improved access from the new conservatory to the garden. (This will be of lightweight construction and will not affect the trees)
 - Immediate contact for visitors arriving on the ward
 - Single direction of travel from the bedrooms to the social area, which avoids confusion
 - Provision of en suite WCs, assisted bathrooms and assisted WCs in line with new recommended standards.
11. The Board of Health has no doubt whatsoever that the new continuing care wards will represent the biggest step forward in psychiatric care of older people for generations. It will transform the latter years of the lives of older islanders with mental health problems. From living in accommodation which has been criticised as unsuitable for the last 20 years, they will move to first class accommodation, purpose built to the most modern standards. This will not only transform their life by providing them with comfort and dignity, it will also be a huge morale boost to the relatives of patients and to mental health service staff who will be working in modern, ergonomic conditions. This in turn is bound to help with recruitment and retention.
 12. A number of the Board's existing buildings on La Corbinerie site will need to be demolished to accommodate the new wards and associated new access road and car parking areas, namely
 - Rondel House (formerly part of the Nurse Education Centre)
 - 1 and 2 Les Vieux Chenes (formerly units of staff accommodation)

The Nurse Education Centre (now the Institute of Health Studies) has been relocated to the Duchess of Kent House and replacement units of staff accommodation have been secured on a short term basis. The various portacabins from the site will be relocated and used at other Board of Health sites.

13. Set out in Appendix 1 are site and ward layout plans together with appropriate elevations.

Description of Works and Tendering Process

14. The project comprises the construction of three single storey, 20 bed ward blocks, demolition of existing buildings, new entrance road, car parking and external works. The main elements are:
- i. demolition, infrastructure and new ward blocks;
 - ii. electrical installations including upgrading incoming supplies, links to Mignot Centre, fire alarms, nurse call systems and external lighting;
 - iii. mechanical installations including creation of an energy centre in the Mignot Centre, hot water/heating and management control systems.

Following consultation with the Island Development Committee, the introduction of a major site infrastructure element (i.e. roads, car parking and primary service distribution) was necessary to minimise building in the area designated as Green Zone 2, whereas originally the Board had intended to retain the existing road system. This meant that Phase 1 of the Corbinerie site redevelopment (i.e. the continuing care wards) has had to bear the cost of a new road system with extensive retaining structures, along with additional service distribution costs.

15. The Board sought tenders from seven firms for the building and demolition works which included separate prime cost sums for both electrical and mechanical installations. Four tenders were received as follows:

£

WA Mosgrove Ltd	5,675,019.77
J W Rihoy & Son Ltd	6,334,668.00
John Mowlem & Co PLC	6,608,760.00
Dew Construction Ltd	7,170,789.00

During evaluation, minor inaccuracies were identified in the lowest tender, which necessitated slight amendments being made. Following evaluation, it is recommended that the building and demolition element of the work be awarded to W A Mosgrove Ltd in the revised sum, inclusive of electrical and mechanical installation works, of £5,753,927.55.

The overall contract will have a duration of eighteen months with an appropriate clause relating to liquidated and ascertained damages recoverable under the contract in the event of default of the contractor.

16. The Board sought tenders from three firms for the electrical installation works.

Three tenders were received as follows:

£

Electrical Installations (Guernsey) Ltd.	532,981.00
F W Rihoy	573,300.12
Lorne Stewart Plc	672,141.00

During evaluation, minor inaccuracies were identified in the lowest tender, which necessitated slight amendments being made. Following evaluation, it is recommended that the electrical installation element of the work be awarded to Electrical Installations (Guernsey) Ltd in the revised sum of £546,134.36.

17. The Board sought tenders from four firms for the mechanical services installation works. Three tenders were received as follows:

	£
Building and Technical Services (CI) Ltd	812,410.00
Amalgamated Engineers Ltd	982,343.00
Lorne Stewart Pic	984,490.00

During evaluation, minor inaccuracies were identified in the lowest tender, which necessitated slight amendments being made. Following evaluation, it is recommended that the mechanical services element of the work be awarded to Building and Technical Services (CI) Ltd in the revised sum of £832,343.59.

18. Provision also needs to be made in the capital vote for the following:

	£
Professional/Consultant fees	65,000
Furniture, fixtures and fittings	335,000
Fluctuations	165,000

Revenue and Staffing Implications

19. The Castel Hospital has a total of 71 continuing care beds for confused older people in 3 wards. The 3 new wards at La Corbinerie will accommodate 60 patients with 11 remaining at the Castel Hospital until such time as they are transferred to the Allan Grut Ward at the King Edward VII Hospital, which it is intended to convert to a long stay unit once the assessment and rehabilitation facilities are transferred to the Princess Elizabeth Hospital.

In order to staff both the new wards at La Corbinerie and one small ward at the Castel Hospital adequately, an additional 9.5 WTE nursing staff are required to maintain levels of service and standards, especially bearing in mind dependency levels and the need to staff 4 wards instead of the existing three. The intention is to reduce the establishment by 2.0 WTE when the Castel Hospital closes.

All catering services for the new wards at La Corbinerie will be provided from the main PEH kitchens but it will be necessary to retain existing catering facilities at the Castel Hospital until such time as it closes.

In order to cope with the additional workload in the main kitchens and the Gloucester Room at the PEH and maintain a service at the Castel Hospital, whilst ensuring compliance with hygiene regulations, an additional 3.79 WTE catering staff are required. However, it will be possible to reduce the establishment by 2.79 WTE when the Castel Hospital closes and there should be other opportunities for revenue savings. A summary of the Board's additional staffing and revenue requirements is set out below:

		Additional Staff WTE	Revenue Costs £
Short Term	Nursing	9.50	208,630
	Catering	<u>3.79</u>	<u>40,000</u>
		13.29	248,630
Long Term	Nursing	7.50	164,708
	Catering	<u>1.00</u>	<u>15,000</u>
		8.50	179,708

Summary of Costs

20. The total cost, if the lowest tenders are accepted for all the works, will be £6,318,927.55, made up as follows:

	£
Building, electrical and mechanical works	5,753,927.55
Professional/Consultant fees	65,000.00
Furniture, fixtures, fittings	335,000.00
Fluctuations	165,000.00
TOTAL	6,318,927.55

Recommendations

21. The Board of Health requests the States:

- i. to authorise the work to create three continuing care wards, including associated infrastructure, at La Corbinerie site at a total cost of £6,318,927.55;
- ii. to authorise the Board to accept the tender in the revised sum of £5,753,927.55 submitted by W A Mosgrove Ltd for the building and demolition works, which tender includes separate prime cost sums for both electrical and mechanical installations;
- iii. to authorise the Board to accept the tender in the revised sum of £546,134.36 submitted by Electrical Installations (Guernsey) Ltd for the electrical installation works;
- iv. to authorise the Board to accept the tender in the revised sum of £832,343.59 submitted by Building and Technical Services (CI) Ltd for the mechanical services installation works;
- v. to vote the Board of Health a credit of £6,318,927.55 to cover the above costs, which sum to be taken from the Board of Health's allocation for capital expenditure.
- vi. to direct the Advisory & Finance Committee to take due account of the estimated revenue cost to the Board of Health resulting from this project;
- vii. to direct the Civil Service Board to have regard to the estimated establishment required by the Board of Health resulting from this project.

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

Yours faithfully

P. J. ROFFEY,

President,
States Board of Health.

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

26th March, 2002.

Dear Sir,

I refer to the letter dated 21 March 2002 addressed to you by the President of the Board of Health on the subject of the redevelopment of Continuing Care Wards at La Corbinerie.

The Continuing Care Wards are an integral part of the Board of Health's Site Development Plan which was approved in principle by the States of Deliberation at their meeting in July 1999. At that time the wards were estimated to cost in the region of £3,000,000.

Since then the cost of the proposals has risen in stages to over £6,000,000. Whilst additional cost has been incurred to meet the concerns of the Douzaine and changing health standards, the Committee is concerned that the original estimate and brief have in the event proved to be inaccurate.

Members will have noted the Advisory and Finance Committee's comments on other matters for consideration at this States meeting and in particular the comments on building costs, prioritisation and the allocation of limited resources. The Committee asks all Committees to carefully identify their requirements, and hence the resources required, at inception stage in order that the prioritisation of proposals and the allocation of limited resources can be based on more reliable information.

The Committee recognises that the provision of proper mental health services is a basic requirement and the provision of long stay wards for confused older people is the first element in the upgrading of these much needed facilities. The Advisory and Finance Committee recommends the States to approve the proposals.

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 20th March, 2002, of the States Board of Health, they are of opinion:—

1. To authorise the work to create three continuing care wards, including associated infrastructure, at La Corbinerie site at a total cost, as set out in that Report, not exceeding £6,318,927.55.
2. To authorise the States Board of Health to accept the tender in the revised sum of £5,753,927.55 submitted by W A Mosgrove Limited for the building and demolition works, which tender includes separate prime cost sums for both electrical and mechanical installations.
3. To authorise the States Board of Health to accept the tender in the revised sum of £546,134.36 submitted by Electrical Installations (Guernsey) Limited for the electrical installation works.
4. To authorise the States Board of Health to accept the tender in the revised sum of £832,343.59 submitted by Building and Technical Services (CI) Limited for the mechanical services installation works.
5. To vote the States Board of Health a credit of £6,318,927.55 to cover the cost of the above works, which sum shall be taken from that Board's allocation for capital expenditure.
6. To direct the States Advisory and Finance Committee to take due account of the estimated revenue cost to the States Board of Health resulting from the above project.
7. To direct the States Civil Service Board to have regard to the estimated establishment required by the States Board of Health resulting from the above project.

STATES BOARD OF HEALTH

TOBACCO CONTROL IN GUERNSEY

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

8th March, 2002.

Dear Sir,

I am pleased to enclose a copy of the Board of Health's report entitled '*Progress in Tobacco Control in Guernsey*'.

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

Yours faithfully,

P. J. ROFFEY,

President,
States Board of Health.

PROGRESS IN TOBACCO CONTROL IN GUERNSEY

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STATES BOARD OF HEALTH

PROGRESS IN TOBACCO CONTROL IN GUERNSEY

Previous Consideration by the States

1. The States have most recently considered methods of reducing the use of, and the harm caused by tobacco smoking as follows;
 - i A major policy letter entitled “*Substance Misuse in Guernsey Reducing Dependence upon Drugs, Tobacco, Alcohol and other Substances*” (Billet d’État XIV 1993)
 - ii A further comprehensive Review focusing on tobacco control entitled “*The Impact of Advertising and Duty on Alcohol and Tobacco Consumption in Guernsey*” (Billet d’État XII 1996)
- 2 The broad objectives of this more recent policy letter were:
 - to reduce tobacco consumption by restrictions on supply and through encouraging reduction in demand;
 - to ensure smoking became less desirable, less accessible and less affordable for young people before they became addicted to tobacco;
 - to help and support addicted adult smokers who wished to quit.
- 3 To help achieve this, the Board’s recommendations included:
 - i a total ban on all public advertising of tobacco and tobacco products except at point of sale. Imported print media would be exempt;
 - ii an increase in the size and content of the health warning over and above that contained in the *Draft Voluntary Agreement on Tobacco Advertising* between the Channel Island Tobacco Importers Association (CITIA) and the health authorities of Guernsey and Jersey;
 - iii to amend the 1913 tobacco ordinance raising the minimum age for the legal purchase or possession of cigarettes or tobacco products from sixteen to eighteen years;
 - iv to increase the level of duty on tobacco and tobacco products by a minimum of £20 per kilo from 1 January 1997;
 - v additionally, to increase the level of duty on tobacco and tobacco products by at least 8.5% per annum in real terms in future budgets for a minimum of five years commencing 1 January 1998;
 - vi to maintain and increase the range of health promotion activities designed to help addicted smokers break their addiction, to support school and community based programmes designed to discourage young people from smoking, and to promote a better, healthier way of life generally. The Board of Health was granted a revenue budget uplift of £85,000 per annum (indexed) to assist in achieving this increased range of promotional activities.

4 This policy letter seeks to summarise progress in tobacco control in Guernsey since the last policy letter, to report on the range of successful measures, which have been implemented, and to argue the case for building on these successful approaches. It also addresses several issues relating to tobacco control, which remain outstanding from earlier policy letters.

5 The Board accepts that alcohol abuse is perceived by many to be just as serious a health and social problem and a working group, comprising senior officers of those States Committees with responsibilities in this area, is currently considering the need for a 'Guernsey Alcohol Strategy'. It is hoped that a report with appropriate recommendations will be made to the various Committees no later than the end of 2002. In the meantime, the Board considers it vital to continue to promote effective means to limit and reduce tobacco related harm.

Tobacco Control – The Global Perspective

6 In 1996, when the States agreed to support all the Board of Health's recommendations on tobacco control in Guernsey, these provided a comprehensive and integrated approach which, was probably ahead of any other European country. Since then there has been increasing recognition by national governments and international organisations of the health related harm and ultimate economic damage caused by tobacco smoking. Concerted efforts are now being undertaken at national, regional and international levels to address this.

Action by the World Health Organisation

7 The World Health Organisation (WHO) identified in 1995 that with regard to reducing cancer worldwide – "*tobacco control is the most urgent need*". In May 1996 the World Health Assembly (WHA) called on the then Director General of the WHO to initiate the development of a global response to counter increasing tobacco related health damage worldwide.

8 Following her appointment in 1999, the new Director General of the WHO Dr Gro Harlem Brundtland stated that stemming the rising tide of tobacco consumption throughout the world but especially in developing countries was one of her leading health priorities. Currently, the WHO identifies tobacco and malaria control as its two main "action areas".

9 The WHO has now formulated the "*Framework Convention on Tobacco Control (FCTC)*". This is described as a legally binding international treaty establishing general guidelines and principles for national governments on a particular issue. Separate, more detailed legal instruments can be attached to a "*Framework Convention*" to address specific aspects of the issue.

10 A number of examples of this "*Framework Convention/protocol*" model exist in the environmental field, including the 1985 *Vienna Convention for the Protection of the Ozone Layer* with its 1987 *Montreal Protocol*, and the 1992 *UN Framework Convention on Climate Change* (UNFCCC) with its 1997 *Kyoto protocol*,

11 The FCTC is currently being developed by the 191 Member States of the World Health Assembly, and could be signed by their governments in 2002 or 2003. The tobacco industry is a global industry, and the tobacco epidemic is fast becoming a global problem. Faced with increased regulation, greater awareness of the health risks of smoking and declining sales in Europe and North America, the tobacco multinationals are stepping up their activities in developing countries in search of new markets. The WHO believes that only a truly global response is sufficient to counteract this.

Action in Europe

12 In 1992 the then European Community published an amended proposal for a Council *Directive on Tobacco Advertising*. Its provisions have been mirrored in the Guernsey legislation of 1996.

13 Since then, the European Parliament has consistently supported a total ban on tobacco advertising despite intense lobbying by the tobacco industry.

14 The EU directive which would have banned tobacco advertising throughout the European Union became law on 30 July 1998. However, the tobacco industry and the German government challenged the legal basis of the law and this challenge was upheld by the European Court of Justice (ECJ) on the grounds that such a ban did not facilitate trade in the single market. Whilst overturning the directive, the Court acknowledged that legislation prohibiting advertising of this type would be within the scope of the European Union. It is therefore expected that the European Commission will draft a new bill taking into account the ECJ ruling.

Action in the UK

15 In 1992 the Government White Paper *“Health of the Nation”* concluded that *“smoking remains the largest single cause of preventable mortality in England”*.

16 The more recent White Paper *“Our Healthier Nation”* (1999) reaffirms *“smoking is the single greatest cause of avoidable illness and preventable death in this country . . . smoking is the most powerful factor which determines whether people live beyond middleage”*.

17 A further White Paper *“Smoking Kills”* (1999) outlines a range of strategies designed to reduce tobacco consumption in Britain. These include:

- a ban on most tobacco advertising and sponsorship;
- a year on year rise in tobacco excise over and above inflation;
- a major investment in health education over a three year period;
- a charter on smoking in public places and at work;
- a national “Quit Line”;
- nicotine replacement therapy on prescription in “Health Action Zones”;
- tough enforcement of legislation on underage sales, etc.

18 Following the annulment of the EU directive by the ECJ, the UK government announced that it would introduce legislation to honour its commitment to ban tobacco advertising in the UK. The corresponding bill was published on 15 December 2000 and aimed broadly to implement the policy agreed under the EU directive. Unfortunately, in the run up to the May 2001 General Election, this bill fell due to lack of parliamentary time.

19 Although the Labour Party has pledged to reintroduce the bill, it was not included in the 2001 Queen’s Speech. However, a private member’s bill has since been passed by the House of Lords and will now be considered by the Commons.

Why Tobacco Smoking is Harmful

20 The continuing efforts to combat tobacco consumption by the governments of Guernsey, Britain, other economically developed countries in Europe, North America and Australasia, as well as many developing countries throughout the world are not misplaced. Tobacco smoke is uniquely harmful.

21 As well as the effect of nicotine itself, more than 4,000 chemical compounds have been identified in processed tobacco. These include the original tobacco constituents, as well as chemicals applied during cultivation, harvesting and processing. Major classes of compounds identified in tobacco include hydrocarbons, aldehydes, ketones, phenols, alkaloids, heavy metals, arsenic and strychnine. This “cocktail of chemicals” may explain the wide range of cancers and other diseases now known to be related to smoking.

22 More than 50 separate illnesses are thought to be related to tobacco smoking and of these some 20 may lead to death. It has been estimated that, in England, there are eight million GP consultations for smoking related illnesses each year and over seven million prescriptions are written. Additionally, 284,000 patients are admitted to NHS hospitals annually, occupying an average of 9,500 hospital beds every day.

23 The Centre for Health Economics at the University of York calculated in 1998 that the cost to the NHS of treating diseases caused by smoking is around £1.5 billion per annum. Other costs include the payment of sickness and invalidity benefits to those suffering from diseases caused by smoking and the payment of pensions and other family social security benefits to the dependants of those who die as a result of their smoking. Although no attempt has been made to calculate the direct costs to the Board of Health for treatment of tobacco related illness in Guernsey, they would undoubtedly be in proportion to the UK costs and would form a significant proportion of the Board’s overall health care budget.

24 Half of all adolescents who are currently smoking will die from diseases caused by tobacco if they continue to smoke. One-quarter will die after 70 years of age and one-quarter before, with those dying before 70 losing an average of 23 years of life. The White Paper “*Smoking Kills*” estimates that, each year, 120,000 Britons die from tobacco related disease. This equates to six million tobacco related deaths in Britain between 1950 and 2000.

25 Applying similar methodology to Guernsey, the annual toll of ill health and premature mortality includes the following;

Disease	Total Deaths Guernsey 1998-2000	Attributable Risk	Estimated Annual Smoking Related Mortality
Lung Cancer	69 (m), 37 (f)	90%	29
Cancers of mouth, throat, stomach, pancreas & bladder	74 (m), 56 (f)	10-70%	18
Ischaemic Heart Disease	142(m), 127(f)	18%	16
Myocardial degeneration, aortic aneurysm, atherosclerosis, stroke	77(m), 97(f)	10-50%	10
Pneumonia, bronchitis, emphysema	81(m), 118(f)	10-80%	9
Total annual smoking related deaths in Guernsey:			81

26 As discussed in the recent Board of Health publication *“Our Healthier Islands”* (June 2000), annual numbers in any health category tend to be low and “year to year” variation wide. Therefore, such health statistics must always be interpreted with caution. However, death certification for the more common causes of death (such as lung cancer and ischaemic heart disease) tends to be fairly consistent, at least in the short term, and the use of “three year totals” improves the 95% “confidence intervals” for such mortality rates. It should be noted that the above figure of 80-85 deaths per year is somewhat below the estimated 110-130 smoking related deaths given in the 1996 policy letter (*Billet d’État XII 1996*). At least part of this improvement is felt to be due to the reduction in smoking levels in Guernsey over the past five years. This important “health gain” is further discussed in paragraphs 73-78 below.

Passive Smoking

27 Breathing other people’s smoke is called passive, involuntary or “*second hand*” smoking. The non-smoker breathes in both “*sidestream*” smoke from the burning tip of the cigarette and “*mainstream*” smoke that has been inhaled and exhaled by the smoker. Environmental tobacco smoke (ETS) is a major source of indoor air pollution.

28 Exposure to “other people’s smoke” has both short and longer term health consequences for the non-smoker. The immediate effects of passive smoking include cough, sore throat, dizziness and nausea. Adults with asthma can experience a significant steep decline in lung function when exposed, or asthma may be induced for the first time in children whose parents smoke. Short term exposure to tobacco smoke also has a measurable effect on the heart function of non-smokers – just 30 minutes exposure is enough to reduce coronary blood flow.

29 In the longer term, passive smokers suffer an increased risk of a range of smoking related diseases. Non-smokers who are exposed to passive smoking at home have a 25% increased risk of heart disease and lung cancer. The UK government appointed Scientific Committee on Tobacco and Health (SCOTH) has concluded that passive smoking is a cause of lung cancer and ischaemic heart disease in adult non-smokers and a cause of respiratory disease, cot death, middle ear disease and asthmatic attacks in children. Whilst the relative risks from passive smoking are small when compared with those of active smoking, because these diseases are common, the overall health impact is large. It has been calculated that, in the UK, about 600 lung cancer deaths and up to 12,000 cases of heart disease in non-smokers can be attributed to passive smoking.

30 Governments and the courts are increasingly aware that non-smokers have a “right” which may be enforceable at law to prevent their suffering harm due to environmental tobacco smoke. This is considered further in the later section on “*Smoking in Public Places*” (paragraphs 80-112)

Why do People Smoke?

31 Any new product which “*when used as the manufacturer intended*” would lead to proven health damage in ALL users, death in 50% of regular users, and smaller but quantifiable damage to the health of non-users exposed to its by-products would certainly be prohibited well before the production stage in today’s “health and safety” conscious and increasingly litigious society.

32 The costs and health consequences of tobacco smoking are well known and well accepted, even amongst smokers and by the tobacco industry itself. What is more surprising is that, knowing these risks, adult smokers continue to smoke, and that governmental and international action has been so slow to implement effective measures to counter tobacco smoking.

33 In order for Guernsey to maintain and develop effective anti-tobacco measures, it is first worthwhile giving some consideration to why young people take up smoking, why they continue to smoke and how they can be helped to quit.

34 There is little doubt that the majority of regular smokers take up smoking during pre-adolescence, adolescence or early adulthood. Indeed, it is essential for continuing tobacco sales that they do so. Studies show that very few adults take up smoking after the age of 25, and with 120,000 smokers dying from tobacco related diseases every year in Britain, the only way for the tobacco industry to replace this “lost market” is by recruiting new smokers from amongst the young.

35 The reasons why young persons take up smoking are many and varied. For some it is part of a period of “experimentation” buttressed by the myth of “*adolescent invulnerability*” – “*my friend may come off his motorbike*” or “*my friend may get herself pregnant*” but “*it will never happen to me, I’m invulnerable*”. For others, cigarette smoking is emulating perceived adult behaviour (hence the importance of minimising the number of adult smokers in the adult population if children are to be effectively dissuaded). To others again, smoking represents a rebellion against authority and accepted standards.

36 Whatever the reason or variety of reasons why young people may take up smoking, this is undoubtedly supported and encouraged by the blandishments of the tobacco industry. Although tobacco manufacturers claim that the purpose of advertising is not to recruit new smokers but merely to allow those adults who choose to smoke to make a more informed choice, the images used (the solitary *macho* “Marlborough Man”, sleek racing cars and pleasure cruisers, sociable groups of sophisticated and successful people) are all images designed to appeal more to the aspiring young than to the more mature adult.

37 Although Guernsey has led many other countries in banning internal cigarette advertising, there is little doubt that imported printed media advertising cigarettes and “product endorsement” contained in films and videos serve to reassure smokers and would be smokers in Guernsey that “*smoking can’t be that bad*”. For this reason, the moves to more effective national and international controls on cigarette advertising referred to in paragraphs 12-19 above need to be fully supported by the Guernsey authorities.

38 As well as being uniquely harmful, tobacco smoking is also uniquely addictive – without help, 95% of regular smokers (younger smokers as well as addicted adults) will fail each and every time they attempt to quit. In the third Guernsey “*Healthy Lifestyle Survey*” carried out by the Department of Medical Statistics and Computing at the University of Southampton in 1998 amongst almost 1,500 Guernsey adults (aged 18 years and over) – 69% of all cigarette smokers stated that they “*would like to give up smoking*”, although the majority of these acknowledged that this would only be achieved with difficulty.

39 If the reasons why young people take up smoking are diverse and the reasons they continue are largely due to the addictive properties of nicotine, it is obvious that no single approach will effectively persuade younger persons not to start, nor to persuade addicted adult smokers that it is worth the effort to overcome their addiction.

40 However, there is increasing evidence worldwide that those countries which have been most successful at reducing the levels of smoking and smoking related diseases in their populations are those which have attacked the problem on several fronts – through education, through restrictions on smoking in public places, through steady increases in the real price of cigarettes and tobacco products, through dedicated funds to support antismoking measures, and through help and support to help addicted smokers quit. This multi-pronged approach was the basis of the Guernsey “tobacco package” – its approaches, activities and successes will now be considered in more detail.

Dissuading the Young from Smoking

41 Most young people have little appreciation of the addictive properties of tobacco and little fear of future disease. The aims of the local programmes are to give every young person knowledge about the harmful effects of smoking, a supportive environment in which non-smoking is seen as “the norm” and the self confidence and skills to make an informed choice about an unhealthy practice. Such a process needs to be staged throughout the school years.

PSHE Project

42 The foundations are laid during the primary school years, concentrating on “self identity” and “self worth” as part of the schools’ Personal and Social Health Education (PSHE) programme. The Education Council has been funded to employ a part time primary PSHE co-ordinator. The PSHE work-plan has been reviewed, teaching skills including “circle time” enhanced, and a “healthy schools” standard introduced. All primary schools have now developed their own programme, promoting the importance of self esteem and self confidence amongst their students.

43 Following the success of this programme, it is hoped to employ a substantially full time secondary PSHE co-ordinator to work with secondary schools to develop their own PSHE programmes, to conduct in-service training amongst teaching staff and to implement the “healthy schools” standard at a secondary level.

Smokebusters

44 “Smokebusters” is a primary school programme targeted mainly at children in school years 5 and 6 (ten and eleven year olds). The lesson content has been developed with a PSHE co-ordinator and the Health Promotion Unit, ensuring that each session is seen as “fun” whilst giving the children the skills needed to remain “non-smoking”. Each term, Smokebusters offers an out of school fun activity for its 700 members, such as rollerskating, swimming or disco. All activities emphasise the importance of non-smoking and keeping yourself fit. A magazine is produced each term covering information about the dangers of smoking and articles from “Smokebuster” members. This approach emphasises that “non-smoking is the norm” and that you don’t need to be a smoker to feel part of a peer group.

BREATHE

45 BREATHE is a new venture, recruiting from year 7 when young people are most susceptible to peer pressure. The club has been set up to encourage social activities in a non-smoking environment, offering fun parties and events. The group aims to develop a committee of year 9 students in each school to help younger students consider the issues of smoking and to organise school events. The BREATHE committee will also offer advice and support to those who want to give up smoking.

Peer Led Education

46 Research shows that peer led education (young people teaching their peers or younger people) is more effective than the same message from adults. During 2001, sixteen year 10 (fifteen year old) St Peter Port School students were trained to work with their year 7 (twelve year old) counterparts. The sessions deal with how advertising affects them and how to deal with the “pressure to smoke”.

G.A.S.P. (Guernsey Adolescent Non-Smoking Project)

47 GASP was set up in 1997 to develop the existing education programme in schools and in the community. It is managed by a voluntary committee with representatives from the Education Department, Health Promotion Unit, teachers, Youth Service and Drug Concern. The Health Promotion Unit is responsible for the day to day development and facilitates the project. Two full time female graduates are employed to work with young people aged eight to eighteen years, in the schools and through the Youth Service. A part time secretary deals with the administration so that project workers can spend the majority of their time “face to face” with young people. These various activities have been established, maintained and co-ordinated by the Board’s Health Promotion Unit.

48 G.A.S.P. workers already deliver programmes in every secondary school for students in school years 7 to 13 (ages twelve to eighteen years). Most classes are visited twice a year. All teaching material has now been updated to fit the PSHE “Curriculum 2000”. This now covers all aspects of smoking education from dealing with peer pressure to resisting tobacco advertising targeted at young people.

Community work

49 The GASP workers have established informal contact with young people through joint projects with the Youth Service, working with a detached Youth Service bus, running an “after school club” for years 4, 5 and 6 at the Brock Road site and setting up a “*Youth Quitline*” for young people who wish to give up smoking. To support the “*Youth Quitline*”, the Health Promotion Unit has trained one teacher in smoking cessation in every secondary school, as well as using youth workers and school nurses. A new “texting” service was launched in November 2001 to encourage young people to stop smoking. Texting will give young people the opportunity to contact the GASP worker confidentially without anyone else knowing.

Future plans for G.A.S.P.

50 A significant minority of students leave school in Guernsey at fifteen. Research has shown that the likelihood of taking up smoking is related to academic achievement, socio-economic differentials and available disposable income. This group of early school leavers therefore seems likely to have an increased risk of becoming smokers.

51 Accordingly, G.A.S.P. wishes to create a new position for a full time outreach worker. The outreach worker would work with other parts of the G.A.S.P. programme but particularly focus support for those aged 15-24 who currently smoke. Such an initiative would require additional funds.

Parents Against Tobacco (PAT)

52 Parents Against Tobacco was founded in 1995. It offers parents and other concerned adults the opportunity to support smoking cessation programmes. It is felt that an independent evaluation of the success of the various approaches is essential for the overall credibility of school based programmes. PAT has been given an annual grant to run a “self reported smoking survey” amongst all year 8 and year 10 students (thirteen and fifteen year olds) attending Guernsey secondary schools. The survey is itself conducted by the well respected “Schools Health Education Unit” associated with the University of Exeter. The “independent client” status of the local PAT ensures full external scrutiny of all published results.

What annual school smoking surveys show

53 Annual smoking surveys demonstrate that Guernsey students now take up smoking at a later age than their UK counterparts. In the 2001 survey, amongst year 8 boys only 4% smoked (compared with 7% in the UK), and amongst year 8 girls, only 5% smoked (compared with 10% in the UK). Since the damage to personal health is related to period of smoking rather than total cigarettes consumed (smoking 10 cigarettes a day for 20 years is more hazardous to health than smoking 20 cigarettes a day for 10 years), this later initiation into smoking must be judged a health benefit. Later starters are also less likely to become addicted.

54 Unfortunately, by year 10, there is little difference in smoking levels between Guernsey and the UK, with 22% of Guernsey boys and 30% of Guernsey girls smoking, compared with 20% and 30% in the UK. However, the year 8 and year 10 students in the 2001 survey have not participated in the successful primary school programmes summarised above. It is hoped that, as this cohort of children move into secondary schools, they will show a lesser tendency to initiate smoking.

55 Once they become regular smokers, school students can become rapidly addicted and may experience similar difficulties to those encountered by adults who wish to give up smoking. In the 2001 survey, 63.4% of those year 10 boys and 65.2% of those year 10 girls who smoke regularly stated that it would *possibly* or *definitely* be a problem if they “*could not smoke for a week*”. This suggests that many young smokers are already addicted to tobacco at age sixteen.

56 The same survey also showed that 27% of year 10 boys and 26% of year 10 girls stated that they had a weekly income in excess of £35 the previous week. This would endorse the need to ensure that the relative price of tobacco does not fall in future years.

Helping Addicted Smokers to Quit

Quitline

57 Quitline is a free specialist service which employs four part time smoking cessation advisors in Guernsey and one in Alderney. They offer a friendly, confidential and approachable face to face service. The service is based at the Orchard Centre in St Martin’s but visits are also made to the Princess Elizabeth Hospital and workplaces, whilst ill or incapacitated clients can be visited at home. An intensive support programme of eight weeks is offered, either one to one or in a group session. During these eight weeks, smokers will work through a process of change, including stress management. The 60% success rate reflects the quality of the Guernsey service. Smokers are also offered a free exercise course as part of the “*Quit and Get Fit*” programme to improve their fitness levels, weight control and recovery from smoking.

Nicotine Replacement Therapy

58 Nicotine Replacement Therapy has been shown to reduce the effects of withdrawal from nicotine, doubling the success rate if used in conjunction with intensive specialist support. One week’s free Nicotine Replacement Therapy is offered throughout the year with a special offer of one month in January, March and September, which local records confirm as peak months for smoking cessation attempts.

Zyban

59 In September 2000, the new antismoking drug Zyban received its product licence. The Guernsey Social Security Authority agreed that it could be prescribed free to smokers who were willing to attend the intensive programme provided by Quitline. This resulted in an overwhelming response with 70 people attending an information evening at the Princess Elizabeth Hospital.

60 At present, around 500 people have expressed interest in using Zyban along with motivational support in their attempts to stop smoking. The three month success rate for those who entered the Zyban programme has been very encouraging, with 60% of the smokers who attended the Quitline programme still not smoking at the end of this time. These people will be further contacted regarding their smoking status at six months and one year.

Fall in Self Reported Smoking

61 Independent “*Healthy Lifestyle*” surveys have been conducted by the Department of Medical Statistics and Computing at the University of Southampton amongst “population samples” of Guernsey adults in 1988, 1993 and 1998. Since implementation of the Guernsey “tobacco package” in 1997, there has been an impressive rise in the number of Guernsey males who now report themselves as “*ex-smokers*” from 29% to 40%, and a somewhat smaller rise in “*ex-smokers*” amongst Guernsey women from 20% to 24%. In England over the same period, only 32% of men and 20% of women describe themselves as “*ex-smokers*”. This positive trend is somewhat counterbalanced by the rise in the total of female smokers in Guernsey from 23% to 26% – brought about mainly by more younger women taking up smoking than older women quitting. A further “*Healthy Lifestyle*” survey planned for 2003 will confirm whether these trends have continued.

The Effect of Price on Consumption

62 It is a fundamental principle of modern market economic theory that demand is related to price. If the price increases, then demand will fall and vice versa. No commodity, not even gold is exempt from this general principle. However, this relationship is not always linear and the difference between price and demand is known by economists as “*price elasticity*”. Because of its highly addictive properties, tobacco shows low “*price elasticity*” – that is price increases will lead to an inevitable fall in demand but not in direct proportion to the extent of that increase.

63 However, most economists agree that price is one of the most important factors affecting tobacco consumption. Increased levels of tax on cigarettes reduce consumption because people respond to the price signal by giving up, cutting down or never starting.

**Figure 1 - Tobacco Consumption / Duty Collected - Guernsey Only
1990-2000**

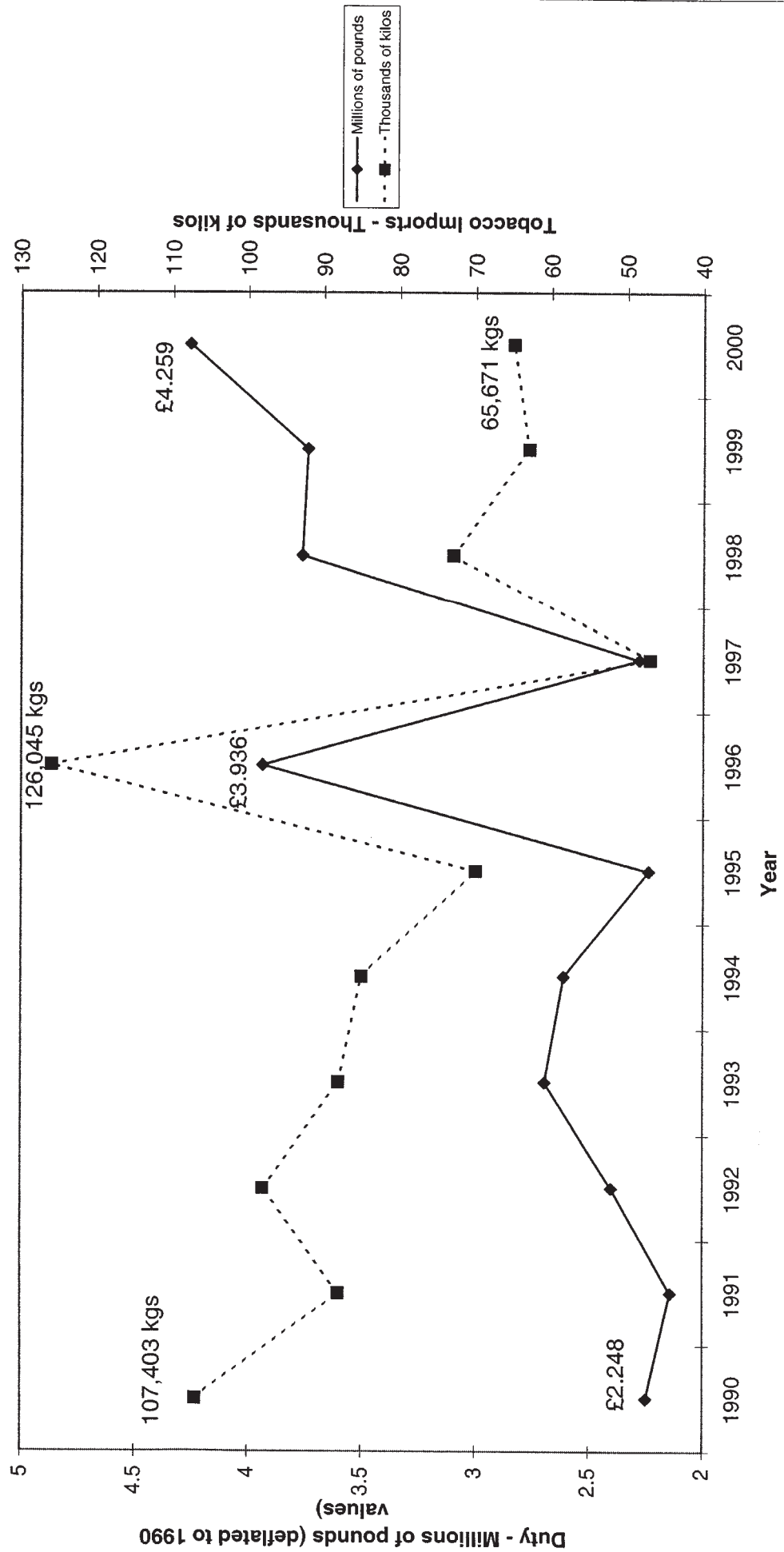


Table 1 – Cigarettes Across the EU (October 2001)

20 Cigarettes Across the EU 2001						
	Retail Price	VAT	Ad Valorem	Specific	Total Tax	Tax Incidence
UK	439	65	97	185	347	78.9%
Isle of Man	439	65	97	185	347	78.9%
Guernsey/Alderney	313	0	0	151	151	48.0%
Jersey	312	0	0	160	160	51.0%
Ireland	301	50	57	128	235	78.1%
Denmark	274	55	58	101	214	78.0%
Finland	247	45	124	19	188	75.6%
Sweden	232	46	91	25	162	70.2%
France	207	35	114	8	157	76.0%
Belgium	182	32	84	19	135	73.8%
Netherlands	175	28	36	64	128	73.0%
Germany	183	25	39	61	126	68.9%
Austria	166	28	70	24	121	72.9%
Greece	145	22	78	5	105	72.3%
Italy	134	22	73	5	100	74.5%
Luxembourg	138	15	65	13	93	67.0%
Portugal	114	17	30	43	90	78.6%
Spain	115	16	62	4	82	71.0%

Table does NOT give a comparison for the same brand across the EU. It is based on the Most Popular Price Category (MPPC) in each Member State using information available at 1 October 2001. Values are shown in pence. Totals may not add up due to rounding.

Source: Tobacco Manufacturers Association 'Action on Smoking and Health' 2001

64 In July 1997, the UK Government announced its intention to raise cigarette taxes by at least 5% above the rate of inflation each year, following the previous Government's policy of raising tobacco duty by at least 3% above inflation. This commitment was carried through in the 1998 and 1999 budgets but in November 1999 the Chancellor abandoned this policy. Instead, he announced that any extra revenue raised from future tax rises would be spent on improved health care. In April 2000 the Government predicted that the yield from the increase in tobacco duty would be £235 million for the full year.

The Effects of Price Increases in Guernsey

65 Accurate figures are kept of the amount of tobacco imported into Guernsey on which excise is levied. As shown in figure 1, there has been a fall in tobacco imports from 107,404 kilos in 1990 to 65,672 kilos in the year 2000 (representing a 39% fall). The steady fall has been somewhat distorted by "stockpiling" of tobacco products prior to the 1 January 1997 price increase leading to excessive imports of 126,046 kilos during 1996, and a corresponding "overcorrection" to 47,507 kilos during the following year.

66 Contrary to those who predicted that a rise in tobacco excise would lead to a net loss of States revenue, during the same period, there has been an increase in total duty levied from £2,248,709 to £5,890,292 (£4,259,069 deflated to 1990 values) – an 89% real increase in States revenue from this source.

67 According to a 1999 “*World Bank*” report, due to the low “*price elasticity*” of tobacco, a 10% price rise would be expected to reduce demand by about 4% in “high income” countries. Interestingly, in Guernsey, an 89% excise increase since 1990 has led to a 39% fall in total imports, which is broadly in line with these predicted figures.

68 As more governments have acknowledged the adverse health and economic effects of cigarette smoking, there has been a concerted effort to increase the real price of tobacco across a range of jurisdictions. As shown in table 1, the price of cigarettes in Guernsey is now near the top of the upper range in this “league table”.

69 However, far from being a disincentive to tourism as was once feared, during the past five years the Guernsey tourist market has become more polarised with a well developed “niche” market appealing to the more mature, more affluent “short break” visitor from Britain and Europe. Such visitors are less likely to be smokers themselves, are more likely to appreciate a “smoke free” environment for dining and other activities and, given the comparatively high costs of travel to and staying on the Island, are unlikely to be seduced in their choice of destination by the promise of cheaper cigarettes.

Tobacco Smuggling and “Duty Free” Purchases

70 The UK has the highest tobacco taxes in the European Union, with the price of a pack of 20 premium brand cigarettes costing £4.39 of which £3.46 (80%) is tax. This in turn has led to a thriving “black market” in smuggled cigarettes and it is estimated that about 25%-30% of cigarettes consumed in the UK have been smuggled into that country. In order to combat the growing problem of tobacco smuggling, the UK has launched a programme of measures costing £209 million. This includes increasing the number of customs and excise staff at key entry points such as ports, the use of scanners to detect cigarettes in containers, the introduction of “tax paid” stamps on packs and a public awareness campaign to encourage reporting of illegal activities. There is no evidence of any significant smuggling of cigarettes at present into Guernsey.

71 Returning residents and visitors to Guernsey have probably always taken advantage of their “duty free” entitlement but unfortunately we have no accurate records of duty free imports before the 1997 Guernsey “tobacco package”. Duty free concessions have now been abolished within the EU but are still allowed for Channel Island travel. There is little doubt that addicted smokers who travel frequently will continue to bring in “duty free” tobacco for their own consumption.

72 Non-smoking travellers who bring in “duty free” tobacco for family and friends also need to be made aware that further damaging their health is not doing them a favour. However, in the absence of accurate statistics, it is impossible to say whether there has been a nett increase in tobacco from duty free sources since the 1997 price rises were implemented.

Health Benefits of Reduced Tobacco Smoking

73 The serious harm to health caused by tobacco smoking has been summarised in paragraphs 20-30. The fall in self-reported smoking levels amongst male and female adults in Guernsey is documented in paragraph 61, and the apparent fall in tobacco imports in paragraph 65.

74 With a fall in self-reported consumption and taxed tobacco imports, it would be expected that there should be a corresponding benefit in improved health.

75 As summarised in paragraph 25, the most common diseases related to tobacco consumption are lung cancer and heart disease, particularly ischaemic heart disease. Figures published in the 102nd Annual MOH Report (October 2001) confirm that there has been a 23% fall in the three year rolling average of male lung cancer deaths from 26 per annum between 1993 and 1995 to 20 deaths annually between 1998 and 2000. There has been a smaller, 20%, fall in female lung cancer deaths from 15 to 12 annually during the same periods [Figure 2].

76 At the same time, there has been a 10% fall in total cardiac deaths in Guernsey amongst Guernsey males from 117 to 105 deaths per annum and a smaller, 3% fall in total female cardiac deaths from 118 to 115 deaths per annum. Acute cardiac deaths have shown a 21% fall amongst Guernsey males from 33 to 26 deaths per annum, and there has been a similar fall amongst Guernsey females from 29 to 23 deaths per annum [Figure 3].

77 The need for caution in interpreting small number health statistics has been mentioned in paragraph 26 above. However, as summarised in figures 2 and 3, the downward trends in deaths from the above causes have been consistent and are therefore unlikely to be due to statistical artefact.

78 Although such health gains cannot be said to be exclusively due to the fall in smoking, the evidence is persuasive in that the falls in self-reported smoking and smoking related deaths have been greater in men than in women, who continue to smoke. Overall, it can be calculated that around 35 people annually (or over 175 Guernsey residents over the five years) who would previously have suffered ill-health or died from smoking related disease have enjoyed better health and increased longevity because of their reduced smoking since the “tobacco package” was implemented in 1997.

Outstanding Issues from previous States Resolutions

79 It is now intended to address a number of issues from previous States resolutions on tobacco control. These include smoking in public places (including public transport vehicles and public eating places) and the sale of tobacco and tobacco products to minors.

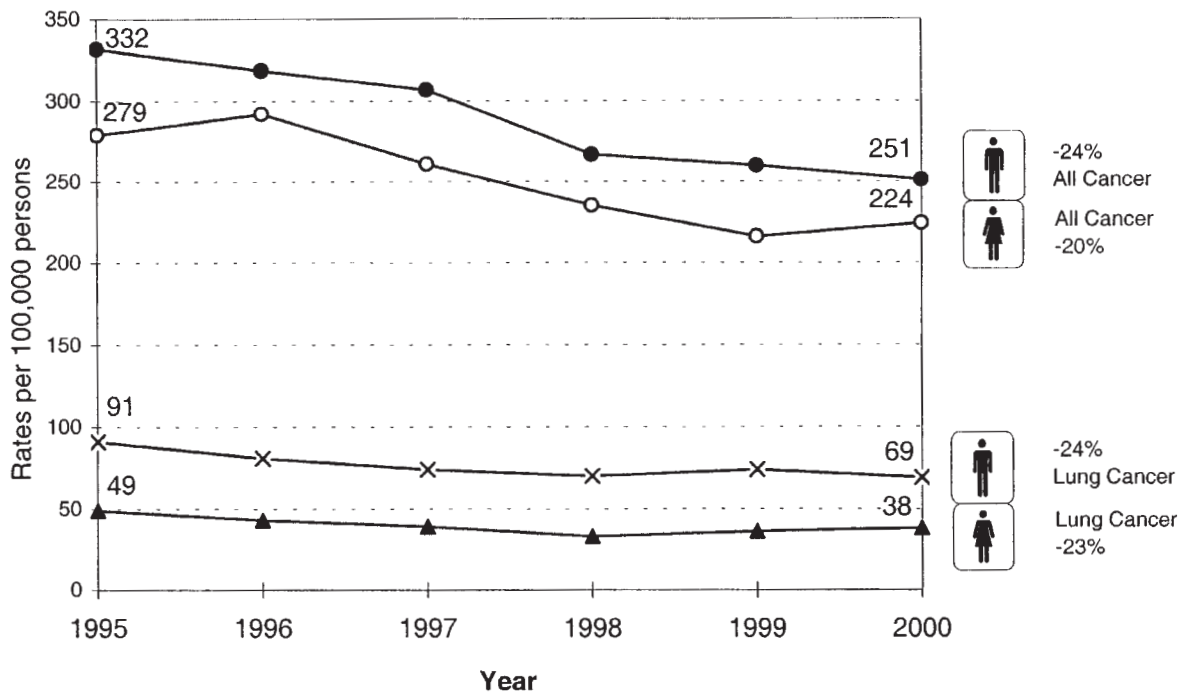
Smoking in Public Places

80 The dangers of environmental tobacco smoke have already been highlighted in paragraphs 27-30 above. The UK Government White Paper – “Smoking Kills” (1999) estimates that *“hundreds of people die every year in the UK as a result of high levels of exposure to passive smoke”*. Recent court decisions, both in Britain and overseas, make it increasingly likely that employees and members of the public who suffer ill effects from exposure to environmental tobacco smoke will now seek legal redress through the courts.

81 Non-smokers now form the majority of the adult population in Guernsey. The 3rd Guernsey “Healthy Lifestyle” Survey carried out by the University of Southampton in November 1998 amongst almost 1,500 Guernsey adults (aged 18 years and over) showed that 75% of the males and 74% of the females surveyed declared themselves to be currently either non-smokers or ex-smokers.

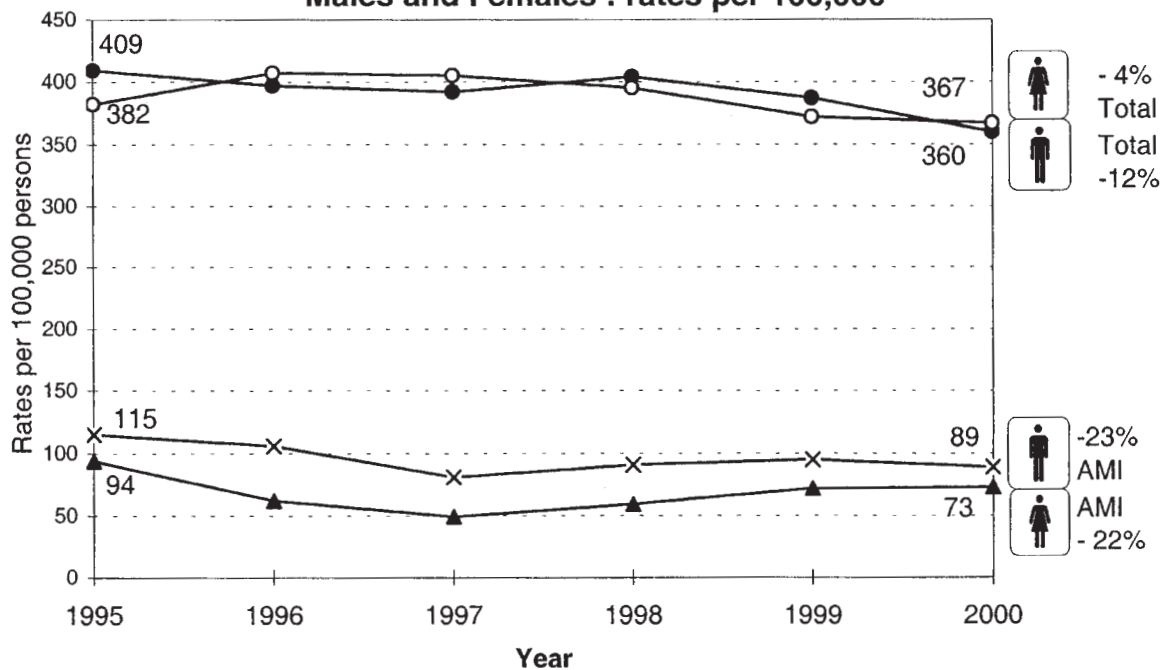
**Figure 2 - Total Cancer and Lung Cancer Mortality
3 Year Rolling Averages - Guernsey 1993-2000**

Males and Females : rates per 100,000



**Figure 3 - Acute Myocardial Infarction (AMI)
and Total Cardiovascular Mortality
3 Year Rolling Averages - Guernsey 1993-2000**

Males and Females : rates per 100,000



82 In the same survey, 69% of all cigarette smokers stated that they “*would like to give up smoking*” whilst 36% felt that “*restrictions on smoking in public places*” would “*assist them in giving up smoking*”.

83 When asked about the need for more restrictions in public places, responses in support of a *total ban* amongst the various groups were as follows:

Total Ban	Smokers	Ex-Smokers	Non-Smoker
In buses and taxis	92%	96%	97%
In restaurants and cafes	17%	64%	73%
In public houses	5%	31%	27%

84 A more recent survey conducted by the Office for National Statistics in Britain, “*Smoking Related Behaviour and Attitudes*” (September 2001) shows that support for smoking restrictions in public places has increased even further during recent years in Britain. According to the report, between 1996 and 2000, the percentage in favour of restrictions at work rose from 81% to 86%, in restaurants from 85% to 88%, in pubs from 48% to 53%, in other public places from 82% to 86%. 45% considered whether or not a place had a non-smoking area as an important factor when deciding where to go for a meal.

85 It is intended to conduct a 4th Guernsey “*Healthy Lifestyle*” Survey in 2003 and it is predicted that this will confirm a similar increase in public support for more smoking restrictions in public places in Guernsey.

86 There are thus medical, legal and social reasons for giving better protection to ex-smokers and non-smokers from the harmful effects of environmental tobacco smoke, whilst the most recent local evidence suggests that such measures would enjoy considerable and growing support amongst the majority of the population.

87 At the States debate on substance misuse in Guernsey (July 1993), the States directed that the ordinance entitled “*Smoking [Prohibited Buildings and Vehicles] Ordinance, 1971*” be amended;

- a. To provide for a total ban on smoking in all public transport vehicles, and
- b. To require designated no smoking areas to be provided in all public eating places.

Smoking in Public Transport Vehicles

88 The term “public transport vehicle” is not defined in Guernsey law. The definitions of a “public service vehicle” and “public omnibus service” are, however, defined in Section 57 of the *Public Transport Ordinance 1986*. In this section, a “*public service vehicle*” is defined as a public vehicle other than a hired motor vehicle.

89 Currently, passengers only are banned from smoking in public services vehicles being used on public omnibus services. The provisions still allow smoking on school, excursion and private hire buses and also smoking by the driver when not carrying passengers.

90 To fulfil the first part of the States resolution, it will be necessary to extend the ban on smoking to all motor vehicles in which the public may travel, whether public service vehicles or hired, and whether they are carrying passengers at that time or not. This would protect the non-smoking majority of the population from having to travel in smoke filled vehicles or those with a strong interior smell of stale tobacco. It is not, however, intended that these requirements would extend to motor vehicles which have been privately hired (hire cars).

91 At the 1993 “*Substance Misuse*” debate, the States therefore directed that Section 44 of the “*Public Transport Ordinance*” 1986 be amended so as to disallow smoking by the driver at all times.

92 The States Traffic Committee has confirmed that it will bring forward the previously agreed legislation as part of the overall review of traffic legislation in Guernsey. The Board of Health would support this as another measure to protect the non-smoking majority from the effects of environmental tobacco smoke.

Smoking in Public Eating Places

93 The States have previously agreed [see paragraph 87 above] that there should be designated no smoking areas provided in all public eating places. The Board subsequently consulted with representatives of the Tourist Board, Guernsey Hotel and Tourism Association, Guernsey Licensed Victuallers Association, Environmental Health Officers and HM Procureur on that basis. The Board had originally intended to present to the States proposals obliging proprietors of public eating places only to ensure that a *proportion* of the dining area was set aside for non-smokers. However, when attempting to draw up workable guidelines to give effect to this States resolution, the Board found that there were a number of definitional problems.

94 Having received detailed advice from the Law Officers of the Crown, the Board now recognises that the proposal to have just a proportion of each dining area “smoke free” would be unworkable in practice, and that overcoming this would be insurmountable. The Board was advised, however, that it would be possible to draft workable legislation banning smoking in public eating places completely.

95 The Board is, therefore, left with a States resolution to give legal protection to non-smokers in public eating places, which cannot be actioned. This leaves the Board with two choices:

- i. to abandon any plans to protect the health and quality of experience of non smokers using public eating places; or
- ii. to seek to prohibit all smoking in public eating places.

96 The choice is effectively between the rights of the non-smoking majority or the smoking minority. While the Board of Health realises that banning all smoking in public eating places is bound to cause controversy, it considers that it is the only responsible action it can take as a public health authority.

97 Accordingly, the Board is proposing that the States instruct the Board to liaise with the Law Officers of the Crown to prepare legislation prohibiting smoking in public eating places. This proposal is consistent with public opinion as detailed in paragraph 83 above.

98 The Board proposes that, for the purposes of the legislation, a public eating place would mean any restaurant, café, snack bar, tea shop or canteen. Smoking means to smoke, hold or otherwise have control over an ignited tobacco or similar product, whether in the form of a cigarette, cigar, pipe, or in any other form suitable for smoking.

99 The Board has considered including all bars, public houses and hotels within the definition of “public eating place”, on the basis that meals are frequently sold for consumption on such premises. However, the primary purpose of such premises (unlike restaurants etc) is not the serving of meals. In most cases, the area used for serving meals is one which is also used by non-dining drinkers as well as diners. Even if this hurdle was overcome, there is an additional difficulty in defining “meals”. In the case of public houses, not only bar meals but crisps, nuts, sandwiches, pies and other light refreshments may be served. It would be extremely difficult to place a definition on what constitutes a meal and what does not. These questions do not arise in the case of restaurants etc.

100 By excluding public houses, bars and hotel bars from the proposed legislation, the Board's proposals would be consistent not only with the public support for a ban in restaurants and cafes, as detailed in paragraph 83 above, but also with the public's general lack of enthusiasm (even among non-smokers) for a ban of smoking in public houses. Accordingly, the following proposals are framed to continue to allow smoking in the bar areas of restaurants as summarised in paragraph 113 below.

101 Environmental Health Officers employed by the Board of Health already visit public eating places in order to ensure adequate food hygiene and should, therefore, in the future be authorised to include an inspection of the adequacy of compliance with non-smoking legislation as part of this overall process. The proprietor of the establishment would be responsible for ensuring that a no-smoking policy was maintained. Under the proposed legislation, the very first and paramount obligation would be that a sign should be erected clearly specifying the "no smoking" policy.

102 The legislation would enable the proprietor to be prosecuted and subject to the payment of a fine on the uniform level scale in the same manner as under the Food and Drugs (Guernsey) Law 1970. The manager or staff responsible to the proprietor would have the day to day responsibility of ensuring that the legislation was followed, i.e. ensuring that smoking was not allowed.

103 A customer would not commit a criminal offence as such by attempting to smoke, but the proprietor or his representatives would be expected to ask the smoker to extinguish the cigarette etc, or to leave the premises. The rights of the proprietor or his/her representatives in this area would be similar as with any other unacceptable public behaviour on their premises, e.g. offensive language or provocative behaviour.

104 The Board feels that the above requirements should only apply to "public eating places" when they are open to members of the public. It would be at the discretion of the proprietor, under instruction from the person making a booking, whether a room in a hotel, restaurant, etc which has been hired for a private function should provide a designated non-smoking area.

105 The Board recognises that, since the introduction of the Channel Islands "*Smoke Free*" award, a number of establishments have voluntarily provided a totally smoke free environment or have made substantial smoke free provision as follows:

Channel Islands	Totally smoke free	112
(including Jersey)	Smoke free provision	56
Guernsey	Totally smoke free	48
Alderney	Totally smoke free	4
Sark	Totally smoke free	3
Guernsey	Smoke free provision	28
Alderney	Smoke free provision	3
Sark	Smoke free provision	0

The Board of Health would continue to encourage places which do not fall within the provisions of the proposed legislation to promote a totally smoke free environment in the interests of customer amenity and improved health.

106 The Board's original consultation with interested parties was on the basis of the original proposal for a partial ban. With regard to a total ban, the Guernsey Licensed Victuallers Association points out that countries that have enacted such legislation are finding it very difficult

to enforce. The Association feels a ‘Voluntary Smokers Charter’ would be preferable and so does the Guernsey Hotel and Tourism Association. The Tourist Board also supports the provision of voluntary no smoking areas and has expressed its preference to see a further development of this approach, adding; *‘in general terms the restrictions relating to the obtaining and use of tobacco and alcohol should generally be in line with what visitors experience in their home community’*.

107 Following the previous direction of the States, the growing evidence of the harmful health effects of environmental tobacco smoke and the growing body of public support in favour of further restrictions on smoking in public places, the Board remains of the opinion that eating establishments should be obliged to make provision for non-smokers, who now form the majority of both local residents and visitors, and that clear and enforceable legislation should now be drawn up to this effect. As the Board accepts the advice that legislation requiring areas to be designated for non-smoking would be impractical, a total ban in public eating places is proposed.

The draft *Approved Code of Practice*

108 The “rights” of non-smokers to seek legal redress for harm to their health felt to be linked to environmental tobacco smoke is mentioned in paragraph 30 above. This is particularly so in the workplace, where non-smoking workers may be involuntarily exposed to tobacco smoke. There has been an increasing number of legal cases (particularly in North America and Australasia) where employees have successfully gained compensation for damages. Although many of these awards have been “out of court” settlements, an Australian barmaid was recently awarded A\$250,000 in damages due to her injuries caused by exposure to passive smoking at work.

109 Under the current Guernsey Health and Safety Legislation, employers already have a responsibility to provide a safe place and conditions of work for their employees. The Health and Safety Executive in the UK has now drawn up a draft Approved Code of Practice (ACoP) on passive smoking at work. This will require all employers to ensure *“as far as is reasonably practicable”* the health, safety and welfare of all their employees.

110 With regard to smoking, the ACoP establishes a hierarchy of preferred measures – starting with a complete ban in workplaces like offices and factories. Even employers such as pub landlords and restaurateurs would have to take some measures. They may consider creating separate smoking areas, improving ventilation or other measures to reduce exposure to non-smokers. The onus will be on the employers to demonstrate that they have undertaken measures *“to do all that is reasonably practicable to reduce exposure”*.

111 This proposed Approved Code of Practice has been sent out for wide consultation and over 80% of respondents have backed the proposals. Once accepted by the UK Government, it is anticipated that Guernsey employers, under the existing health and safety legislation, would be expected to provide a similar level of protection for their employees.

112 The above proposals on the provision of smoke free public eating places (paragraphs 93-107 above) should be seen against this developing legislative background. Failure to provide a reasonably smoke-free environment might well give employees in Guernsey grounds for seeking legal redress.

113 However, the Board recognises that a minority of diners enjoy a cigarette after a meal, and whilst not encouraging this, feels that the provision for continuing to allow smoking in bar areas, etc, would provide such an opportunity, providing smoke did not impinge on the designated dining areas.

Sale of Tobacco, etc to Minors

114 During the States “Tobacco Debate” in July 1996 [Billet d’État XII 1996], it was agreed that the “*Ordonnance portant défense de vendre ou de donner aux Mineurs du tabac, des cigars, des cigarettes, ou du papier à cigarettes*” of 1913 should be amended to increase the age specified for the legal purchase and possession of cigarettes and tobacco products from 16 to 18 years.

115 This unamended Ordonnance stated [in translation]:

1. It is forbidden for anybody to sell or give to a minor under the age of 16 years (unless such minor is of such size or appearance to make one believe otherwise), cigarettes, cigarette papers, smoking tobacco or cigars, whether for his own use or not, under penalty of a fine
2. Any police constable, assistant police constable, special police constable or other person having the powers of a police constable, is authorised to, and should seize all cigarettes, cigarette papers, smoking tobacco or cigars that he finds in the possession of any minor obviously under the age of 16 years, who is smoking or about to smoke in any street, road, or other public place and should deliver them to the Constable of the Parish in which the seizure has taken place, who should dispose of them at his discretion.
3. It is forbidden for any person occupying premises to which children under the age of 16 have free access to keep any automatic machine from which such children may obtain cigarettes or other tobacco, under penalty of a fine
4. Any person on whose premises such a machine is situated may themselves or with the aid of one of their assistants seize any cigarettes, cigarette papers or other tobacco, obtained from such a machine, that they find in the possession of any minor under the age of 16 years, who may have used such machine, or who is smoking or about to smoke on the said premises.

116 The Board of Health was advised that the easiest way to give effect to the States Resolution was merely to substitute 18 years wherever 16 years appeared in the original legislation.

117 However, when the Projet de Loi was returned to the States in January 1997, [Billet d’État I 1997], although it was agreed that Section 1 should be approved [*to increase the legal age of purchase from 16-18 years*], an amendment was accepted “*to direct the Board of Health after consultation with the Committee for Home Affairs, to report to the States concerning the extent to which the other provisions of the Ordinance of 1913 remained desirable and sensible and the respects if any in which these provisions ought now to be modified*”

118 During its various consultations on these matters, the Board of Health was further advised that the offence under the 1913 ordinance results from the sale or supply of tobacco products to a minor below the age of 16 [now 18] years, unless the size or appearance of such minors made them appear older.

119 There is therefore an inconsistency in giving police officers, etc a duty “*to seize all cigarettes, etc which he finds in the possession of any minor obviously below the age of 16 [18] years who is smoking or about to smoke in any road, street, or other public place...*” since it is the sale to, rather than the possession by a minor which constitutes the offence. It is important to note that the possession of tobacco by a minor (unlike the possession of alcohol) is not believed to be an offence in any other major western jurisdiction.

120 It is the Board's firm belief that the intent of this legislation is to prevent the sale or gift of a highly addictive substance to children who are as yet not of sufficient age as to appreciate the very real risks of nicotine addiction and the potential long term damage to their health from cigarette smoking.

121 The Board further believes that it was not the intent of this legislation to criminalise large sections of our younger population. It therefore follows that the spirit of the ordinance [as amended] should stand.

122 It follows logically that the second paragraph, referring to duty of seizure by the police, etc is inconsistent with this intent (although to the knowledge of the Home Affairs Committee, it has never been used during recent years). It should, therefore, be deleted. The police have confirmed that they already have the "common law" power to seize evidence where they have adequate grounds to believe an offence has been committed, eg the unlawful sale of cigarettes to a juvenile. In these cases, once the proceedings are completed, the property could be returned to the parent of the juvenile. They point out that such instances are likely to be very rare.

Tobacco Vending Machines

123 With respect to sales via vending machines, the Board is advised that this is already well covered by the first paragraph of the amended 1913 Ordinance. It is the Board's view that the retailer already has a legal responsibility under this not to sell or give cigarettes, etc to minors. This requires that all vending machines, etc are under sufficient control by himself [or his staff], so that they are in a position to prevent their use by minors.

124 Discussion with the hotel trade suggests that most proprietors and landlords would accept this interpretation, and many have voluntarily moved cigarette machines, etc to where they are under better adult observation and sales may be supervised.

125 Other landlords and retailers have converted their cigarette vending machines to accept only tokens, which must be purchased from the bar or from a responsible adult.

126 Additionally, an appendix to the most recent (1998) "*Voluntary Agreement on Tobacco Advertising and Promotion*" between the Channel Islands Tobacco Importers Association [CITIA], the Board of Health in Guernsey and the Health and Social Services Committee in Jersey gives a commitment to the appropriate siting and supervision of cigarette vending machines amongst the members and clients of CITIA, as far as they have control over this.

127 In 2001, the Health Promotion Unit repeated a survey of cigarette vending machines in hotels, clubs and public houses around the island. This showed that there has been a big improvement in the siting of cigarette vending machines with a view to reducing their misuse by minors. In the most recent school based survey (2001), 36% of under aged smokers claimed they obtained their cigarettes from 'friends', 28% from shops and garages, 8% from parents and other family members and only 2% from cigarette vending machines.

128 Having considered the undoubted improvement in the siting of cigarette vending machines during recent years and the other factors summarised above, the Board feels that there are now sufficient specific safeguards to prevent or reduce illegal sales from this source as not to require further legislation. However, the Health Promotion Unit intends to continue regular schools based surveys, and should such surveys indicate an increase in young persons obtaining cigarettes from vending machines, then appropriate legal action may become necessary.

129 With regard to paragraph 4, [*seizure of cigarettes, etc purchased from a cigarette vending machine by a minor*], the considerations already summarised with regard to paragraph 2 of the Ordinance are felt to hold – i.e. it is the sale rather than the possession of the cigarettes, etc which constitutes the offence. It is the duty of the proprietors of those premises where cigarette machines are sited to prevent their access and misuse by minors and, therefore, the power of seizure is inconsistent.

130 Having given due consideration to the above points, the Board of Health and the Home Affairs Committee are in agreement that the “*Ordonnance portant défense de vendre ou de donner aux Mineurs du tabac, des cigars, des cigarettes, ou du papier à cigarettes*” of 1913 should be amended along the following lines;

- i that section 1 of the Ordinance, as amended, shall be retained.
- ii that sections 2, 3 and 4 of the Ordinance should be deleted.

Maintaining the Real Price of Tobacco

131 From time to time, some States Members and others have argued against successful tobacco control on the grounds that smokers more than pay their way for their increased healthcare costs through the extra taxes they pay, and that in any case their earlier deaths “save” the States money through decreased pensions etc.

132 Along these lines, a study commissioned by the US tobacco company, Phillip Morris, published in November 2000, examined the economic impact of smoking on the Czech Republic. It concluded that tobacco smoking provided a nett benefit to the economy, largely because of “*reduced healthcare costs*” and “*savings on pensions and housing costs for the elderly*” that would not have to be paid since smokers die earlier than non-smokers.

133 In fact, most of the arguments were shown to be fallacious, e.g. money spent by smokers on cigarettes is not lost to the economy or taxation if they give up smoking – in fact, they usually take up other leisure activities which are often more labour intensive and yield even greater returns to the Treasury. A full analysis showed that the costs to the State of smoking were 13 times greater than the alleged “benefits”.

134 As shown in Table 1, the cost of 20 cigarettes in Guernsey is near the top end of the range in Europe. The UK, which has the most expensive rate, also suffers from significant levels of smuggling (estimated at 25%-30% of all cigarettes consumed). As far as is known, cigarette smuggling is not a significant factor in Guernsey.

135 Since the main objective of maintaining the real price of tobacco is to act as a disincentive for young people to take up or continue smoking and to encourage adult smokers to cut down or give up, it is felt that it would be counterproductive to alter the current price of cigarettes in Guernsey relative to the UK and Europe.

136 However, in Guernsey’s present vibrant economy, it is important to maintain the real price of tobacco and to ensure that cigarettes do not become relatively cheaper. The Board therefore proposes that for five years, commencing with the budget proposals for the financial year 2003, the excise on tobacco be increased in line with the rise in average weekly earnings rather than the retail price index.

137 In the five years since the Guernsey “tobacco package”, there has been a 31.7% increase in average weekly earnings compared with a 17.6% increase in the retail price index.

	Annual percentage increase in average weekly earnings	Retail Price Index (RPI) percentage increase
1996	4.2	2.8
1997	5.5	4.7
1998 estimated	6.4	3.2
1999 estimated	7.6	2.4
2000 estimated	8.0	4.5
Total:	31.7	17.6
Mean annual increase	6.3%	3.5%

138 As in previous States debates, some States Members will argue that linking tobacco excise increases to average weekly wages rather than RPI will disadvantage the less affluent and the elderly. Whilst it may be countered that the elderly have more to gain from the better health which comes with reduced smoking, in fact current trends in Guernsey are for older adults and the elderly to give up smoking, whilst younger adults, especially women, are more likely to become smokers as shown by the most recent “*Healthy Lifestyle*” Survey (1998).

Guernsey – Self Reported Smoking (%) 1998

Age		% Smoker	% Ex-smoker	% Non-smoker
18-24	M	53	5	42
	F	43	17	40
25-34	M	34	25	41
	F	38	18	44
35-44	M	19	30	51
	F	19	24	57
45-54	M	18	52	30
	F	24	29	47
55-64	M	21	56	23
	F	25	23	52
65+	M	25	50	25
	F	5	35	60

Source: 3rd Guernsey “*Healthy Lifestyle*” Survey, University of Southampton 1998

139 On the population structure at the 1996 Census, this equates to only 900 male smokers and around 275 female smokers over 65 years, some of whom will have since given up smoking and many of whom will have died. On these figures, helping protect the health of the greater number of younger smokers should be our obvious priority.

140 In order to maintain the real price of tobacco, the Board of Health proposes that excise should rise in line with average weekly earnings, rather than RPI. However, the Board has been advised that the calculation for average weekly earnings would not be available in time to be incorporated in the formulation of the budget.

141 It will, however, be noted that average weekly earnings have risen by an average of 6.3% annually over the past five years, whilst RPI has risen only by an average of 3.5% annually over this period – a 2.8% difference. In order to maintain the comparative affordability of tobacco, the Board of Health therefore proposes that, for five years commencing with the financial year 2003, excise levied on tobacco should increase by at least RPI plus 3.0% which more closely approximates the “real” rise in disposable income amongst those groups who are likely to smoke most heavily.

142 It should be noted that, since excise represents less than half the retail price of cigarettes, such an increase will add less than 0.5p per cigarette or only 10-12p per packet of 20. Any increase over and above this will be due to importers’ and retailers’ mark up on this price. By establishing a link with average weekly earnings it is the Board’s intent to prevent any increase in the relative affordability of cigarettes and tobacco products.

143 This new formula represents a significant decrease from the present formula of ‘*at least 8.5% per annum in real terms*’ (i.e. RPI plus 8.5%). However, since the new formula represents only an approximation to average weekly earnings, in an economic down-turn there may be a temporary disparity between ‘average weekly earnings’ and a price rise of ‘RPI plus 3%’. Nevertheless, the Board considers that even if there is temporary small increase in the real price of cigarettes, this is more than justified on health grounds.

Maintaining successful tobacco control initiatives

144 Since the 1996 “tobacco package” when the Board of Health was granted additional revenue (currently £100,000 pa) to focus on tobacco control measures, a range of successful initiatives has commenced, aimed at reducing tobacco consumption and helping addicted smokers to give up. These are summarised in paragraphs 41-60 above.

145 In order to maintain and improve this range of countermeasures, the Board proposes that the revenue grant for tobacco control activities be increased from £100,000 to £135,000 for 2003 and then annually by RPI plus 3.0% in line with the increase in tobacco excise, rather than be linked to RPI as occurs at present. This would allow the Education Council to extend the successful PSHE programme to secondary schools and improve the ability of G.A.S.P. to better target those young people who leave school aged fifteen years. (Paragraphs 43, 51)

146 As summarised in paragraph 66 above, Guernsey’s general revenue already benefits from an additional £2 million annually in real terms due to the past increases in tobacco excise. Several overseas countries already “ringfence” a higher proportion of tobacco excise for specific antismoking and health related activities, whilst in his November 1999 budget, the UK Chancellor of the Exchequer announced that henceforth ALL future tax rises would be spent on improved healthcare.

147 The modest increase proposed, which would follow the rise in average weekly earnings rather than the increase in RPI, will certainly allow the Board of Health to maintain and improve its current range of activities, as above. These are already demonstrating quantifiable benefit in terms of improved health for Guernsey residents.

Conclusions

148 The harmful effects of tobacco smoke, both to the smoker and those exposed to environmental tobacco smoke (as summarised in paragraphs 20-30 above) are now well recognised.

149 In 1996, when the States agreed to support all the Board of Health's recommendations on tobacco control, these provided a comprehensive and integrated approach which was probably ahead of any other European country. The appropriateness of the measures agreed in Guernsey in 1996 is endorsed by proposals for a similar range of measures at UK, European and at global levels through the WHO (paragraphs 6-19 above).

150 Against this background, the States of Guernsey can feel justifiably proud that, since the implementation of the measures agreed by the States, there has been a steady and continued decline in the two most common causes of death related to smoking – lung cancer and heart disease. It is estimated that, since 1997, at least 175 Guernsey residents have enjoyed better health and extended lives through their decreased levels of smoking (paragraph 78). However, if this health gain is to be maintained, it is essential that present efforts are allowed to continue.

151 As discussed in paragraphs 34-36, the reasons why young people take up smoking are many, and a full range of counterstrategies therefore needs to be maintained in order to reduce this. These include targeted health education, support for further international efforts to curb tobacco advertising and the maintenance of the real price of tobacco at a sufficient level to deter "*contemplators*" from starting to smoke and to help encourage young people who are already smoking to cut down or quit.

152 Whatever reasons persuade people to take up smoking, a major reason why they will continue is due to the highly addictive properties of nicotine and other chemicals contained in cigarette smoke. In the most recent Guernsey Health Survey, over 67% of regular smokers stated that they wished to give up, although the majority acknowledged that they were unlikely to succeed without outside help.

153 An essential component of a successful strategy is, therefore, to maintain the real price of cigarettes at a sufficiently high level to give added incentive to the adults who wish to quit, to support "healthy public policy" such as smoke free worksites and public eating places and, through continuing to offer programmes of proven effectiveness such as the "Guernsey Quitline", to help support smokers in their efforts to quit.

Recommendations

154 The Board's objectives in framing the following recommendations may be summarised as follows:

- i to maintain the real price of cigarettes in Guernsey at a level sufficient to discourage young people from becoming regular smokers, and to act as a sufficient incentive for smokers of all ages to wish to reduce or give up their smoking habit;
- ii to ensure that the Board has sufficient revenue income to maintain and expand its present range of activities designed to discourage smoking amongst the young, and to help addicted smokers of all ages to give up;
- iii to support "healthy public policy" through the provision of smoke free eating places – these will both help protect the non-smoking majority of the public from harmful environmental tobacco smoke, whilst providing yet another incentive for addicted smokers to quit;
- iv to clarify and resolve a number of points relating to outstanding States resolutions on the sale of tobacco and tobacco product to minors.

155 The Board of Health recommends the States to resolve:

1. i that Section 1 of the “*Ordonnance Portant défense de vendre ou de donner aux Mineurs du tabac, des cigars, des cigarettes, ou du papier à cigarettes*” of 1913 as amended be retained:
- ii that sections 2, 3 and 4 of this “*Ordonnance*” be deleted;
2. that legislation be enacted to provide for a total ban on smoking in all public eating places as summarised in paragraphs 93-107 of this report;
3. to direct the States Advisory and Finance Committee to make provision in its annual budget proposals that the level of duty on tobacco and tobacco products be increased by a percentage equivalent to at least RPI plus 3.0% for a minimum of five years commencing with the budget proposals for 2003;
4. to direct the States Board of Health to maintain and increase the range of activities which will assist addicted smokers who wish to reduce or stop smoking and promote the benefits of not smoking amongst young people in schools and in the community as summarised in paragraphs 42-60;
5. that the States Board of Health’s revenue allocation for these tobacco control activities be increased to £135,000 for the financial year commencing January 2003;
6. to direct the States Advisory and Finance Committee to take due account of the increased range of such activities and of the percentage increase in tobacco excise when recommending to the States the Board of Health’s revenue expenditure limits for 2004, and subsequent years.

Yours faithfully

P. J. ROFFEY,

President,
States Board of Health.

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

20th March, 2002.

Dear Sir,

Progress in Tobacco Control in Guernsey

I refer to the letter dated 8th March 2002 from the President of the Board of Health on the above subject.

The Advisory and Finance Committee considers, as it has done on previous occasions, that the matters raised in relation to Tobacco Control in Guernsey in the Board of Health's policy letter should be considered only on health grounds.

I am pleased to confirm that, by a majority, the Advisory and Finance Committee supports all of the Board's proposals.

Yours faithfully,

L. C. MORGAN,

President,
States Advisory and Finance Committee.

The States are asked to decide:—

X.—Whether, after consideration of the Report dated the 8th March, 2002, of the States Board of Health, they are of opinion:—

1. (1) That section 1 of the Ordonnance portant défense de vendre ou de donner aux Mineurs du tabac, des cigars, des cigarettes ou du papier du cigarettes of 1913, as amended, shall be retained.
- (2) That sections 2, 3 and 4 of that Ordinance shall be repealed.
2. That legislation shall be enacted to provide for a total ban on smoking in all public eating places as summarised in paragraphs 93-107 of that Report.
3. To direct the States Advisory and Finance Committee to make provision in its annual budget proposals that the level of duty on tobacco and tobacco products shall be increased by a percentage equivalent to at least RPI plus 3.0% for a minimum of five years commencing with the budget proposals for 2003.
4. To direct the States Board of Health to maintain and increase the range of activities which will assist addicted smokers who wish to reduce or stop smoking and promote the benefits of not smoking amongst young people in schools and in the community as summarised in paragraphs 42-60 of that Report.
5. That the States Board of Health's revenue allocation for those tobacco controlled activities shall be increased to £135,000 for the financial year commencing January 2003.
6. To direct the States Advisory and Finance Committee to take due account of the increased range of such activities and of the percentage increase in tobacco excise when recommending to the States the States Board of Health's revenue expenditure limits for 2004 and subsequent years.
7. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATES BOARD OF INDUSTRY

THE CONSTRUCTION INDUSTRY AND THE STATES CAPITAL SPENDING PROGRAMME

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

19th March, 2002.

Dear Sir,

THE CONSTRUCTION INDUSTRY AND THE STATES CAPITAL SPENDING PROGRAMME

INTRODUCTION

The future prosperity of Guernsey depends on the ability of both the private and public sectors to fund, construct and maintain a range of commercial, residential and public buildings and infrastructure. However, a comprehensive review of the construction industry has called into question the ability of the Island to meet the escalating costs of building and the capacity of the industry to deliver the projects required.

Without radical change, particularly on the part of the States, the future of the economy, the community and the construction industry itself could well be placed in jeopardy. This report is a starting point for such change.

Its purpose is to summarise the findings of a detailed review of the construction industry and the States capital spending programme and to provide a background against which the States can begin to develop strategies to address the key issues facing the Island. The key issues include a construction industry which is:

- working at or near full capacity with further increases in demand forecast over the next 5 years.
- faced with a heavy private sector workload and major investment by the States (e.g. projects as the Airport and the energy from waste plant).
- expected to deliver additional housing stock at an accelerated rate; and
- **operating in an environment where the cost of building exceeds UK comparators by an average of 47% and Jersey by 26%.**

Given the substantial sums invested in construction works even a modest 1% saving as a result of the measures contained in this report will translate into savings in the order of millions of pounds.

BACKGROUND TO THE REPORT

Early public expressions of concern about the escalating costs of building emerged during the debate on the high cost of the Forest School. These concerns were brought into sharp focus by the conclusions of the States of Jersey Committee of Enquiry into Building Costs which having delivered its report after 3 years of investigation provided a useful platform for research in Guernsey. Against this background the Advisory and Finance Committee invited the Board of Industry in conjunction with the Estates Sub-Committee to undertake a review, the broad terms of reference of which were to “produce a strategy addressing the cost issues for construction in Guernsey”.

The Working Party was tasked with measuring and comparing the costs of construction in Guernsey to other Island economies and the UK mainland and to determine the reasons underlying any differences. The Working Party was chaired by Deputy Lyndon Trott representing the Board of Industry and included Deputy Bernard Flouquet, a member of the Advisory and Finance Committee and the Estates Sub-Committee and Deputy Michael Best, also a member of the Estates Sub-Committee. It was supported by senior staff of the Board of Industry and the Advisory and Finance Committee and engaged specialist consultants J R Knowles and Sheffield Hallam University.

The specific issues examined in the research included:

- The cost of labour on Guernsey;
- The skills and productivity of the Island labour force;
- Skills management issues;
- The price and quality of local materials;
- Cost benchmarking;
- Economies of scale;
- The tendering process and procurement strategies;
- The construction process;
- Contract management skills;
- The size and timing of the public sector construction programme;
- Macroeconomic issues, (supply and demand);
- The competitive environment in the Guernsey building industry; and
- The impact of planning regulations on building costs.

DEFINITION OF “CONSTRUCTION”

Throughout this policy letter “construction” is taken in its broadest sense to include the following:

- **Building** – houses, schools, offices;
- **Major construction projects** – energy from waste plant, airport terminal;
- **Infrastructure** – roads, communication highways, sewers;
- **Repair and refurbishments** -interior renewal of buildings, painting/decorating; and
- **Civil mechanical and electrical engineering** – coastal defences, water pumping stations, rewiring projects.

Included in the construction industry are the professional services within architecture, quantity surveying, engineering and planning.

LAYOUT OF THE REPORT

Section 2 – The Cost of Construction – examines the reasons for the high cost differential with the UK and how costs might be reduced and value improved.

Section 3 – The Guernsey Construction Industry – A Social and Economic Overview describes the nature, size and impact of the industry on the Island.

Section 4 – The Supply of Construction Services – examines in greater detail the capacity of the companies operating in the industry and the professional services supporting them, together with a description of the labour force.

Section 5 – Future Demand for Construction Work – assesses the workload facing the industry over the next few years.

Section 6 – Developments in the Procurement of Construction Work in the UK – addresses how major changes that have taken place in the UK in recent years might be applied to Guernsey.

Section 7 – Management of the Public Sector Built Estate : Tendering and Procurement Procedures – examines the current tendering practice in Guernsey and introduces the concept of whole life costing. In particular, it focuses on the way in which the current procurement procedures favoured by the States do not deliver best value for the Island.

Section 8 – Management of the Public Sector Built Estate – underlines the fact that management of existing property is disjointed, under resourced and requires review. Furthermore it identifies priorities for capital projects.

Section 9 – Addressing the Cost Issues in the Construction Industry – examines a number of strategies for reducing cost and improving productivity and performance.

Section 10 – Executive Summary

Section 11 – Agenda for Change – identifies the principal work streams that will begin to address the issues raised in this report.

2. **THE COST OF CONSTRUCTION**

2.1 **The Cost of Construction in Guernsey**

The cost of building in Guernsey is 26% more expensive than Jersey and 47% more expensive than the UK average.

This section examines the comparison of the costs of building in Guernsey compared with the UK. Subsequent sections of the report examine the causes of these cost differences. It should be noted that this section is a summary of the key findings across the industry. Individual cost elements are presented on a generic basis both to present a strategic overview of costs and to protect the confidentiality of the data sources. The Board is very grateful to all sectors of the industry which participated in the cost research with Sheffield Hallam University. This included contractors, quantity surveyors, architectural practices, material suppliers, equipment suppliers, transport companies, the States Works Department and the Property Services Unit of the States of Guernsey.

2.1.2 **The increased cost of construction in Guernsey compared with other locations**

The average cost of building in Guernsey is significantly more expensive than Jersey, the UK or the Isle of Man. The Building Cost Information Service (BCIS)¹ location factor for the last quarter of 2001 ranks the Channel Islands at a factor of 147 compared to the UK national average of 100. This equates to an extra 47%, a figure confirmed by the Sheffield Hallam University analysis. The cost comparisons are set out below.

Table 1 – The increased cost of construction in Guernsey compared with other locations

	Extra Guernsey Cost
UK National Average	47%
Jersey	26%
Northern Ireland	110%
Wales and South Yorkshire	63%
South West Region	47%
South East	36%
London	20%
Isle of Man	21%

Comparing the costs of construction on Guernsey with the cost of construction on Jersey and the Isle of Man shows that:

- the costs of construction on Jersey and the Isle of Man are similar; but
- in Guernsey costs are 26% higher than Jersey and 21% higher than that of the Isle of Man.

¹ *The Building Cost Information Service (BCIS,) is an indices compiled by a subsidiary of the Royal Institute of Chartered Surveyors.*

This comparison shows that it is not solely the fact that Guernsey is an island which is the cause of the significantly high cost. Both Jersey and the Isle of Man have to import most of their materials and Jersey also has a shortage of labour.

The comparison with the UK shows some greater cost increases, the highest being 110% compared with Northern Ireland. Guernsey is even 20% more expensive than the highest building cost location in the UK, London.

The cost comparisons exclude land prices. This demonstrates that the increase in construction costs in Guernsey is not solely due to land prices.

2.2 Guernsey construction costs for types of buildings compared with the UK

Making cost comparisons between different types of buildings is very difficult as generally no two buildings are the same. In instances where buildings are identical, the terrain of the site, the infrastructure required, the size of the project and the period of construction will often differ.

In making the comparisons the research focused on Guernsey projects that have been built within the last four years and which were as similar as possible to UK buildings and were constructed during the same period. A variety of types of building were analysed into their cost per metre squared of gross floor area and then compared with two UK equivalent buildings of the closest match in quality and size. Differences in price levels due to inflation were catered for by bringing prices to the same time base. The time base selected was the fourth quarter of 2001.

The costs of external works and drainage relating to a particular site can unduly influence the comparison of total building costs. To avoid this, both building cost and external works cost are identified separately in the table and compared. The details of the cost comparison are found in Table 2 – Comparison of Construction Costs.

<p>A comparison with the UK of the costs of construction for different types of building in Guernsey show a significant range of increased cost. For example, from +47% for a major scheme of flats to +126% for a smaller scheme of flats. All the cost comparisons were made with similar schemes in the UK.</p>

Table 2 – Comparison of Construction Costs Guernsey/UK for different types of building

Type of Building		Guernsey £/m ^s	UK £/m	% Increase Guernsey over UK
Flats (major scheme)	Building	1043	664	57%
	External Works	92	106	-14%
	Total Cost	1135	770	47%
Flats	Building	1219	618	97%
	External Works	**347	81	327%
	Total Cost	1566	700	124%
Primary Schools	Building	1655	1149	44%
	External Works	380	223	71%
	Total Cost	2035	1372	48%
Nurses Accommodation	Building	1158	793	46%
	External Works	193	151	28%
	Total Cost	1351	944	43%
Nursing Home	Building	1575	1023	54%
	External Works	174	140	24%
	Total Cost	1749	1163	50%
Office Blocks	Building	1360	1352	1%
	External Works	*11	222	-95%
	Total Cost	1372	1574	13%
Retail Premises	Building	2226	987	126%
	External Works	374	350	7%
	Total Cost	2600	1337	95%
Car Parks	Building	436	225	94%
	External Works	86	47	83%
	Total Cost	522	271	92%

* Exceptionally low cost due to site factors

** Exceptionally high cost due to site factors

2.3 Tender Prices Building Cost Indices and the Retail Price Indices

Not only are average construction costs higher in Guernsey, but records since 1998 show the cost increases accelerating under inflationary pressure in the Island construction market.

There are three areas which lead to changes in building costs. These are:

- (i) general inflation in the economy which may be measured by the Retail Price Index.
- (ii) inflationary pressures in the costs of building measured by a Building Supply Cost Index.
- (iii) inflation pressures in building prices measured as a Tender Price Index.

The Tender Price Index reflects the building cost as paid by the client.

The relative movements in these three indices in Guernsey and the UK are set out below.

Table 3 – Comparison of Increases in Construction Costs 1998-2001

Indices:	1 Q 1998	4 Q 2001	Increase in 4 years
UK Tender Price Index (BCIS)	141	172	22%
UK Building Supply Cost Index (BCIS)	175	199	14%
Guernsey Tender Price Index (BCIS)	176	249	42%
Guernsey Tender Price Index (SHU)	120	172	43%
Guernsey Building Supply Cost Index (SHU)	150	170	13%
UK Retail Price Index	160.2	173.8	8.5%
Guernsey Retail Price Index	113.2	125.6	11%

Note: BCIS = Building Cost Information Service
SHU = Sheffield Hallam University

This table shows that the general inflationary pressures in the economies of both the UK and Guernsey have been relatively low over the period 1998-2001. Over this period the UK Retail Price Index rose by 8.5% while the Guernsey Retail Price Index rose an additional 2½% to stand at 11%.

General inflation in the economy is therefore not a specific cause of any significant rises in building costs.

Comparing the Guernsey and the UK building supply costs, the table shows a higher increase than the Retail Price Indices increases running 2% higher in Guernsey (at 13%) and 5.5% higher than the RPI in the UK (at 14%). This also shows that the Guernsey and UK building costs have increased at a relatively similar rate over this period.

This does not mean that Guernsey building supply costs are the same as the UK; they are higher than the UK. The indices show that the gap for the building supplies, the elements used in the construction process, has not widened any further, in percentage terms, over the period 1998 to 2001.

The greatest increase has occurred in the Tender Price Indices, particularly in the Guernsey Tender Price Indices.

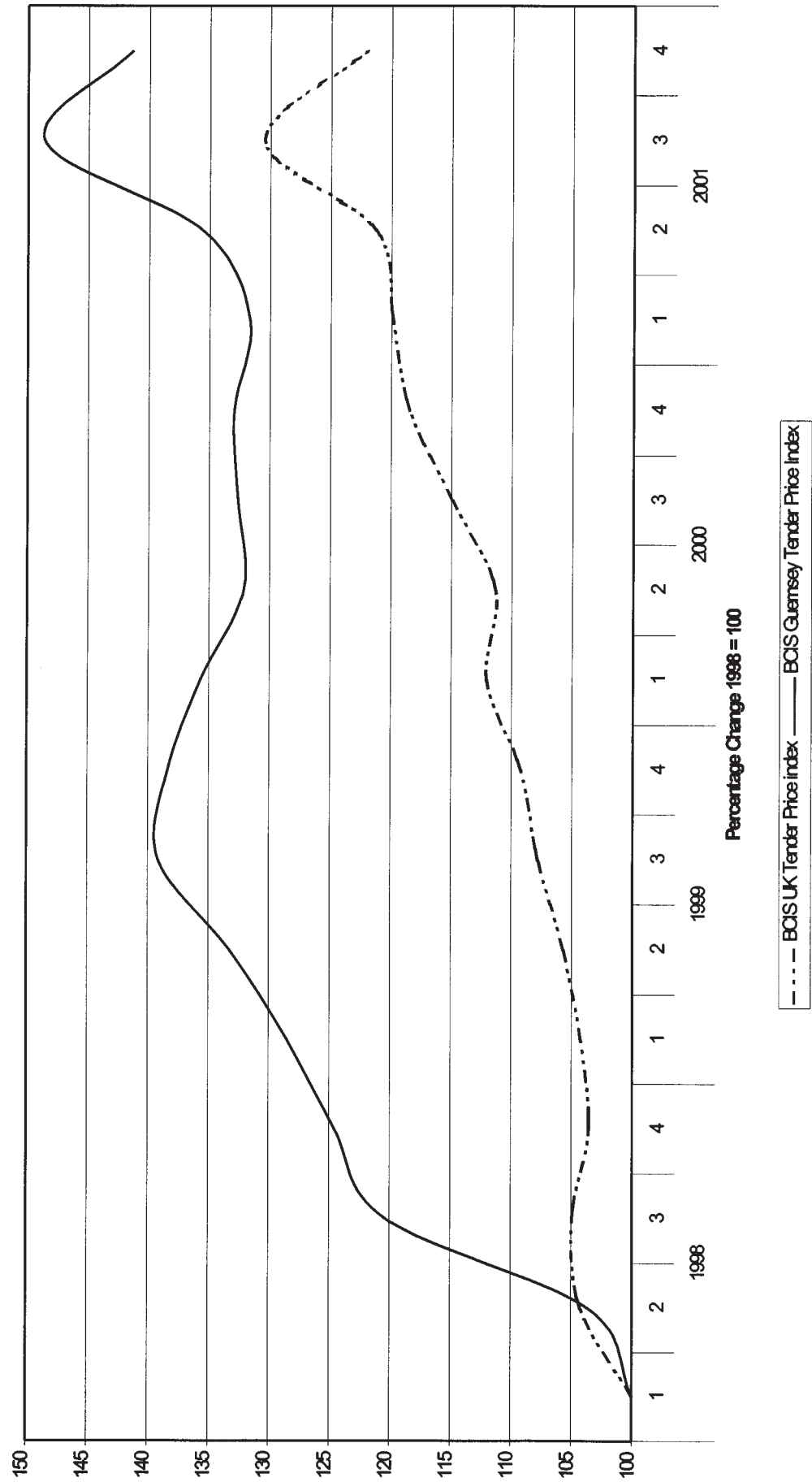
The Tender Price Indices reflects the price of the building to the client compared with the Building Supply Cost Index which looks at the cost of the materials, labour and services to the contractor. The Tender Price Index is therefore the economic measure to use when comparing the cost of building as paid by the client. It is an important index and two independent measures of the increases in this index are presented in Table 2 by the BCIS and Sheffield Hallam University (SHU).

Both indices present a remarkably similar picture. The Guernsey Tender Price Index as measured by BCIS over this period shows a 42% increase. The Guernsey Tender Price Index as measured by SHU shows a 43% increase. Over this period UK tender prices also rose but only at approximately half the rate of increase of that measured in Guernsey at 22%.

A 42%-43% rise, well ahead of the increases in the Retail Price Index and the Building Supply Cost Index, is a very significant figure. In economic terms it is a clear symptom of an overheating industry where demand exceeds the capacity to supply. The consequence has been that the price paid for buildings and construction projects in Guernsey has risen dramatically in this period.

This identifies one of the main causes of the increase in the costs of building/construction, as paid for by the client in Guernsey, that of an inflation cost which is a symptom of an overheating sector of the economy. See Figure 1.

Figure 1. Guernsey - UK Tender Prices



2.4 What is contributing to the extra cost of construction in Guernsey

2.4.1 The cost elements of construction

The cost of construction can be broken down into its constituent parts including design and preliminaries, labour, materials, specialist plant/equipment and the additional costs associated with contingencies/overheads, profit and risk. These have been analysed by Sheffield Hallam University and are presented as a “cost stack” comparing a construction project in Guernsey with the UK – See Figure 2.

Figure 2 - A comparison of the cost of construction for a similar sized buildings in Guernsey and the UK

**Guernsey Construction Cost £14.7 million
(and Design Costs of £1.18 million)**

Professional Services (Architects, QS, Structural Engineers)			£1.18m
Preliminaries			£1.01m
Labour			£4.67m
Materials	Supply	£2.04m	£5.07m
	Shipping	£1.42m	
	Wastage	£0.25m	
	Transport	£0.09m	
	Overhead	£1.02m	
	Profit	£0.25m	
Plant			£0.59m
Contingency			£0.30m
Overhead			£1.24m
Profit			£0.74m
Risk			£1.08m

Tender Price £14.7m
Design £1.18m

Guernsey Tender Price = 147

**UK Construction Cost £10 million
(and Design Costs of £0.80 million)**

Professional Services (Architects, QS, Structural Engineers)			£0.80m
Preliminaries			£0.65m
Labour			£3.10m
Materials	Supply	£2.93m	£3.86m
	Transport	£0.08m	
	Overhead	£0.46m	
	Profit	£0.39m	
	Plant		
	Contingency		
Plant			£0.70m
Contingency			£0.26m
Overhead			£0.75m
Profit			£0.50m
Risk			£0.18m

Tender Price £10.0m
Design £0.80m

UK Tender Price = 100

2.4.2 A comparison of projects costs for Guernsey compared with the UK by cost elements

The project cost stack shows that a typical £10 million construction project in the UK would cost £14.7 million in Guernsey. Design costs add an extra £1.18 million in Guernsey to make a total of £15.9 million compared with £10.8 million in the UK including design. In Guernsey all the different cost elements are more expensive than the UK, with the exception of plant/equipment. This exception is possibly because construction processes in Guernsey are less mechanised.

2.4.3 Materials shipping and labour costs

A significant extra cost within materials is the shipping cost which contributes £1.42 million to the material costs of £5.07 million. Labour costs at £4.67 million in Guernsey are higher than the UK at £3.10 million, but are a similar percentage of the total project cost at 32%.

2.4.4 Professional services preliminaries contingency, overhead profit

Professional services, preliminaries, contingency, overhead and profit are all higher in Guernsey than the UK but form a similar proportion as a percentage of the total project cost.

2.4.5 Risk costs

The largest difference in percentage terms, is the amount taken up by “risk” at £1.08 million (7.36%) in Guernsey and £0.18 million (1.78%) in the UK. The “risk” element covers the way the client, the constructor and the design team work together to remove uncertainty and increase understanding in the construction process. Guernsey is currently behind developments in risk management and collaborative construction methods compared with the UK. This is reflected in the extra cost of the risk element in the costs at nearly an additional £1 million.

There are considerable opportunities for making cost savings and delivering better value in the areas of risk management and collaborative team work, particularly in the case of States projects (see sections 6, 7, 8 and 10).

2.5 Material costs

A detailed comparison of costs was made for some of the main structural and material components for Guernsey, Jersey and the Isle of Man compared with the UK. This is set out below and is illustrated in figure 3.

Table 4 – The Cost of materials in the Isle of Man, Jersey and Guernsey compared with the UK (note the material costs for the Guernsey are based on invoiced costs from actual projects for full load deliveries and an industry survey).

Comparison of Material Prices

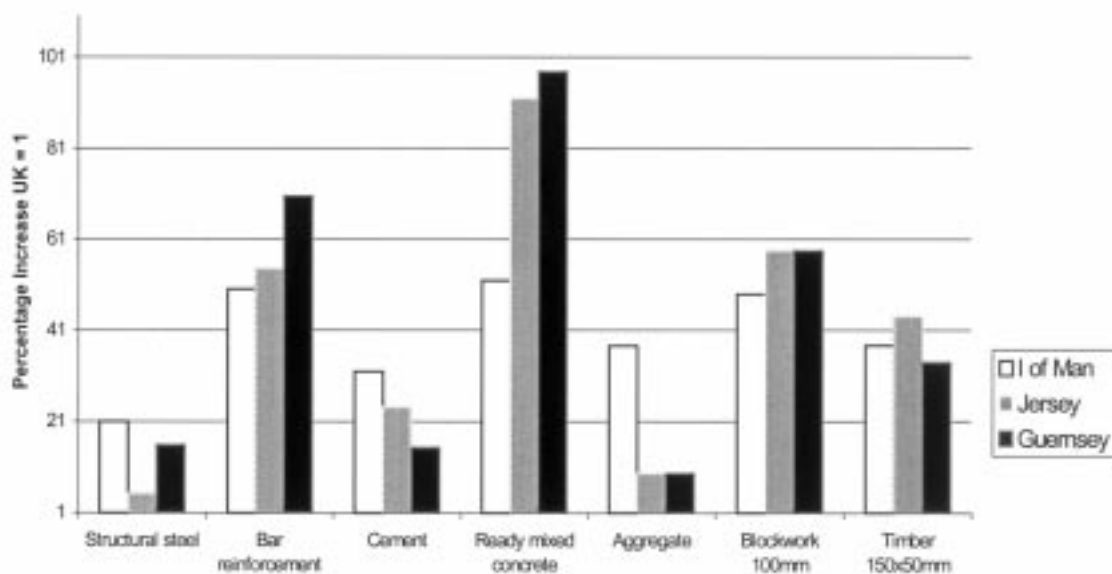
Percentage Increase	UK	I of Man	Jersey	Guernsey
Structural steel	1	21%	5%	16%
Bar reinforcement	1	50%	55%	70%
Cement	1	32%	24%	15%
Ready mixed concrete	1	52%	92%	98%
Aggregate	1	38%	10%	10%
Blockwork 100mm	1	49%	58%	58%
Timber 150x50mm	1	38%	44%	34%

The prices for materials have been compared by obtaining prices from local suppliers in Liverpool, Plymouth, Southampton and Sheffield to represent the UK and from the Isle of Man and Jersey. They represent full load deliveries within the UK. The Guernsey prices have been obtained from a survey of local contractors and from invoices supplied by the same. Again for comparison they are based on major contracts and full load deliveries. Using the UK price as a base of 1 the prices for the Islands have been compared and the table shows the percentage increase of the Islands price compared with the UK.

Guernsey is the most expensive location for ready mixed concrete, 98% higher than the UK, and for bar reinforcement, 70% higher than the UK. The increases for structural steel, cement and aggregates are between 10% and 20% more than the UK delivered price. Blockwork at +58% and timber (150mm x 50mm) +34% are considerably more expensive than the UK but comparable to the Isle of Man and Jersey.

In making these comparisons both the extra cost of shipping identified in section 2.4 and the wide variation of prices in the trade need to be considered. Actual prices paid for materials will depend on a whole number of different factors including, for example, the quantity of materials ordered and the size of the construction project.

Figure 3 - Comparison of Material Costs between Islands and UK



2.6 Labour cost

Labour rates for Guernsey are similar to the UK at £12.50/hour (labourer) to £15.00/hour (tradesman). See table 6. There are indications that whilst the labour rates are similar, the productivity of the Guernsey labour force is lower (reference section 4.5.1 and 4.5.2).

However, the standard labour rates are used less in an overheated industry than other more expensive forms that add to labour costs. These include:

- Overtime rate – typically +50%
- Sub-contract labour – typically +25%
- Imported labour from the UK (including accommodation “allowance”) +46% to +50%

In an overheated industry, where the local labour is limited, construction companies carry a higher labour cost than in a balanced market situation. In such a market the uncertainty of the labour supply also creates an additional “risk” element, that constructors need to allow for by increasing tender prices.

Table 6 – Comparison of Labour Costs between UK and Guernsey

	UK Costs per hour	Guernsey Labour Costs per hour	Imported labour	Cost of imported labour per hour	% Increase for imported labour
Employed workforce					
Tradesmen	£15.00	£15.00	Tradesmen	£22.00	47%
Labourers	£12.50	£12.50	Labourers	£18.75	50%
Sub-contract labour					
Plumbing	£18.00	£18.00	Plumbing	£25.90	44%
Mechanical	£20.00	£20.00	Mechanical	£28.50	43%
Electrical	£20.00	£20.00	Electrical	£28.50	43%

Source – Sheffield Hallam University Analysis 2002 from a survey of the construction industry in Guernsey and the UK

3. THE GUERNSEY CONSTRUCTION INDUSTRY A SOCIAL AND ECONOMIC OVERVIEW

One of the fundamentals to achieving a closer working relationship and better value between the public and private sectors is a greater understanding of the construction industry and its role in the economy. The significance, size, composition and nature of the industry is described below.

3.1 The social and economic significance of the construction industry

The significance of the construction industry is often overlooked. There is a view that the industry is simply one of a number of services supporting the community which can be turned on or off depending on the state of the economy and the ability to fund development.

In practice, a vibrant and successful indigenous construction industry is an essential ingredient of a developed society.

It is construction which makes possible:

- the provision of schools, clinics, hospitals, houses, roads and sewers;
- an infrastructure for the growth and development of society and encourages investment in its future;
- high quality buildings required by the finance industry;
- the development of other sectors such as e-business, retailing and tourism by providing the specialist buildings they require.

- **Peak demands or specialist requirements might be expected to be met by contracting in outside firms.**
- **However the Island needs a certain core infrastructure within construction and cannot rely entirely on construction services imported from elsewhere.**
- **A substantial level of imported construction services would leave the economy as a whole subject to the fortune of outside influences**

3.2 Construction labour force

The latest official statistics available (2001) indicate that the number of people working in construction has varied little over the last 10 years.

In 1986 the construction industry employed 2,578 people, whilst in 1996 (the last year for which census data is available) employment had grown marginally to 2,676. Overall the number of people registered as employed during the same period has however grown from 27,689 to 30,693, an increase of some 10.84%.

In real terms employment in construction as a proportion of the total workforce has fallen from 9.31% in 1986 to 8.71% in 1996.

Social Security Authority data indicates that, for the period 1991 to 2000 employment in the construction industry has shown a steady decline from 2,143 in 1991 to 1,824 in 2001. The difference between the census figures and social security data can probably be attributed to imported labour. None of the figures given above include those imported construction workers who continue to pay social security contributions overseas.

There is no easy measure of imported construction labour since, although licences are required, the licensing regulations may not always be strictly observed, in that workers in the construction industry are sometimes not accurately described. Nonetheless, although the number of imported construction workers on the Island at any one time is significant, it is not generally perceived to be so large as to seriously distort the overall picture of the labour force in the medium to long term which emerges from the official statistics.

An overall labour force, including imported workers, of between 2,500 and 3,000 (i.e. approximately 10% of the Island's total resident workforce) might be as accurate a picture as is available of the construction labour pool.

3.2.1 Number and size of firms in the industry

According to the January 2001 membership list of the Guernsey Building Trades Employers Association (GBTEA), the total number of firms operating in the industry are as follows:

General builders and contractors	93
Painters and decorators	8
Plumbing and heating contractors	11
Roofing contractors	4
Electrical contractors	8

These figures for general builders do not however represent the full picture since:–

- i) The GBTEA is a voluntary organisation.
- ii) A much larger number advertise their services in the Yellow Pages.
- iii) Observation of the industry reveals that, in common with other construction industries, the Guernsey industry is composed of a very small number of comparatively large firms and a large number of much smaller ones. Many of the smaller companies will frequently work as sub-contractors to the larger companies.

The figures do however appear to indicate a very small number of specialist sub-contractors.

3.2.2 Economic significance of the construction industry

Economic activity in the construction industry is again difficult to assess with any degree of precision, since only limited statistics are kept. Nonetheless the following may give some indication of the size of the industry in economic terms.

Since the local construction industry appears to be running at, or at least very close to, full capacity, present total annual construction demand would at least give a reasonable indication of the industry's present capacity.

The following table is a reasonable estimate based upon the latest Statistical Review and the 2001 States Accounts.

Table 3.1 Approximate value of construction output for the year 2000

	£(m)
Public sector capital expenditure (2000) ²	13
Public sector maintenance and capital expenditure ³	15
Domestic construction expenditure ⁴	30
New housing ⁵	25
Business investment (estimate based upon current activity) ⁶	56
Approximate total expenditure on construction year 2000	139

² States Capital Expenditure 2000 £13.9m – Section 4.2.2 Policy Planning Report 2001, 90% of which it is estimated is spent on construction work.

³ Public sector maintenance and capital expenditure extracted from the accounts of General Revenue Committees, Trading Undertakings and States Works Department, also using Billet d'État XXIII 2001 – Wednesday 12 December Accounts 2001.

⁴ Estimate of private household expenditure on domestic construction from the Economics Unit Advisory and Finance Committee.

⁵ Estimate based on new housing programme

⁶ Estimate based on private sector projects in construction and civil engineering for 2000.

In terms of the contribution made to the wider economy the construction industry contributes £62m (5%) to the Island's gross domestic product. This is greater than horticulture and manufacturing combined or tourism.

The construction industry also shows a high profit level relative to employees remuneration at 65%, second only to finance. It therefore has a high value-added contribution per employee for each person employed in construction.

In 1998 it contributed some £7m to the Island's tax revenue.

The construction industry is therefore of fundamental importance to the economy, a fact that has not been recognised in the past.

Against this background there is a compelling case to develop a robust and reliable but tailored, cost effective economic model without which any attempt to understand the construction industry will fail.

4. THE SUPPLY OF CONSTRUCTION SERVICES

4.1 Supply background

Operating from an Island puts particular constraints on the supply of construction services in relation to size, capacity and expertise for specialist requirements. It is to the credit of the Island's construction industry that it has demonstrated its ability to meet new demands, manage the supply chain for importing materials and build a number of high-quality buildings which represent an investment in the Island.

4.2 Construction companies

Guernsey's indigenous construction industry has two major construction companies which appear to be the only Guernsey-based contractors capable of bidding on their own for projects in excess of about £5m. It would therefore appear that competition for these schemes is limited to these two contractors, together with any mainland contractors who happen to be seeking work in the Island.

One company is largely focused on the private sector, while the other derives a significant amount of work from the public sector.

Below this first tier lies a second tier of smaller contractors who would typically tender for projects in the range of £50,000 – £2m.

Some of the first and second tier contractors have formed, or are in the process of forming, strategic alliances with companies on the British mainland or France. (One example is the Littlewood/Dew venture which has recently been awarded the Beau Sejour Leisure Centre re-development). Strategic alliances with outside contractors enable the local industry to expand in periods of high demand, spread construction risk and take advantage of the expertise and buying power of larger contractors based in the UK or the European mainland.

The remainder of the industry is composed of small general builders and specialist trade sub-contractors who often work as sub-contractors to the larger companies.

Key issues raised by the contractors during interviews and consultation workshops included the excess demand in the industry, difficulty in meeting the labour requirements and difficulties with working with the States in public sector construction. It is significant that of the delegates who attended the workshops nearly all reported that their organisations were working between 76% and 100% of their capacity and 8 admitted to working beyond 100% of their long-term sustainable capacity.

Although some of the contractors interviewed stated that they believed they could absorb some further demand, most acknowledged that there is a finite limit to the capacity of their existing organisations and management infrastructure.

All highlighted the difficulty of obtaining and keeping their labour force in a buoyant economy.

Furthermore a consistent view expressed by all sectors of the construction industry was that working with the States public sector programme proved difficult and unattractive because:

- the traditional tendering procedure often involved between 5 and 7 tenders which represented significant preparation and wasted effort in an overheated construction industry.
- there is a perceived lack of notice and planning by the States departments.
- the approval process is seen as slow and complicated allowing very little opportunity for the contractor to add his skills in achieving “value engineering”.

4.3 Sub-contractors

4.3.1 General building sub-contractors

There are clear signs that the sub-contract labour pool is grossly under-resourced and local prices for construction are being driven up by prices in the sub-contract labour pool.

Of the two largest contractors, one stated that approximately 50% of the labour used on their projects is provided by regular sub-contractors who move from project to project with them. The other stated that historically about 40% of their work is carried out by sub-contract labour, but on large projects this could rise to approaching 90%.

A further problem identified in this area is “project hopping” (i.e. sub-contract gangs moving from project to project seeking increasing higher wages). This state of affairs seems to have developed as a consequence of the amount of work available. The Board’s consultants were told by one consultant specialising in dispute resolution, that this is now taken as a fact of life which must be accepted. The fact that there is no significant pool of generally available sub-contract labour is a further reason why offshore contractors find working in Guernsey difficult – unless they are able to bring all of their skilled personnel and a substantial labour pool with them to work on particular sites or projects.

4.3.2 Specialist engineering contractors

There are only two major plumbing and heating engineers in Guernsey. Typically, 50% of turnover is in construction and 50% in the service sector, mainly on large maintenance service contracts. 80% of the work in the private sector is negotiated.

Workload in the plumbing and engineering sector is very high at present and major competition comes from Jersey and the British mainland. Mainland companies face a number of difficulties in the Guernsey market, particularly the cost of transport and accommodation and the current general shortage of specialist mechanical and electrical engineering staff.

4.3.3. Common problems faced by sub-contractors

Major difficulties presently faced by the sub-contractors include:

- Inability to plan ahead due largely to insufficient notice of forthcoming work leading to problems with resourcing.
- Labour limitations – Recruiting good people is a problem, both on Guernsey and from the mainland.
- The cost of renting accommodation for workers and office accommodation for the site is expensive in Guernsey compared to the UK.

4.4 Professional services

The term “professional services” denotes any of the construction related services commonly provided by professionals working in private practice, or the equivalent as States employees. Specifically considered are architecture, quantity surveying and engineering services.

4.4.1 Architecture

The report found that there are approximately 250 people employed in Guernsey, either as architects or architectural technicians. There are three tiers of architect in Guernsey:

- RIBA (Chartered) – ‘Guernsey Society of Architects’
- Certified/Incorporated
- Technicians (usually neither qualified nor insured)

Although most practices appear to be small, typically employing no more than about 10 or 12 professional and technical staff, the largest practice interviewed employs some 27 people in its Guernsey office with a further 6 staff at a satellite office in South Wales.

The two offices both use the same computerised design programmes (AutoCAD), which are electronically linked for remote working.

Demand for architectural services is presently very strong, and one practitioner said that his office was working an 80-hour week to try to meet demand. Others however said that they believed they could cope with an increased workload given careful planning.

Generally architects work on a percentage fee of total project price. Consequently increasing construction prices are reflected in higher architects fees.

4.4.2 Quantity surveying

There is a clear division within the quantity surveying profession on Guernsey between quantity surveyors who work for contractors and those who work for clients. Most of the States’ quantity surveying work is carried out in-house. Demand for quantity surveying services is also very strong, and continuing to increase. Most commissions result from an approach or recommendation by the architect.

There is some fee competition between local firms and firms from Jersey and the UK. Quantity surveyors cited the problem of poor tender documentation which, in their eyes, particularly applied to States projects.

4.4.3 Engineering services

There appears to be a significant lack of consultant engineering design services on Guernsey. The vast majority of consultancy work in this area is carried out by consultants from the UK.

4.5 Labour Issues

4.5.1 Domestic labour

Opinions on the strengths and deficiencies of the local labour force are mixed, although all contractors prefer to recruit local labour whenever possible.

In terms of productivity, there is a perception both amongst contractors and those providing professional site management that local construction workers tend to have a slow start on Monday morning, work to a 39-hour week, are reluctant to work overtime, and prefer not to work on Friday afternoons.

As a result of the current boom in demand it is widely acknowledged that there are severe shortages in key trades. There is also evidence that the cost of labour is presently escalating at an increasing rate, while retention is difficult as good staff move on for more money.

4.5.2 Imported labour

There is a difference of views over the difficulties of importing labour. Some companies regarded this as very difficult, while others have worked out appropriate systems.

Over half of the organisations represented in the workshops stated that their strategy for dealing with an increased workload would involve importing workers from the UK mainland.

Providing accommodation has historically posed difficulties but many cited that the relative decline in some sectors of tourism has led to some hotels being used as lodging houses for imported labour.

4.5.3 Professional and technical staff

Those included in the professional services maintain that it is very difficult to recruit labour because the Island is short of technical staff. All practices agreed that at present there was virtually no response to local advertisements. The further development of both the professional and electronic links to mainland practices and/or satellite offices may help overcome this problem but it will also mean that an increasing proportion of professional fee income will be remitted offshore.

4.5.4 Training and education

There is a shortfall in training and education for the construction industry which is generally attributed to the pressures of the finance industry and other sectors, which attract school leavers on generous terms.

The Guernsey College of Further Education provides the only construction courses available on the Island. National Certificate and HNC in Building Studies are provided on a part-time basis, and National Diploma in Building Studies on a full time basis for those looking for a supervisory role.

The Guernsey College of FE also provides a City and Guilds course in Computer Aided Design (CAD), and Guilds Craft Certificates and Diplomas in carpentry, joinery, trowel trades, plumbing, and painting and decorating. The apprenticeship is a 5-year programme.

Funding from the States is available to employers at an average of approximately £2,000 per apprentice per year, and there are no student tuition fees. A typical annual intake is 50 students per year across all of the craft based courses, but about 20% drop out in the first year.

Any students seeking degree-level studies must either go to the mainland or alternatively take a distance-learning course.

The need to induct trainees and apprentices into the local industry was stressed in the workshops and there was a strong call for more promotion of the construction industry as a worthwhile career for school leavers. Training and skills development for the workforce is one of the strategies that can be used to cope with an increasing workload in the medium to longer term.

4.6 The supply of building materials

4.6.1 Materials suppliers

There is only one major general builders merchant on Guernsey and some 30-40 specialist suppliers operating on a smaller scale. For larger quantities of material supplies the main local supplier faces competition from building suppliers in the UK mainland and potentially France.

Current practice is not to import in bulk, for whilst this can provide the building supplier with quantity purchase discounts, there are increased risks of loss, damage and quality control problems. Customers usually procure their products either by tender for specific projects or through long-standing individually negotiated arrangements with local suppliers.

The main local supplier believes that their operation can reduce costs and add value to the construction process. It achieves this by providing advice and guidance to construction clients and information about which materials and components offer the best value for money.

The supplier maintains that, while the private sector is keen to take advantage of advice, States departments appear less willing to do so.

4.6.2. Material supplies aggregate, concrete and macadam

There is only one major supplier of aggregate, ready mixed concrete and bituminous macadam on the Island.

There is no commercial source of sand on Guernsey, and therefore supplies are imported in bulk. Cement is imported from Blue Circle using the supplier's own cement tanker.

The suppliers recognise their monopoly position but believe that the investment required to produce their output is the same as that which could produce a much greater output in larger markets. The company is aware that its product is perceived as “expensive” when compared to the mainland, but they point out that transportation costs on the Island are high due to restrictive payload allowances and the need for specially adapted wagons. The economies of scale are such that splitting the market would not deliver best value to the company’s customers. The company is credited with strict quality control of its products. However, in view of the high cost some contractors are now looking at the costs and benefits of on-site hatching plants with respect to concrete for specific contracts.

A further factor providing alternatives to concrete and blockwork is that steel and timber-framed designs are now competing with traditional block-built designs.

There is some recycling of construction waste with investment by two companies in crushing plants which recycle and reuse construction material as hardcore.

Common problems identified with materials supply are that:

- **materials in general, and particularly concrete products, are more costly than in the UK.**
- **local merchants do not carry large quantities of stock due to both limited space and the wide variety of materials commonly specified.**
- **the construction process commonly does not allow enough planning time to allow for delivery mistakes, and for goods damaged on delivery to be replaced.**
- **the sole supplier of aggregate, ready mix concrete and bituminous macadam dramatically reduces output throughout August.**

4.6.3 Engineering Services Materials

Engineering service companies tend to source their materials locally if possible, but the majority of equipment is imported from the British mainland.

4.7 Customer Satisfaction

Although historically only a relatively small percentage of projects have resulted in claims or problem disputes, their frequency does appear to be increasing. There is also a perception among some customers, that poor quality site management with time and cost overruns have become the norm rather than the exception.

4.8 Private sector Procurement methods

Until recently, most private sector projects were procured by a traditional design-led approach whereby an architect worked with the client to design the building and the project was then put out to tender. Recently there has been a move towards a “design and build” approach in which the client, contractor and the designer work together combining their skills in the building process. In these circumstances the builder is selected in advance and before the detailed design is concluded.

In the UK there has been a shift towards procurement on a more collaborative process which is now said to account for as much as 50% of the private sector construction market.

In addition to sharing skills and spreading risk between designers and builders, the approach is linked to what are known as “open book” arrangements whereby the contractor shares detailed information on his cost structure in return for an agreed percentage profit. In this way both parties work together to reduce cost and eliminate risk through the process known as **partnering**.

Few local contractors have experience of formal partnering, although both the large contractors have some experience of informal partnering arrangements of various kinds in the private sector. There was considerable support for the concept expressed by the contractors, both in individual interviews and through the workshop sessions.

5. THE FUTURE DEMAND FOR CONSTRUCTION WORK

5.1 Introduction

It has already been estimated in Section 2 that the annual workload of the Guernsey construction industry in 2000 amounted to some £139m, and that current economic indicators appear to show that this effectively represents the present total capacity. If sensible conclusions are to be drawn as to the management of the public sector component of demand, it is necessary to examine in more detail what the likely future workload on the whole industry might comprise.

5.2 The future demand for construction from the States of Guernsey

A significant rise in expenditure on construction work is forecast for the States. Between 1997 and 2000 capital expenditure (90% of which was spent on “construction” projects) rose from £10m to £12.6m per year. An even greater sum is spent annually under the “revenue” budget at £14.9m, based on the year 2000 accounts.

Even at the 2000 level of capital expenditure, the public sector expenditure on capital works was still under 2% of GDP. This is half of the UK annual investment and one third of the level of investment by a number of other European countries. Prior to 2000, States capital expenditure was at an even lower level. This suggests insufficient capital expenditure to meet the community’s economic demands and people’s expectations (in terms of standards of building for schools, housing, medical facilities etc).

Furthermore, considerable capital expenditure is required in waste disposal infrastructure including:

- extending the sewerage network;
- constructing an energy from waste plant;
- waste separation; and
- a sewage treatment plant.

There therefore appears to be a build up of demand within the public sector to redress historic “under investment” at a time of high activity within the construction industry generally.

Forecasting the future demand for construction work in the public sector has some difficulties, not least because there is no cohesive corporate view on capital projects.

However a broad picture can be built up by examining the various committee capital requests, taking account of the General Revenue Financial Projections (2001 Policy and Resource Planning Report 4.2.2) and allowing for construction and capital expenditure listed under the “Revenue” account.

From these calculations a significant a rise to over £80m in 2002/2003 is forecast (see table 5.2). Historically there have been delays in implementing projects in the public sector so it is possible that the peak may shift a year or two but the overall demand is not expected to diminish.

Table 5.2 – Projected States demand for construction services 2000-2005

		£m
States construction expenditure (actual) ⁷	2000	28
States construction expenditure (actual) ⁷	2001	55
States construction expenditure (projection estimate of 2002 values) ⁸	{2002	83
	2003 ⁸	82
	{2004 ⁸	60
	{2005 ⁸	60
	<u>Total</u>	<u>368m</u>

*A more detailed forecast is being compiled which is expected to show a similar pattern but with a greater rise expected over a 5-year period.

The figure of £368m is based on the States General Revenue Finance for actual capital expenditure 2000 and 2001 and estimates 2002-2005. Historically, the committees have not spent all their capital allocations within the expected financial year. However, with improved management, new procurement methods and an excess of demand for capital projects this may be a “lower” estimate.

The figure of £368m is considerably lower than estimates from some industry observers. Furthermore recent reviews of the likely cost of such major projects or the Energy from Waste plant and the schools programme suggest that the actual cost over the next 3 years will be much higher than is projected in this forecast. The potential “unmanaged” demand can be gauged from the 500+ projects in the list entitled “Details of Requests by States General Revenue Committees of Additional Capital Allocations for the period ending 31 December 2004” appended to the 2001 Policy and Resource Planning Report.

If these dramatic increases were to occur, they would plainly be beyond the present capacity of the construction industry and lead to spiralling inflationary pressures.

The high level of current uncertainty over the real future value of the public sector capital programme means that, whilst a substantial increase can be predicted the amount of the projected increase cannot. Planning to overcome future problems is therefore exceptionally difficult. Detailed and comprehensive plans need therefore to be put into place as a matter of urgency to deal with the problem.

⁷ Actual States Capital Expenditure 2000 multiplied by construction factor of 0.9 plus construction expenditure under revenue accounts.

⁸ Projected States Capital Expenditure 2001-2005 multiplied by construction factor of 0.9 plus construction expenditure under revenue accounts. Sources – 2001 Policy and Resource Planning Report 4.2.2 and Billet d’État XXIII – Wednesday 12 December 2001 Budget Report 2002

The current list of possible capital expenditure as contained in the annual Policy and Resource plans does not represent a realistic capital programme.

Accordingly, an accurate and comprehensive States capital works programme for at least the next three years, followed by a three year rolling capital works programme is an essential pre-requisite to any sensible resource planning exercise. This in turn would form a key part of an economic model of the industry.

5.3 The private sector

Some assessments of likely future private sector capital works have been generated on a confidential basis through industry sources, including contractors, contract managers and professional services. Latest trends, excluding domestic construction expenditure, based upon projects already announced as at the 20 of July 2001, appear to indicate that the volume of construction work is likely to show a sharp rise between 2000 and 2005 as shown in Table 5.3.

Table 5.3 Potential private sector construction demand (excluding domestic expenditure for the period 2000-2005

		<i>£m</i>
Estimated capital spend in year*	2000	56
	2001	126
	2002	266
	2003	287
	2004	199
	2005	156
	<i>Total</i>	<i>1090m</i>

Note: Figures for 2002 – 2005 at 2001 price levels.

**Estimates from the private sector*

These figures **exclude** recurrent private sector maintenance expenditure, or private domestic demand (house extensions and alterations etc), which is expected to continue to run at approximately £30m per annum as assessed in Section 2 of this Report.

5.4 Estimates of cumulative demand

Historically, the demand for construction is very cyclical with downturns following periods of rising demand. Such cycles are linked to economic cycles and economic confidence, with construction being at the leading edge of economic change.

Given the present economic climate on the Island, the growing demand for housing and an increased public sector capital spending programme, all the indications point to an increasing construction/civil engineering demand over the next 3 years. This includes many projects at the final stages of planning with full planning permission.

In considering the significance of the above figures, it must however be noted that private sector demand on the construction industry is dependent upon the strength of the economy as a whole, and especially upon continued economic growth. Although now unlikely, it is still possible that instability in world financial markets following the World Trade Centre tragedy could significantly reduce the demand for new building.

Given the above, it is therefore by no means certain that all of the above projects would proceed. Nevertheless using the projected public sector demand as a base and assuming that, as a lower limit, 30% of the private sector projects proceed, then it is possible to make some approximate estimates of the limits of the likely total construction demand as shown in Table 5.4.

Note that construction demand in 2001 has already been assessed at £139m (see Section 2) and it is therefore likely that future demand will exceed the lower limit, set out in table 5.4.

Table 5.4 Estimates of the likely lower and higher limits of total construction demand for the period 2001-2005 (at 2001 prices)⁹

		<i>Lower¹⁰ projection £m</i>	<i>Higher¹¹ projection £m</i>
Unaudited estimate	2001	123	212
Estimated total construction workload	2002	193	379
	2003	198	400
	2004	150	289
	2005	137	246
	Total	£801	£1526

While these figures are approximate, and are based on variable data, they reflect projects which have already been announced, and might be expected to provide some sort of guide to future demand levels at least for the next three years. Projections beyond this point are rather more variable in that no allowance is made for future projects (public or private sector) beyond those which have already been announced. The figures given for 2004 and 2005 are therefore particularly unreliable, and given a reasonable level of economic growth the annual totals may continue to rise after 2003.

However, on the basis of the above projections it can be expected that:

- **the demands on the construction industry in Guernsey are continuing to increase and may well double or even treble in size within three years.**
- **The necessary growth in the supply of construction services required to satisfy this rate of growth is unlikely to be achieved by the current process of supply and demand economics operating in the island.**
- **Under these circumstances inflationary pressures can be expected to further significantly increase construction cost and tender prices.**

These issues are considered further in the following sections of this report.

⁹ The projections are based on constant prices. If the average inflation cost of Guernsey construction continues the actual values in future years will be much greater.

¹⁰ (30% of estimated private sector demand, plus domestic construction expenditure and projected States capital and maintenance expenditure on construction projects.

¹¹ (100% of estimated private sector demand, plus domestic construction expenditure and projected States capital and maintenance expenditure on construction projects.

6. DEVELOPMENTS IN THE PROCUREMENT OF CONSTRUCTION WORK IN THE UNITED KINGDOM

6.1 Improving Value for Money

Some of the problems described in this report are peculiar to a small island economy where land is at a premium, where there is full employment and where a dominant industry (finance) is investing heavily. While these particular circumstances may create problems and demand solutions that are not readily found elsewhere, there have been major developments in the approach to procuring best value within construction which have been developed in the UK and elsewhere and from which the Island could benefit greatly.

A brief description of the developments within the United Kingdom is followed by an introduction to some of the benefits of alternative approaches to the traditional methods of procurement that have until now dominated the Guernsey construction scene particularly in the public sector.

Within the UK there has been a major shift in culture, attitude and procedures involved in the relationship between the construction industry and private or public sector clients. The key features of this change include:

- the adoption of a team approach in which client, contractor and professional services work together supported by objective measurement of performance.
- joint initiatives aimed at driving down cost, eliminating waste and improving value for money.

Specifically, the development of..

- **Partnering** – in which both costs and benefits are shared between client and contractor
- **Value Engineering** – whereby the expertise of the professional services together with the contractors and the clients seek to develop a best value solution.
- **Risk Management** – where the relative risks are apportioned to the person or organisation best able to manage and control them in the design and construction process.

There is no one system which is best for all circumstances, rather it is a case of selecting the most appropriate procurement method. Furthermore, there is a place for continuing to follow the tried and tested approach of design and submit to tender, particularly in lower value projects.

The choice of method will depend on the size and nature of the project.

The Board of Industry believes that in order to secure best value from future public sector projects, the States should develop an understanding of the various strategies mentioned above, adopt them when appropriate and provide the necessary resources to manage them.

For the construction industry in general and the States in particular, there will be tremendous advantages in adopting these new strategies. However, there are further critical steps that will need to be taken, which embrace:

- the notion of **whole life costing**;
- the tendering process and supporting contractual arrangements;
- the States approach to maintenance of the built estate; and
- the planning and approval process.

These issues are addressed in the following sections.

7. MANAGEMENT OF THE PUBLIC SECTOR BUILT ESTATE TENDERING AND PROCUREMENT PROCEDURES

7.1 Securing “best value” in public sector construction

7.1.1 The principle of whole life costing

The approach by the States to procuring and funding capital projects has, for many years, included the following features:

- (i) **Initial** capital costs have long been the main consideration.
- (ii) In contrast, little or no attention has been paid to the overall cost of operating and maintaining a building during its lifetime (heating, lighting, maintenance etc).
- (iii) The practice of concentrating on the short-term capital cost and ignoring potential long-term costs of a project are reinforced by the States’ approach to funding. Large capital projects have been funded from separate capital accounts, while periodic renewals and maintenance have been funded from general revenue.
- (iv) Although not compelled to do so by the States Tendering Procedures, in practice the lowest tender will always be chosen unless there are compelling reasons to the contrary.

The newer methods of construction procurement described in section 6 and which are delivering better value for money elsewhere, take a complete contrary review. Their starting point is the notion of whole life costing, i.e. tenders should be compared on the basis of **both** the initial cost of construction **and** an estimate of the likely running and maintenance cost over the lifetime over the building.

The unfortunate consequence of ignoring the concept of whole life costing is seen in the fact that significant parts of the Housing and Education estate, built in the 1960’s and 1970’s, are now well past the end of their useful life and require major expenditure.

The Board believes that there is a strong case for an urgent review of the States Tendering Procedures and the way in which construction projects are procured.

In particular, the Board believes the States should adopt a principle of whole life costing.

7.2 The Guernsey planning and approvals process

7.2.1 External perceptions of the planning process

There is a general understanding and acceptance throughout the industry of the need for a strict planning regime in Guernsey. In contrast, the process for approvals was perceived by a significant number of clients, professional service providers and contractors as being unclear and costly. Common complaints were:

Time – All the architects interviewed said that steering projects through the planning process was a very time consuming and expensive operation. Delays are perceived to add a significant, though presently un-quantified, hidden cost to construction projects.

Divided Responsibility – There is a general belief that the process becomes protracted because planning is effected by a number of completely autonomous committees (IDC, Heritage Committee, Public Thoroughfares Committee).

Given that the planning authorities and the private sector share similar a commitment to maintaining a high quality constructed environment in Guernsey, but that there is a belief on the part of the latter that the procedures employed add significantly to cost, the Board proposes that:

- (i) the IDC should pay particular regard to this issue in developing any new processes associated with the revision of the Island Development (Guernsey) Laws; and
- (ii) the IDC should give consideration to some means of working with private sector industry representatives to address these issues in order to reduce misunderstandings and ultimately eliminate costs associated within the planning process.

8. MANAGEMENT OF THE PUBLIC SECTOR BUILT ESTATE

8.1 Management of Existing Property

- A significant proportion of States annual expenditure is spent on maintaining and operating States property.
- Rational economic decisions about retaining, refurbishing or disposing of that property cannot be made unless information is available about the value of the properties and the cost of maintenance and repair.
- Despite the need for this information no attempt has been made to date to value States property and there is little or no formal attention paid to the capital and revenue implications of refurbishment or acquisition.

The inescapable conclusion is that the States is not securing best value for public money in its approach to maintaining States properties.

An examination of the approach to maintenance and estate management undertaken by the Education Council, the Board of Health, the Housing Authority and the Board of Administration underlined this conclusion. Although different approaches are taken by each committee in general, they all display the following features:

- Buildings which suffer from a serious lack of investment in maintenance and repair;
- A reactive rather than a proactive approach to many maintenance issues;
- No formal maintenance plans professionally prepared and approved by the committees concerned;
- Extremely limited resources devoted to the management of the built estate with major responsibility for technical issues typically falling on senior staff who are professionals in other disciplines;
- A continuing reliance on the States Tendering Process to acquire contractors, which is failing to work in the overheated construction economy.

The Board of Industry believes that a fundamental review of the approach taken by the States towards maintenance of the built estate and in particular the professional resources available to deliver the objectives should be undertaken as a joint exercise between the Board, the Advisory and Finance Committee and appropriate States committees.

8.2 Planning and Managing the States Capital Programme

States expenditure on its annual construction programme represents:

- a substantial proportion of the local construction industry workload.
- a major investment of public funds.
- the means by which the infrastructure required by the community (schools, hospitals, roads, etc) is provided.

Given these facts, the States might be expected to have in place:

- a robust system for considering together public sector capital projects and prioritising them in the best interests of the community.
- a clear and detailed 3-year capital rolling programme which is made available to the industry and adhered to; and
- a means of forecasting the impact of States decisions on the construction industry at any point in time.

Regrettably, none of the measures currently in place fulfil the important requirements set out above.

8.3 Prioritisation

There is currently no effective mechanism for objectively prioritising projects. Rather, autonomous general revenue committees enjoy the freedom to promote projects on a “first come, first served” process. While the enthusiasm and commitment of individual committees in devising projects which fulfil their particular mandate is fully understood and appreciated, the resulting fragmented approach does not ensure that those projects which take place are those which deliver best value for the community.

8.4 **Absence of a capital programme**

Various references are made to the “States Capital Works Programme”. In reality, the closest the States comes to having a capital plan is the list of projects which committees state they wish to undertake and which is appended to the annual Policy Planning Report.

Such a list is not a programme, it is an indication of projects that may, and in many cases may not, take place. Even when a committee has been granted an allocation, in over half the cases the project does not proceed within the stated timescale.

If the States is to carry through its public commitments and if it expects to work with the construction industry to deliver best value, then a defined corporate forward programme of capital works is required as a matter of urgency.

8.5 **Measuring the impact of the States Capital Programme on the construction industry**

While any attempt to manage activity within the private sector is fraught with difficulties, the one area where the States can influence the outcome of events is by planning the timing of States projects.

Left to its own devices the construction industry is cyclical following closely the fortunes of the economy. In times of peak economic activity the private sector is buoyant and invests heavily in construction work. During recession, investment reduces dramatically and with it the industry workload.

The States is well placed to adopt a “counter-cyclical” investment policy whereby investment occurs at a time when construction needs a boost and tender prices are reducing. With this approach, excellent value for money is achieved for the taxpayer and surplus resources in labour and capital are used in the economy at a time when there is excess capacity.

The success of such an approach depends upon a clear understanding on the part of the States of the implications of investing at different points in the economic cycle. Accordingly the Board believes that it should work with the Advisory and Finance Committee to develop a model which will provide

- (i) a measure of the demand in the Island for construction works over a 3-5 year period in both the public and the private sectors.
- (ii) a measure of the ongoing capacity of the Island’s industry to meet the construction demand.
- (iii) a measure of the labour requirement for the industry at present and future construction levels.
- (iv) an indication of the Island’s limitations in land, labour, capital, equipment.
- (v) a measure of the local economic impact of the construction industry and the States Capital Works Programme on the economy.
- (vi) a measure of both a building cost index and a tender price index.

Whether the Island can afford to develop and maintain a model sophisticated enough to deliver all these objectives is a matter for further investigation by the Board of Industry and Advisory and Finance Committee.

8.6 Turning the States into a desirable client

The States is not perceived by the construction industry to be a desirable client. Its approach to tendering is seen as time consuming, bureaucratic, costly and uncertain with the involvement of a number of committees complicating many of the projects. In contrast, when working for the private sector the industry enjoys the privilege of dealing with single customers who know what they want and are able to make rapid decisions.

In conditions of high, well-financed private sector demand, the consequences for the States are that:

- (i) it can be difficult to find contractors willing to carry out work necessary to support vital public services;
- (ii) **the States tendering process becomes unworkable since the States is, in effect, competing with the private sector for contractor services rather than contractors competing with each other to work for the States;**
- (iii) the cost associated with practices, procedures and systems operated by the States in conditions of high private sector demand can be very high.

Against this background the Board believes that there needs to be an urgent and intensive review of the States Tendering Procedures and the whole approach to procurement. This will include examining which of the modern procurement processes, such as partnering, would lend themselves to delivering best value on some of the larger capital projects. Furthermore, steps should be taken to ensure that the States becomes a “best practice” construction client.

In making these statements the Board wishes to underline that traditional procurement methods based on seeking a number of tenders for a pre-designed project will continue to have their place, particularly in relation to smaller projects of, say, under £1 million.

9. ADDRESSING THE COST ISSUES IN THE CONSTRUCTION INDUSTRY

Having examined ways in which the States might radically change its approach to construction – in order to secure better value for public money – this section examines briefly the scope for tackling underlying issues which add to costs within the construction industry. There are no easy and quick answers. Rather this section draws out from the research potential opportunities for working with the industry to reduce costs in the long term.

9.1 Culture risk and industry working practices

A surprising conclusion of the UK construction industry reviews (Latham and Egan)¹² was that **the culture within the industry as much as the infrastructure and physical resources was responsible for high costs and low customer satisfaction.**

They concluded that unless there was a significant change in attitudes to embrace a “right first time” attitude and an urge to maximise efficiency and value for money, the industry’s delivery would remain below customer expectations. Guernsey’s construction industry is faced with similar issues.

¹² Latham M Sir (1994) *Constructing the Team HMSO*
Egan J Sir (1999) *Rethinking Construction DETR*

As the construction process, the scale of activities, and the expectations of clients are changing significantly, the traditional working practices can no longer deliver best value. If costs are to be driven down and the value to clients improved, then new attitudes and cultural changes alongside new contractual relationships will need to be forged.

Changing any culture is a long, complex and involved process. The Board believes that it will need to explore with the industry the best strategy to achieve the benefits that are beginning to be enjoyed elsewhere. In particular it intends to examine the lessons learned internationally from approaches involving investment by the whole construction team, i.e. client, professional services and contractor, which have produced considerable cost savings and enhanced the value of the whole process.

9.2 The Cost and Supply of Labour in Guernsey

Current labour costs within Guernsey are a product of:

- Strong and growing demand for construction labour.
- A severe shortage of local construction labour across virtually all sectors in the industry.
- Full employment.
- Predictions that the value of construction work is likely to increase from £139 million per annum in 2000 to approaching £390 million by 2003.

A number of options present themselves, none of which will be easy to achieve.

The first is to do nothing and to allow market forces to reign within the existing labour immigration restrictions. This will mean that the ability of the industry to deliver the proposed building programme with its resident workforce will be limited and an increase in labour costs, and therefore inflationary pressures on buildings costs, can be expected.

Encouraging the use of modern construction methods can reduce the labour input and improve productivity by using:

- Steel-framed buildings (large projects)
- Timber-framed buildings (small to medium projects)
- Increased mechanisation
- Integrated site developments
- Dry lining in lieu of wet trades

Unfortunately in Guernsey the increased use of timber frames and the use of prefabricated modular buildings could be severely constrained by the difficulties of transporting long or wide loads on the Island's roads.

The third option is to import temporary workers. A cautious estimate of an increase in construction activity to £185 million a year will potentially require between 440 and 500 additional workers. However, if the industry expands to £390 million per year, some 2,000-2,300 additional workers might be required.

The Board believes that it will need to work with the industry, the Housing Authority and others to examine this key issue further.

9.3 **Skills Productivity and Management of Labour**

Improving the way in which teams of workers are supervised and managed, enhancing the skills of the existing workforce and encouraging new entries at school leaver level are all issues identified by the review as justifying action.

The Board intends to explore the scope for a corporative initiative involving the Guernsey Building Trades Employers' Association, the Education Council and the Training Agency.

9.4 **The Price of Local Materials and Competition Issues**

A key finding of the review, and presented in detail in Section 2, is that local construction materials are significantly more expensive than elsewhere in the British Isles. In part this is due to the fact that we are a small island. There are additional freight costs and areas for storing bulky items such as sand and timber are at a premium.

Furthermore, there are limited opportunities for economies of scale because:

- The local market is too small to sustain a number of larger firms;
- such a small market limits the opportunities for economies of scale from bulk buying; and
- achieving economies of scale, and at the same time increasing competition, can be in conflict in a limited island market.

A good example of how increasing competition could, in the long term, jeopardise the local market is found in concrete production. A significant fixed capital investment is required in land and in equipment which has a capacity far greater than the average local demand.

If a further company was to set up in concrete production, competition might initially drive down prices but, as the market would be split between two suppliers and economies of scale reduced, operating costs would increase. In those circumstances the long-term viability of both operations would be jeopardised.

Opportunities to buy direct from mainland suppliers for large projects are sometimes offset by the fact that local suppliers set prices very close to the total cost that would be involved in importing materials directly.

Whether the growth in the construction market will lead for increased economies of scale and competition, or to direct imports for major projects, is largely a matter for the construction industry. However, while the Board does not believe that the States can realistically interfere in this process, it may in future be able to sequence public sector projects, e.g. the Airport, followed by the Royal Court, followed by the Energy from Waste Plant, to negotiate a more competitive price or source an alternative supplier wishing to establish a local concrete hatching plant for the duration of these contracts.

Another approach could be to insist on an "open book" with a monopoly supplier. Ultimately if monopoly supply costs continue to rise some form of regulator may be required.

9.5 Managing private sector construction

It has been suggested that some of the problems currently facing the Guernsey construction industry could be managed by limiting private sector demand. There are several approaches which have historically been used in various parts of the world, including:

- Licences and permits to build
- Controls on capital expenditure
- Planning restrictions
- Control of land sale and purchase
- Supply of construction materials
- Legal control of undertaking (as the Jersey model)

Construction activity does not exist in isolation – it is part of the economy as a whole. Construction is a service industry providing facilities for others to carry on their business. Experience elsewhere shows that if artificial controls are imposed to constrain business development then there is a significant risk that the client's business will simply relocate.

Furthermore in Guernsey a substantial part of the private sector workload is devoted to the construction of new housing – precisely to the area where the States is encouraging further development.

Attempts in Jersey to impose controls on the private sector have been abandoned as a specific economic target because it was not possible to control private practice with financial caps without seriously damaging the economy.

As a matter principle the Board believes that the States should interfere as little as possible with the commercial world and accordingly does not recommend the management of demand in the private sector as a practical or economic solution to supply/demand balances within construction.

10 EXECUTIVE SUMMARY

10.1 Defining the problem

10.1.1 The high cost of construction

- Construction costs on Guernsey excluding the cost of land are on average 47% more expensive than in mainland Britain and 26% compared to Jersey;
- Individual projects are up to 125% more expensive than comparable mainland projects;
- The Tender Price Index (which measures what clients actually pay) has risen by 43% over the last 4 years and continues to rise.

10.1.2 The high cost of building materials

- Guernsey appears to be one of the most expensive locations within the British Isles for a range of building materials. The most expensive materials are ready-mixed concrete which is 98% more expensive than the UK and bar reinforcement which shows an increase of 70%.

10.1.3 Labour and skills shortage

- Labour and skills shortages are the main constraint on the construction industry.
- Increases in labour costs are a significant factor in inflationary pressures on building costs.
- The current resident labour force of between 2,500 and 3,000 workers will be unable to meet the demands of the forecast building programme over the next 3 years.

10.1.4 Capacity and demand

- Currently the annual capacity of the Guernsey construction industry is estimated to be in the region of £139m worth of work each year.
- A conservative estimate of the public sector demand over the next 4 years is £285m (although recent reviews of the likely costs of major projects such as the Airport and the Energy from Waste plant suggest that the cost of the programme will be significantly more than anticipated).
- A conservative estimate of private sector demand during the same 4-year period is £454m (50% of potential demand).
- Adding the sum of £30m per annum of expenditure on recurrent domestic market work (maintenance etc) and it will be seen that the potential demand between 2002 and 2005 amounts to £859m. This is nearly double the current capacity of the industry.
- In the absence of significant change the ambitions of the private sector and the demands of the public sector will not be met.

10.1.5 The competitive environment in the construction industry

- Opportunities to improve the competitive environment within which the construction industry operates in Guernsey are restricted by:
 - (i) the size of the market;
 - (ii) the resources available;
 - (iii) the need for local knowledge; and
 - (iv) an unregulated monopoly in the local supply of concrete and bitumen of which the States is a major customer.
- The Island's housing regulations impose constraints on market forces that would not be encountered in larger territories; and
- The constraints that exist on competition within the Island's construction market can be expected to significantly increase both construction costs and tender prices.

10.2 The role of the States

10.2.1 Increasing Capital Programme

- There is a backlog of requests for capital projects from the States with requests for capital allocations having risen from some £89m in 1997 to over £300m in 2001;

- Demand for public projects is growing at the same time as rising construction costs. As a consequence it is highly unlikely that the States will be able to fund all of the desired programme from within existing financial resources and fiscal policies.

10.2.2 The States is not the client of choice

- The States of Guernsey is not generally perceived to be a desirable client. In conditions of high, well-financed private sector demands the consequences for the States are that:
 - (i) it could be difficult to find contractors willing to carry out the work necessary to support vital public services;
 - (ii) the States Tendering Procedures become unworkable since the States is, in effect, competing with the private sector for contractor services rather than contractors competing with each other to work for the States.
- The costs associated with the practices, procedures and systems that are operated by the States in conditions of high private sector demand can be very high;
- The traditional tendering practices preferred by the States no longer reflect best practice within the industry, particularly in relation to larger projects where in the private sector and in the UK public sector newer procurement methods such as “partnering” have been adopted.

10.2.3 The States property portfolio is poorly managed

- Overall management of the States existing property holdings is generally poor. Maintenance is variable in quality and sporadic in performance
- Maintenance costs are a drain on general revenue but if contained would allow resources to be released for capital investment;
- There is no comprehensive strategic property plan or condition survey or evaluation of the existing built estate. Furthermore, the professional resources within States departments to effectively manage property are extremely limited.

10.2.4 The States has no capital programme or objective system of prioritising capital expenditure

- Projects are approved by the States on an individual basis and there is no visible corporate capital programme which the States can debate as part of the policy planning process;
- The absence of any mechanism designed to assess the relative merits of major capital projects and their timing leads to a lack of corporate and strategic control by the States. This in turn incurs both strategic costs and opportunity costs, i.e. projects which are of the greatest long-term benefit to the Island may not be selected under the current somewhat haphazard system;
- There is no clear “ownership” on the part of States committees of the cost of projects and therefore no clear incentive to achieve best value.

10.2.5 There is no means of assessing the impact of the States capital programme on the economy and the construction industry

- Any attempt by the States to influence the economy and the fortunes of the construction industry by the timing of its own capital projects is likely to fail unless it has the ability to:
 - measure the capacity of the construction industry;
 - forecast demand levels;
 - assess the impact of public sector programmes; and
 - calculate the requirement for labour and other economic resources.

11. AGENDA FOR CHANGE

The prime purpose of this report has not been to offer detailed solutions to the problems that the Island faces, but rather alert the States and the community to the rapidly changing fortunes of the construction industry and its impact on the economy.

Against a background of acceptance by the States of the need to address urgently the issues described in this letter, it is recommended that the Advisory and Finance Committee and the Board of Industry:

- undertake a detailed assessment of the issues raised in this letter and the consultants' reports;
- determine the order of priority in which issues should be tackled;
- identify the parties involved in the process;
- prepare a timetable for delivery of the objectives.

Listed below are some of the actions which the Board believes merit further review:

1. Creating a system of prioritisation which will enable projects to be considered on a strategic and corporate basis rather than as individual developments;
2. The development of a 3-year capital rolling programme which will be debated by members of the States as part of an annual capital prioritisation process;
3. Adopting a new approach which provides committees with clear ownership of "cost" as a basis for delivering best value;
4. Recognition that the construction industry is an important strategic component of the Island's economy and that reference to it should be included in future Policy and Resource Planning Reports;
5. Developing a clear measure of supply and demand in the construction sector and the influence of States capital investment through the preparation of a tailored, cost-effective economic model;
6. Undertaking a thorough review of the States Tendering Procedures and the traditional approach to procurement with a view to adopting, where appropriate, some of the new approaches to large-scale developments such as partnering;
7. Devising a programme of action which will ensure that the States becomes a best practice construction client;

8. Addressing the supply constraints with the Housing Authority and the issue of land for builders' operations and labour accommodation with the IDC;
9. Adopting the principle of "whole life costing" for all States capital projects to ensure an emphasis on maximising value for money over the anticipated life of a building rather than achieving lowest initial capital cost;
10. Reviewing States approach to managing its property portfolio and in particular to prepare a strategic property plan together with condition surveys and a valuation of the existing estate;
11. Exploring the scope for using strategic supply chains for construction materials for which the States are major consumers;
12. Continuing dialogue with the industry to promote growth and sustainability of construction. In particular to:
 - explore how the image of the industry, particularly as a career choice for school leavers, might be improved;
 - examine the issues which affect the establishment of specialist subcontract businesses on the Island (an area where there is a great shortfall);
 - review opportunities for smaller to medium sized construction companies to form long-term strategic links with larger off-island organisations; and
 - to determine how best to address the training issues that have been identified.

RECOMMENDATIONS

The Board of Industry recommends the States to:

1. note the contents of this report and to agree that the key issues identified in relation to the cost of construction and the States capital and maintenance programme should be addressed as a matter of priority.
2. charge the Board of Industry and the Advisory and Finance Committee with joint responsibility for developing and implementing an agenda for change and reporting back to the States where necessary.
3. direct the Board of Industry to develop appropriate cost effective mechanisms for measuring supply and demand in the construction sector as a basis for forward planning.
4. direct the Advisory and Finance Committee to devise a system of prioritisation for future capital projects which addresses the concerns raised in this report and enables projects to be considered on a strategic and corporate basis.

I should be grateful if you would place this matter before the States together with appropriate propositions.

Yours faithfully,

JOHN ROPER,

President,

States Board of Industry.

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

21st March, 2002.

Dear Sir,

The Construction Industry and the States Capital Spending Programme

I refer to the policy letter dated 14 March 2002 from the President of the Board of Industry on the above subject.

The Committee is very pleased to see this report, and it would like to congratulate the Board of Industry, and its Working Party which included Members of the Estates Sub-Committee, for highlighting the stark realities which face the island in terms of the capacity of the construction industry, and the States Public Expenditure Programme.

The submission of the report is indeed most timely. The States agenda this month also contains important proposals from several States Committees which involve major public investment in construction projects relating to the maintenance and development of the island's essential infrastructure.

A major theme of the 2001 Policy and Resource Planning Report, which will be progressed further in this year's Report, is the need for the States to prioritise their spending programmes on a corporate basis. The Board of Industry's policy letter brings even more focus onto this vital need. The current activity of the construction industry is around £130 million per year. Lower estimates for the required expansion of the industry stand at around £198 million by the year 2003, whereas it could be as high as £400 million. The implications for the economy in terms of further increased building costs and the need to enable the immigration of up to 2,000 additional workers in the industry are severe.

The Report highlights the dramatically escalating costs of building in Guernsey, by comparison to the UK, the Isle of Man and Jersey, and it explains that if the States do not take active steps, in regard to the planning and management of public construction programmes, there are grave risks that the local construction industry will not be able to deliver the island's essential infrastructure projects within a reasonable timeframe and containable cost.

The construction programme in both the public and private sectors is set to expand further as the island's economy remains buoyant. The Committee accepts that it would be both inappropriate and extremely difficult to attempt to intervene in the implementation of private sector developments. However, the Committee believes that the States should take the lead in this matter and focus on the issues which are under their direct control, relating to the public expenditure programme.

There is clearly much that the States can do in order to improve the value for money aspects of the public sector construction programme. Initiatives may include a radical review of the States Tendering Procedures and traditional approach to procurement, adoption of the principle of "whole life costing" for projects, a review of whether professional fees calculated on a percentage basis

remain appropriate, and a review of the approach taken towards maintenance of the built estate. Of paramount importance however is the urgent need to develop a corporate public expenditure programme based on the States declared strategic objectives and priorities.

The Committee believes the issues raised in the report from the Board of Industry to be of fundamental significance to the ability of the States to continue to implement their social/economic/environmental policies.

The Committee strongly endorses the report and encourages the States to acknowledge its implications and to support its recommendations.

Yours faithfully,

L. C. MORGAN,

President,

States Advisory and Finance Committee.

The States are asked to decide:—

XI.—Whether, after consideration of the Report dated the 19th March, 2002, of the States Board of Industry, they are of opinion:—

1. To note the contents of that Report and to agree that the key issues identified in relation to the cost of construction and the States capital and maintenance programme shall be addressed as a matter of priority.
2. To charge the States Board of Industry and the States Advisory and Finance Committee with joint responsibility for developing and implementing an agenda for change and reporting back to the States where necessary.
3. To direct the States Board of Industry to develop appropriate cost effective mechanisms for measuring supply and demand in the construction sector as a basis for forward planning.
4. To direct the States Advisory and Finance Committee to devise a system of prioritisation for future capital projects which addresses the concerns raised in that Report and enables projects to be considered on a strategic and corporate basis.

STATES AGRICULTURE AND COUNTRYSIDE BOARD**REVIEW OF CULL CATTLE COMPENSATION**

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

15th March, 2002.

Dear Sir,

REVIEW OF CULL CATTLE COMPENSATION.Introduction

In March 1996 the United Kingdom imposed a number of restriction on the slaughter of cattle for human consumption following new research on BSE and the risks to the human population.

The ban excluded animals over the age of 30 months of age from being slaughter for meat and this effectively ended the export of cull Guernsey cattle to UK slaughter houses. There is only a limited market for Guernsey meat in the Island and in any event, the ban on the slaughter of animals over 30 months of age was also introduced in the Island.

Following the ban, the States approved a scheme to assist farmers who were faced with the loss of a significant outlet for cull cattle that would previously have been sold for human consumption. The States agreed that farmers should receive financial support as follows:

- a) payment by the States of the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter; and
- b) payment by the States of compensation of £150 in addition to the slaughtering and disposal costs for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to 20 March 1996.

The Board undertook to report to the States each year on the future need for the compensation scheme and in addition assured the States that it would report back immediately if there were any developments in respect of BSE that would lead it to recommend that the scheme should be substantially altered or discontinued.

The Board apologises for the fact that it did not report back to the States before the end of 2001, unfortunately the matter was overlooked amid the work that was necessary to maintain the import restrictions that were put in place in response to the outbreak of foot and mouth disease in the United Kingdom.

It should be noted that this compensation scheme is separate from the compensation scheme for cattle that are slaughtered because they show clinical signs of BSE. Compensation of £600 is paid for such animals and they do not also qualify for compensation under the cull cattle scheme.

International Developments

The European Union has agreed that trade in UK animals and beef can resume under very strict rules that are intended to guarantee that such animals come from BSE-free herds and that meat comes from animals from such herds.

There are no Guernsey herds that currently could meet the requirements for trade and the ban on the slaughter of animals over 30 months of age for human consumption remains in place.

Disposal of Guernsey Cull Cattle

In 1999 a total of 608, cull cattle were disposed of by incineration, 607 in 2000 and 497 in 2001.

Reported Incidence of BSE in Guernsey.

BSE cases in Guernsey have occurred as follows:

1987	4	1995	44
1988	34	1996	36
1989	52	1997	44
1990	83	1998	24
1991	75	1999	11
1992	92	2000	11
1993	115	2001	2
1994	69		

There have been no reported cases to date in 2002 and the trend over the last 14 months has been very encouraging.

Implications for Agriculture in Guernsey.

At the present time there remains no market for Guernsey cull cows off the Island and only animals less than 30 months of age may be slaughtered for human consumption on the Island. Local farmers are still faced with the prospect of having to dispose of surplus animals from which they might otherwise have derived some income.

The Board therefore recommends that the States

- a) continue to meet the cost of the slaughter and disposal of cull cattle; and
- b) continue to pay compensation of £150 per carcass for animals that would have been considered fit for human consumption prior to 20 March 1996.

Duration of the Compensation Scheme

The operation of the scheme has become a routine aspect of Board work and its annual budget. Having discussed the matter with the States Treasury, it proposes that the States agree that from 2003 onwards, it make an annual provision in its budget for slaughter and disposal of cull cattle and for compensation payments for such animals.

The annual provision for this scheme need only be dealt with through the normal policy planning and annual budget submission processes.

This does not mean that the scheme will continue indefinitely and the Board, undertakes to report to the States immediately in the event of any major developments in respect of BSE which suggest that the compensation scheme should be modified or discontinued.

Resource Implications

There are no staffing implications for continuing to operate the compensation scheme and financial provision for compensation and the disposal of carcasses has been made in the Board's budget for 2002.

Recommendations

The Board recommends the States to:—

- a) continue to meet the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter,
- b) continue to pay compensation of £150, in addition to the slaughtering and disposal costs, for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to 20 March 1996,
- c) confirm the provision in the Board's 2002 budget for cull cattle compensation payments and for the cost of slaughtering and disposing of such cattle,
- d) agree that the Board should make an annual provision for cull cattle compensation payments and slaughter costs in its budget submission from 2003 onwards,
- e) agree that the cost of the compensation should continue to be categorised as formula-led in the budget of the Agricultural and Countryside Board; and
- f) direct the Board to report to the States on the operation of the cull cattle compensation scheme without delay if developments in respect of BSE mean that it should be substantially altered or discontinued.

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

Yours faithfully

P. J. ROFFEY,

President,
States Agriculture and Countryside Board.

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

The States are asked to decide:–

XII.–Whether, after consideration of the Report dated the 15th March, 2002, of the States Agriculture and Countryside Board, they are of opinion:–

1. To continue to meet the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter.
2. To continue to pay compensation of £150, in addition to the slaughtering and disposal costs, for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to the 20th March, 1996.
3. To confirm the provision in the States Agriculture and Countryside Board's 2002 budget for cull cattle compensation payments and for the cost of slaughtering and disposing of such cattle.
4. That the States Agriculture and Countryside Board shall make an annual provision for cull cattle compensation payments and slaughter costs in its budget submission from 2003 onwards.
5. That the cost of the compensation shall continue to be categorised as formula-led in the budget of the States Agriculture and Countryside Board.
6. To direct the States Agriculture and Countryside Board to report to the States on the operation of the cull cattle compensation scheme without delay if developments in respect of BSE mean that it should be substantially altered or discontinued.

ORDINANCE LAID BEFORE THE STATES

**THE ZIMBABWE (EXPORT OF GOODS & FREEZING OF FUNDS)
(GUERNSEY) ORDINANCE, 2002**

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 Zimbabwe (Export of Goods & Freezing of Funds) (Guernsey) Ordinance, 2002”, made by the States Legislation Committee on the 18th March, 2002.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

THE SOCIAL INSURANCE (DUTIES OF APPOINTEES) REGULATIONS, 2002

In pursuance of the provisions of section 117 of the Social Insurance (Guernsey) Law, 1978, as amended, I lay before you herewith the Social Insurance (Duties of Appointees) Regulations, 2002, made by the Guernsey Social Security Authority on the 13th March, 2002

EXPLANATORY NOTE

These regulations detail the duties of persons appointed to receive benefit on another’s behalf, prescribe penalties for failure to fulfil those duties and allow the Authority to recover misappropriated benefit as a civil debt.

THE ATTENDANCE ALLOWANCE (DUTIES OF APPOINTEES) REGULATIONS, 2002

In pursuance of the provisions of section 24 of the Attendance and Invalid Care Allowances (Guernsey) Law, 1984, as amended, I lay before you herewith the Attendance Allowance (Duties of Appointees) Regulations, 2002, made by the Guernsey Social Security Authority on the 13th March, 2002.

EXPLANATORY NOTE

These regulations detail the duties of persons appointed to receive benefit on another’s behalf, prescribe penalties for failure to fulfil those duties and allow the Authority to recover misappropriated benefit as a civil debt.

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

The Royal Court House,
Guernsey.
The 5th April, 2002.

APPENDIX I

STATES EDUCATION COUNCIL

THE LADIES' COLLEGE: ANNUAL REPORT 2000-2001

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

6th March, 2002.

Dear Sir,

The Ladies' College: Annual Report 2000-2001

The Principal of the Ladies' College has requested that I forward to you her Annual Report for the academic year 2000-2001. I should be grateful if you will arrange for this to be published as an Appendix in the Billet d'État.

Yours faithfully,

M. A. OZANNE,

President,
States Education Council.

Principal's Report to the States of Guernsey 2000 – 2001

This year has seen the implementation of the new post-16 curriculum with all its implications for the management and teaching of the new AS level courses. The partnership with Elizabeth College has been essential in this regard and the two colleges have taken thither steps to strengthen their working relationship with each other during this year. The college has also seen a marked increase in the number of applications for girls to enter Melrose and the senior school at 11+. Year 7 this year had 66 pupils and 24% of the total number of girls in the island sat the College Entrance Test in March. Of these, 71 accepted places for September 2001.

Examinations Destinations and Curriculum

This year saw the introduction of the new structure of examinations for Sixth Form students. The Upper Sixth was the last group entered for the old A levels and achieved very good results. There was a 98.5% pass rate with 80.6% of these being at grades A to C. 26.1% of the passes were at A grade standard. Kirsty Nicolle achieved four A grade passes and Laura Chilton, Victoria Manning, Harriet Allez and Judith Bottomley achieved three A grade passes. Judith Bottomley was awarded the Rothschild Bicentenary Award for an outstanding record of achievement during her time at the Ladies' College.

The Lower Sixth were the pioneers of the new AS level examinations. Most students chose to study four subjects at AS. The scores that they gained at the end of the first year were encouraging and will be added to their scores in their final year of study to produce an overall grade. It was decided not to cash in (convert scores to grades) any AS results at the end of the first year. The introduction of the new courses and new examinations has not been easy. The administration of many examinations has been very complex and the significant increase in the number of examinations sat by each student has inevitably increased the pressures on students and staff alike. The Sixth Form partnership with Elizabeth College has been a source of strength and has undoubtedly enabled the colleges to offer a far wider range of courses than either college could do alone.

At GCSE there was a 100% pass rate at grades A* to G with 99.2% pass rate at Grades A* to C. 61.9% of GCSE passes were at grades A* or A. Michelle Le Cheminant achieved ten A* passes and nine other girls achieved ten passes at either A* or A grade.

The National Curriculum Key Stage 3 test results were even better than last year. Twelve girls achieved level 8 in Mathematics and twenty-three girls achieved level 8 in English. It is not possible to enter girls for level 8 in Science because there is insufficient time for the girls to cover the additional work that is required at this level. Twenty-nine girls achieved level 7 in Science. This is the highest level available to them at this stage.

The National Curriculum Key Stage 2 results at Melrose were also better than ever. Out of twenty three pupils, seventeen achieved level 5 in Mathematics, nineteen achieved level 5 in English and twenty two achieved level 5 in Science. A full list of the destinations of the Upper Sixth leavers is attached. Judith Bottomley gained a place at Emmanuel College, Cambridge to read French and German. Annabel Mahy gained a place at Birmingham University to study Medicine. About half of this year group has decided to take a gap year before going to University which is an unusually high proportion.

Changes to the Board of Governors

The elections to the States in May brought about two changes to the Board of Governors. Deputy Jonathan Le Tocq and Bruce Riley were nominated to act as the Education Council's representatives on the Board in place of Deputy John Roper and Peter Bachmann.

Changes of Staff

Several new staff joined the Ladies' College in September 2000. Mrs Hargreaves, Head of English, Mrs Grand, Director of Music, Mr Grant, Principal Teacher of Biology, Miss Tillotson, Principal Teacher of Design and Technology, Mrs Devine, Teacher of French and German, Miss Tracey, Teacher of English and Drama and Mr Gorill, temporary Teacher of Drama. At Christmas, Miss Tracey and Mr Gorill returned to England and Mr Slingo, Head of Economics and Business Studies moved to Elizabeth College. In January, Mr Cornelius and Mrs Tucker arrived to take over responsibility for all the Drama and some English teaching. Mr Adams came for two terms to teach Business Studies and to share the teaching of Economics with Mrs Niven, currently part-time, who took over the responsibility of Head of the Economics department.

In Melrose, Miss Beaton joined the staff as class teacher for Year 6 and Miss Wilkins took up a one-year appointment as maternity cover for Mrs Joyce, the class teacher of Year 5. Mrs Blin-Bolt took up a part-time post as teacher of French to the infant classes. In the non-teaching staff, Mrs Wood succeeded Mrs Teed as my Personal Assistant and Mrs Le Cras joined the staff as ICT, Technology and Reprographics Technician. Mrs Wilson, Mrs Wilkinson, Mrs Swain and Mrs Blondel were appointed as our catering staff in the new Canteen. At Easter, the Assistant Caretaker, Mr Morgan, retired and was succeeded by Mr Coates.

Resources and Buildings

A major re-organisation took place this year with the conversion of the Art studio into a Chemistry laboratory and the enlargement of the Darwin Biology laboratory to accommodate up to twenty students. The former Chemistry laboratory behind Melrose was converted into an Art studio. A large mobile classroom was installed in the grounds to provide a new Music teaching room and the former small Music hut converted to an AS Sixth Form Art studio. Two small Music rooms were created for individual Music lessons by putting partitions into an outlying Music room beside the swimming pool. The former Cookery hut was converted into a Design & Technology studio with facilities for both Graphics and Textiles and for work with resistant materials. The Caretaker's room was converted into a catering kitchen to provide hot lunches for both students and staff. These alterations are the only means by which the college can attempt to meet the present deficiencies in specialist facilities. They are, however, merely short-term expedients and the college is now dependent on eleven temporary huts. The Outline Development Plan, which the college has prepared, has been submitted to the Education Council. We hope that it will not be long before permanent purpose-built facilities can be provided to meet our curriculum needs.

ICT has been an area of major development. During the autumn term we were connected to the Guernsey Grid for Learning and gained internet access. During the course of the year, radio links have extended the school network to the Technology studio and the Art studio. Computers have been upgraded and some departments are making significant use of ICT as a teaching resource. We have tried to work closely with the Education Council in the implementation of the ICT strategy and are keen to work in co-operation with other schools in this initiative.

Highlights of the Year

This has been a very successful year in sport with some girls achieving outstanding success. Elena Johnson was selected for the England Under 18 squad in Badminton and Naveen Rahman for the Junior British Fencing team. Clare Chapple was the South West Regional Champion in the Optimist Dinghy Sailing class and Leanna Bichard represented Guernsey in Bowls. Nine girls were members of the Guernsey Island Games team and many others play regularly for Island and Channel Island teams.

The Duke of Edinburgh's Award Scheme continues to be popular and very well supported. Forty-two girls completed their Bronze Award, eighteen girls completed their Silver Award and seven girls completed their Gold Award. This brings to one hundred the Gold Awards achieved at the Ladies' College since Mrs Watts took over responsibility for the Awards Scheme at the school.

Fewer students than usual took part in Young Enterprise this year because of the pressure of a new AS curriculum but those who did participate did well and the awards for Sales Director, Finance Director and Personnel Director went to Ladies' College girls. Seventeen girls won awards in the Guernsey Press 'Design an Ad' Competition.

Music and Drama have continued to flourish in spite of the changes of staff and difficulties with accommodation experienced this year. There was a pantomime at Christmas on the modern theme of computers and an evening of Dance Drama performed by the Year 10 GCSE group. The Junior Drama Club put on a performance of 'Toad of Toad Hall' and the sixth formers took part in two productions at Elizabeth College. In Melrose there was an outstanding production of 'The Pied Piper of Hamelin' performed by the Juniors in addition to a delightful Christmas Nativity

Play by the Infants. In Music, there was a very enjoyable concert at the end of the Spring term and, as usual, a large number of girls play in the Channel Islands Youth Orchestra, the Guernsey Symphony Orchestra and other orchestras and instrumental groups. Several girls competed successfully in the Eisteddfod and the Hand Bell Team has featured on Channel Television at Christmas and, with the choir, participated in the Concert for Liberated Youth at St James in May.

Conclusions

This has been a year of considerable development and change. It has been a testing time for both students and staff and there could not be a greater proof of the high calibre of those who work here than the way that they have risen to the challenge. The commitment of the staff and the students has been excellent and the standard of achievement high but the college needs to be able to move forward with a major development if this quality of education is to be maintained.

Miss M E Macdonald,
Principal.

GCSE RESULTS – JUNE 2001

Subject	Total Entered	A*	A	B	C	D	E
Art	23	3	10	8	2	–	–
Biology	45	6	18	16	5	–	–
Chemistry	45	8	12	15	9	1	–
Drama	24	–	8	16	–	–	–
English	45	12	24	8	1	–	–
English Lit	45	7	15	21	2	–	–
French	64	30	21	11	2	–	–
Geography	24	15	8	–	1	–	–
German	17	12	4	1	–	–	–
History	32	11	11	6	3	1	–
Latin	7	–	2	3	1	1	–
Mathematics	45	11	18	14	2	–	–
Music	8	–	2	3	3	–	–
Physics	45	7	15	13	9	1	–
Religious Studies	3	2	–	1	–	–	–
TOTAL		124	168	136	40	4	

A-LEVEL RESULTS – JUNE 2001

Subject	Total Entered	A	B	C	D	E	N	U
Art	9	3	2	–	1	3	–	–
Biology	16	2	3	7	3	–	1	–
Business Studies	13	2	1	5	2	3	–	–
Chemistry	8	4	2	2	–	–	–	–
Economics	2	1	1	–	–	–	–	–
English Lit	11	1	3	5	2	–	–	–
French	9	5	2	2	–	–	–	–
Further Maths	2	1	1	–	–	–	–	–
Geography	8	3	4	–	1	–	–	–
German	7	2	4	1	–	–	–	–
Graphics	3	–	2	1	–	–	–	–
History	10	6	1	2	–	–	–	1
Latin	1	–	1	–	–	–	–	–
Mathematics	12	2	4	1	3	2	–	–
Physics	12	2	4	5	1	–	–	–
Religious Studies	3	–	3	–	–	–	–	–
Theatre Studies	8	1	1	4	2	–	–	–
TOTALS	134	35	39	35	15	8	1	1

KEY STAGE 3 RESULTS**MAY 2001**

Subject	TOTAL	Level 5	Level 6	Level 7	Level 8	Leavers
SCIENCE	56 girls	4	22	29	0	1
MATHEMATICS	56 girls	0	7	36	12	1
ENGLISH	56 girls	1	20	11	23	1

KEY STAGE 2 RESULTS**MAY 2001**

Subject	TOTAL	Level 3	Level 4	Level 5	Absent
SCIENCE	24 girls	0	1	22	1
MATHEMATICS	24 girls	0	6	17	1
ENGLISH	24 girls	0	4	19	1

**Destination of Sixth Form Leavers – July 2001
As at Autumn 2001**

NAME	INSTITUTION	COURSE
HARRIET ALLEZ	London School of Economics and Political Science	B.A. (Hons.) History
GEMMA BARNARD	GAP Applying for Entry 2002	Travelling with Inter-rail
KATHRYN BISHOP	University of Wales – Aberystwyth Deferred Entry 2002	MPhys (Hons.) Physics with Planetary and Space Physics
SARAH BISHOP	University of Reading Deferred Entry 2002	B.Sc. (Hons.) Zoology
JUDITH BOTTOMLEY	Emmanuel College, University of Cambridge	B.A. (Hons.) Modern and Medieval Languages
KATIE BOWRING	University of Bath	B.Sc. (Hons.) Applied Biology
TRACEY BUTTON	University of Bath	B.Sc. (Hons.) Mathematics and Computing

GEMMA CALDWELL	Oxford Media & Business School	Advanced Diploma in Marketing Communications
LAURA CHILTON	University of Sussex	B.A. (Hons.) Geography with French
CLAUDINE FALLA	University of Plymouth	B.Sc. (Hons.) Marine Biology and Coastal Ecology
SARAH GEALL	Oxford Brookes University	B.A. (Hons.) Early Childhood Studies and Educational Studies
KERRY GLANFLELD	University of the West of England, Bristol	Foundation Course in Art & Design
LUCINDA GOSSELIN	GAP – Applying for Entry 2002 – (Interior Design)	Employment - Falla Associates International
JACQUELINE GUILLE	Employment	Police Cadet with local Police Force.
CARLA HEAUME	Employment	Accountancy – Deloitte & Touche
CLARE HODDER	GAP – Applying for Entry 2002 – (International Marketing)	Travelling
MARGARET KEEN	University of Exeter	B.A. (Hons.) Psychology
LUCY KIRBY	University of Plymouth	B.A. (Hons.) Fine Art Contextual Practice
LAURA KOWENICKI	St. Aidan's College, University of Durham – Deferred Entry 2002	B.A. (Hons.) Modern European Languages
GINETTE LANYON	GAP – Applying for Entry 2002 – (Medicine)	Travelling with P.G.L.
CAROLINE LEGGE	Oxford Brookes University	B.A. (Hons.) German Studies
ALEXANDRA LESLIE	GAP – Applying for Entry 2002 – (Chemistry and Policy)	Employment – Radio Guernsey
ANNABEL MARY	University of Birmingham	MBChB Medicine
VICTORIA MANNING	Kings College, London – Deferred Entry 2002	B.Sc. (Hons.) Biomedical Science
HELINA MATHEWS	GAP – Applying for Entry 2002	

JOANNE MCMINN	University of the West of England, Bristol – Deferred Entry 2002	B.A. (Hons.) Drama and English
ANNA MITCHINSON	Royal Holloway University – Deferred Entry 2002	B.A. (Hons.) Geography
ASTRID MITCHISON	GAP – Applying for Entry 2002	Travelling in Europe
VICTORIA MONKHOUSE	University of Surrey	B.Sc. (Hons.) Management & Tourism
KIRSTY NICOLLE	University of Bristol	LLB (Hons.) Law
ADELE OZANNE	University of Bath	B.Sc.(Hons.) Economics and International Development
CLAIRE OZANNE	GAP – Applying for Entry 2002 – (Philosophy/ Theology)	Working in Africa with Right Hand Trust
NAVEEN RAHMAN	St. Mary's College, University of Durham – Deferred Entry 2002	B.A. (Hons.) Modern European Languages. GAP Year – Travelling
HEATHER REDDALL	University of Portsmouth	B.A. (Hons.) Architecture
VANESSA ROBERT	Currently Seeking Employment.	
ALEXA ROWE	London School of Economics and Political Science Deferred Entry 2002	B.Sc. (Hons.) Government and History
KATHERINE STROTHER	University of Warwick	B.A. (Hons.) Psychology and Philosophy.
LAI-YIN TANG	University of Manchester	B.A (Hons.) Accounting
HELEN WALTON	St. Aidan's College, University of Durham	B.Sc. (Hons.) Natural Sciences
ZOE WARD	University College, Northampton – Deferred Entry 2002	B.A. (Hons.) Sociology
NATALIE WARR	GAP – Applying for Entry 2002	
REBECCA WIGHTMAN	Queen Mary & Westfield College, London	B.A. (Hons.) Journalism and Contemporary History
EMMA WILCOCKSON	GAP – Applying for Entry 2002 (Sport Science)	Undertaking 3-month Personal Fitness Trainers Course Trowbridge. U.K.
ALISON YOUNG	GAP – Applying for Entry 2002	Inter-railing though Europe

APPENDIX II

STATES OVERSEAS AID COMMITTEE

ANNUAL REPORT 2001

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

26th February, 2002.

Dear Sir,

In accordance with Resolution XIII of the States of 28 February 1980, I enclose the report of the States Overseas Aid Committee for 2001 for publication as an appendix in a Billet d'État.

Yours faithfully,

E. W. WALTERS,

President,
States Overseas Aid Committee.

States Overseas Aid Committee – Annual Report

In accordance with Resolution XIII on Billet d'État III 1980

The Committee's budget for contributions to development aid overseas in 2001 was £918,000 plus the sum of £370 taken from the Committee's savings. In addition, two refunds were received in the total sum of £44,944.69, one in respect of a 1999 project which had not been able to be implemented and the other in respect of a 2001 grant for which the agency concerned subsequently informed the Committee that funding had been received from another donor. Thus the total sum available for expenditure was £1,063,314.69, and the total contribution to aid overseas was £1,062,373. This was used to fund the following types of projects: Agriculture/Fisheries, Education and Training, Health, and Integrated Development.

In February the Committee, with the approval of the Advisory and Finance Committee, provided a grant of £100,000 to the Disasters Emergency Committee's India Earthquake Appeal, following the devastating effects of a major earthquake in the State of Gujarat.

Projects Supported – 2001

Agriculture/Fisheries

BURKINA FASO

Tearfund

Ox-Loan Programme and Agricultural Improvement, Tangaye Area

£15,318

To provide 50 extended families (approx. 1,000 people) in the Tangaye area with oxen and equipment for ploughing, to increase their food production by 75% where rainfall has been adequate. The use of this appropriate technology will improve soil fertility through utilising animal manure, reduce the burden of work on families, especially women, and improve food security. These benefits will be extended to other families through the revolving sale of oxen at intervals of three years. The revolving element entails each family being given two young animals and after using them for three years, the family commit themselves to sell them and to purchase three younger ones in their place. Two remain with the original family and the other is repaid. This process is then repeated. Beneficiaries are trained to care for the animals, which are regularly vaccinated by government agents and given supplementary feed to ensure adequate strength during the time for ploughing.

CAMBODIA

Partners for Development

Integrated -Community Pig Raising Package, Kratie and Stung Treng Provinces

£24,500

To improve food security in six selected villages in northeast Cambodia, an area with tremendous needs and a notable lack of development assistance compared to the northwest or southern part of the country, through: the construction of community pig houses and all related accessories; populating the units with 6 high genetic quality breeding sows and one boar; providing pig husbandry extension training in the six villages; training a village animal health worker for each village, and introducing high nutritive value forage/legumes into participating villages. In the first year approximately 400 families will benefit from the availability of genetically superior piglets – some 5,000 people – and an increasing number of families in the targeted villages and surrounding communities in subsequent years.

ETHIOPIA**Tearfund****Canal Regeneration and Food Security, Matala and Gadala, Wolaitta Area****£25,000**

To regenerate a canal which runs through Matala and Gadala communities in Wolaitta, Ethiopia, (about 150 km SW of Addis Ababa). This will provide a water source to enable local farmers to irrigate their land. The local people will be encouraged to recognise the canal's water as their own. Through irrigation of their land the 2019 people (in 350 households) will be able to respond to the desperate food needs by producing their own food from the land during the dry season. The canal will be regenerated during the 1st year of a 5 year project. The remainder of the project will focus on establishing sustainable farming methods that provide food security. The project will provide seeds, fruit trees and other agricultural inputs, for the first two years, to enable the families to begin growing crops that are best suited to their land. The project will also be an example of the benefits of community-based projects to other people in the area. Funding will enable the initial regeneration of the canal and the costs for one year of the agricultural inputs that will allow the community to prepare for a harvest next year.

HAITI**HelpAge International****Income Generation for Older People through Pig Rearing, Blokauss-Larevoir****£19,919**

To help 100 older people in Blokauss-Larevoir to increase their income and quality of life, and that of their families, through involvement in a pig-rearing scheme. The income they earn from selling piglets will help them to meet their basic needs. Older people will receive technical training in animal care and two local people will be trained as community vets in order to assist them with any problems in the future.

NICARAGUA**CAFOD****Small Farmers Agricultural Development, Esteli Province, North-West Nicaragua****£7,171**

To address the problem of food insecurity amongst 300 poor farmers and their families (around 2,100 people in total) in communities in Esteli Province, North-West Nicaragua, where the land is relatively arid and unproductive for many crops. The project aims to introduce dry-land rice – a crop that is well suited to the environmental conditions. The project will work with small farmers' local committees to provide seeds, relevant agricultural training and advice to enable the farmers to start up dry-land rice cultivation. The project will also purchase a de-husking machine to enable the farmers to process the rice for their own consumption and for sale in local markets. A seed bank will be established with the aim of enabling the cultivation of dry-land rice to continue in the future.

RWANDA

Tearfund

Food Security and Rural Development, Dioceses of Butare, Cyangugu, Kigeme and Shyogwe, Southern Rwanda £25,020

To promote sustainable management of the land and animal resources, to improve soil fertility, develop alternative forms of income, and ultimately achieve lasting food security in the Dioceses of Butare, Cyangugu, Kigeme and Shyogwe. The work will be focussed on benefiting approximately 36,000 people who are dependent on agriculture in this mountainous region in Southern Rwanda. Funding will provide a number of inputs that will help the community develop initiatives to achieve this. These inputs will include: drought-resistant crops, animals, fertiliser, veterinary drugs, agro-forestry seed beds, woodlots and training in terracing, water retention techniques, the use of drought-resistant crops, use of fertilisers, manure production, agro forestry and environment management. This land-management programme will be part of a wider rural development programme aimed at providing stability, reconciliation and peace through community-led economic improvement at the grass roots level.

SUDAN

SOS SAHEL International (UK)

Agricultural Extension and Training Support, the Beja People, Khor Arba'at Delta, Red Sea State £1,075

Further to the Committee's funding in 2000 to enable farmers in the Red Sea State, Sudan, to more fully realise the agricultural and environmental potential of the Khor Arba'at Delta through managing the distribution of annual flood waters by constructing simple earth embankments, Phase 2 of the project is to improve farming practice; to raise environmental awareness; to diversify crop production through agricultural extension and training. Phase 2, therefore, will focus on consolidating project achievements and further improve farming practice in the area. This will be achieved by providing various relevant courses to Beja farmers in the area, training for farmers' committees including gender-awareness training, and training in fund raising.

Education

ANGOLA

Trocaire

Health and Skills Training Programme, Luanda £8,870

To provide technical skills and employment for needy young people in the shanty town of Hojiya-Henda located on the outskirts of Luanda, by training 36 people as laboratory technicians and 20 people in carpentry. Two additional classrooms will be completed for use by the laboratory technicians to increase the capacity of the organisation, but may double up for use in carpentry training as required. The training for the laboratory technicians is for 3 years, plus a 6-months' internship in one of the clinics or hospitals in Luanda. The laboratory technicians are able to gain employment by providing services in community clinics and private institutions. The carpentry course will be 2 years long for each trainee. Equipment such as electric drill, saws, planes and other equipment will be provided for the carpentry course, plus an initial supply of wood, nails, glue, varnish etc.

ETHIOPIA

Church of God: Eastern Africa Region

Harvest Church Non-Formal Basic Education Addis Ababa

£15,000

To increase access to the quality of basic education in Woreda 2 (District) Addis Ababa, a very populated and destitute area without basic sanitation and a scarcity of safe drinking water, through a non-formal basic education programme. The aim is to provide for some 100 destitute marginalised and vulnerable children (ie doubling the present capacity) to be given a chance of education, thus working towards alleviating the problem of street children and to provide basic social and economic infrastructure, which will enable them to have access to basic health, education services, and other human necessities. Funding is for the provision of such items as text books, exercise books, desks, food supplementary, clothing/shoes, and salary costs of 4 additional teachers.

KENYA

ChildHope

Residential Centre for Female Street Children, Maragua District

£14,424

To provide educational and other assistance to female street children and their families living in the shanty towns of Nairobi. Childhope's partner organisation Pendekezo Letu runs an innovative project for approximately 80 street girls per year (aged 6-12 years). The project helps to incorporate girls into formal schools, following a 6 month intensive education course at their residential centre, 70km from Nairobi, whilst supporting their families with business training, loan provision and relocation to their original rural villages, where desired. The girls' siblings are also assisted to return to school. The aim is to strengthen the schools where the girls are placed through the provision of computers donated through another NGO. The project's legal worker defends street children who have pleaded non-guilty to crimes at the Juvenile Court. Funding is for the provision of the shipping costs of the computers, staff expenses, centre running expenses, counselling/street work and advocacy expenses, formal education, family support expenses etc. Some 80 street girls per year will benefit, plus 160 indirect beneficiaries and approximately 50 siblings, around 290 in total.

Voluntary Service Overseas (VSO)

Special Needs Education Project Nationwide

£11,550

To enable disabled children who are prevented from attending primary school to do so, in particular through improving the facilities at 30 Special Needs Units attached to schools. VSO recognises the vital contribution that basic education, including literacy, life skills and vocational training, can make to improve the lives and livelihoods of children and young people with disabilities. To increase opportunities for these young people, VSO has developed a project to strengthen institutions throughout Kenya that are responsible for: special needs education (ie Special Needs Units attached to some mainstream primary schools); the assessment and referral of children with disabilities (ie The Educational Assessment Resource Service and Centres) and campaigning on behalf of people with disabilities (ie National Disability Associations). Up to 600 children in 30 schools are likely to benefit directly from attending Special Needs Units; in addition, through community outreach work, it is anticipated that several thousand more children with disabilities will be reached. Funding is to enable the 30 Special Needs Units to be upgraded and for the purchase of equipment such as prosthetics, wheelchairs and callipers.

LESOTHO

Masitise High School

Provision of Text Books Equipment Etc. Masitise High School Quthing District **£50**

To provide carriage costs for a consignment of text books, stationery and sports equipment to Masitise High School, a mixed secondary school situated in Quthing District. The school currently has 600 pupils and a link with the High School and Gap Year students from the Ladies College, Guernsey, has existed for over 5 years. The general standard of English is low, text books have to be shared and there is a lack of decent teaching aids. The aim is to provide the School with text books, better equipment and teaching aids in order to facilitate the study of English.

MALI

World Vision UK

Mothers Club Support Segou District **£20,690**

To provide an educational facility to improve the standard of living of single mothers in Segou District who are school drop outs and who desperately require education and increased income to provide for themselves and their pre-school children. Mali is one of the poorest nations. Specifically, funding is required to complete the building of a multi-purpose education centre, which will include a pre-school section and adult skills/educational centre. The centre will enable pre-school children to be prepared for primary education and, in addition, will provide single mothers with skills training to include basic literacy and numeracy; primary health care; income-generation skills such as crop production for marketing; tie dyeing; basket-making etc. These self-improvement activities will increase revenue and confidence.

MONGOLIA

Save the Children Fund (UK)

Provision of Mobile "Ger" Kindergartens Bayanhonkhor, Bayan Ulgi and Dornod Provinces **£7,680**

To increase the number of children from poor families who have access to preschool education (3-8 years) by providing 4 specially designed and equipped mobile 'ger' kindergartens to poor and/or remote communities in Bayanhonkhor, Bayan Ulgi and Dornod Provinces. The ger kindergartens serve as regular kindergarten from September to April and are moved by cart to remote soums (villages) from April to provide basic education to herders' children. The ger and teacher will move with the herders' families. After classes, the ger kindergarten is often used for non-formal education classes or community activities. The ger will benefit 200 children and their families each year.

NIGERIA

Reform Corporation

Rural Educational Development Project, Rivers State **£3,150**

To enhance educational development in Nigeria, in particular long-term rural educational development, through providing assistance towards the shipper's costs and handling charges for a container of books, computers and educational materials bound for Port Harcourt University, Rivers State, where the project is based. The aims of the project include: to establish an adult resource centre; to encourage and support skills development; to provide means for sustainable human development, in particular to the disadvantaged target group of the University's strong adult education population from the immediate community, and from rural areas where there is a significant nomadic population. The adult resource centre will provide literacy, numeracy and animal husbandry courses etc. The University is committed to free education at this level.

SOMALIA

Africa Educational Trust

Somali Education Incentive for Girls and Young Men (SEIGYM) Phase II **Somaliland and Puntland**

£24,890

To provide educational and vocational opportunities to a lost generation of disadvantaged young people in Somalia who missed out on basic education as a result of the civil war and are now excluded from school because they are above school age. SEIGYM Phase II aims to develop the skills and capacity of local community groups, community organisation, skilled craftsmen and women in Somaliland and Puntland to provide non-formal education and vocational training to these disadvantaged girls and young men, to benefit 1,700 students per year. The project will provide educational vouchers (fees, books and materials) to enable them to undertake vocational and educational courses, which they feel, would benefit them most. To enhance the quality and effectiveness of non-formal skills training the project will develop the skills and capacity of local community organisations and community groups to increase the range of Somali language supplementary reading material for basic readers. Titles, which will include interesting stories, healthcare, AIDS awareness and the environment will be written and published locally and distributed to literacy classes across Northern Somalia.

ZAMBIA

Voluntary Service Overseas (VSO)

Zambia Open Community Schools Project, Lusaka

£15,000

The overall aim of the projects to build community schools and provide education for underprivileged Zambian children. In particular, funding is for the provision of the costs in year 2 of materials to complete the building and equipping of 3 much needed new schools, plus wells and latrines, at Chibolya, Kabwe and Chilenje, to enable over 300 disadvantaged children to obtain an education which they would otherwise be unable to afford. Community schools comprise an informal education system that is emerging as a response by communities to the limited access to and high cost of the formal (government) education system. Their focus is principally basic primary education and the schools target underprivileged children: orphans, girls and children with special learning needs who cannot afford Government schools. Community schools are staffed by local volunteers, many of whom have no previous teaching experience. During the last few years, communities have formed into organisations to establish, operate and co-ordinate community schools. Four of these organisations have requested support from VSO in order to increase their capacity to provide better quality and sustainable education through 10 community schools to some 1,600 pupils.

Emergency Disaster Relief

INDIA

Disasters Emergency Committee

Donation to India Earthquake Appeal

£100,000

To enable the twelve British aid agencies participating in the Disasters Emergency Committee's India Earthquake Appeal to provide emergency relief to the earthquake-stricken State of Gujarat, following the catastrophic effects of the worst earthquake to hit India in half a century. The funds will assist to provide immediate essentials such as food, clean water, tents, blankets, medicines etc.

Health

ANGOLA

Oxfam

Clean Water and Sanitation Programme, Cubal Municipality, Benguela Province

£24,000

To support the internally-displaced people who have fled conflict in more volatile areas of the country, the majority of whom have settled and made permanent homes around the town of Cubal, Benguela Province, with very poor access to services. Oxfam will work with community members to construct water points and latrines, to improve social organisation and to undertake health education with the overall objective of improving health. Funding is for the costs of masons and skilled labourers for the construction or improvement of some 30 water points and the construction of some 800 latrines to benefit approximately 14,500 people, and around 4,000 of these with improved sanitation.

BANGLADESH

The Leprosy Mission

Motorcycles and Bicycles for Leprosy Control Programme, Gaibandha/Jaypurhat

£4,450

To purchase three motorcycles and seven bicycles for the paramedical workers in the Leprosy Control Programme, Gaibandha/Jaypurhat. These motorcycles/bicycles will give greater and more effective cover of the rural areas where access is difficult for jeeps.

BENIN

PLAN International UK

Potable Water, Lab District

£22,500

To provide Kuivonhoue Village, Lab District, with a complete community water system including six water points. Water Management Committees have been formed and will be trained in hygiene and sanitation and water system management. Water-borne diseases and poor sanitation lead to poor health amongst the population, and contribute to Benin's high infant mortality rate. In Labo District, the rural population has to travel far to access water that is often unsafe to drink. This lack of safe drinking water is one factor driving many people to leave the community in search of a better life in the urban centres, thus eroding community cohesion. Some 2,500 people will benefit from the project.

BHUTAN**The Leprosy Mission****Footwear for Leprosy Patients, Gidakom****£2,350**

To provide 225 pairs of canvas shoes and 75 pairs of sandals to leprosy patients in Gidakom, as part of The Leprosy Mission's Prevention of Disability programme in Bhutan which is aimed at identifying and assisting those leprosy patients in need of protective footwear. Feet desensitised by leprosy risk chronic injury and deformity.

CAMEROON**PLAN International UK****Potable Water, Far North Province****£24,637**

To provide clean drinking water for 1,072 in the communities of Agzawaya, Kassa Wara and Mogogne Harde in the Far North Province, the poorest in Cameroon. The extreme shortage of potable water contributes to poor health in the communities as they have little choice but to drink dirty and contaminated water, leading to illness and death. Typhoid, diarrhoea and intestinal worms, diseases that are related to the shortage and impurity of water, are prevalent in this region where infant mortality is also extremely high.

DEMOCRATIC REPUBLIC OF CONGO**Oxfam****Kinshasa Clean Water and Health Programme, Ndjili Kilambo Slum Area, Kinshasa** £24,986

To reduce the incidence of water-borne diseases for 15,000 vulnerable people, such as street children and women-headed families, in Ndjili Kilambo slum area of Kinshasa, by providing clean drinking water and training people in basic health and hygiene. The project will construct 15 wells, rehabilitate one spring and install locally appropriate water distribution equipment. Local groups will be formed and trained in maintaining water points so that the water system can last into the future. The specific aims of the project for the people of Ndjili Kilambo are to achieve: a 20% reduction in water-related illnesses, such as cholera and diarrhoea; a reduction in the time spent on the daily task of water collection, from an average of 4 hours a day to less than 30 minutes. The task of water collection is usually the responsibility of women and children and the time taken by this task seriously reduces the capacity of women to earn additional income and for children to attend school.

EAST TIMOR**Just World Partners****Re-Instating Health Care Services, Kovalima Manufahi and Ainaro Districts****£12,407**

Further to the Committee's funding in 2000 for refrigerators for medicine storage in respect of this project, to further support the primary and acute health services in the priority Districts of Kovalima, Manufahi and Ainaro, East Timor, severely affected by the instability and genocide during the latter part of 1999. In conjunction with Timor Aid, the project will provide medical kits for the mobile clinics, and in addition to training costs of village level nurses and nurse aids in treatment, disease prevention education methods and health management. It is estimated that the total number of beneficiaries will be between 7,000 to 10,000 in the first three months.

ETHIOPIA

ORBIS Charitable Trust

North Omo Regional Eye Care Project, Southern Nations Nationalities and Peoples Region

£17,604

To build upon the success of the Committee's grant in 2000 to cover the cost of education materials for community health agents in the rural Gurage Zone, by expanding the project into the North Omo Zone. The aim is to train local personnel and to provide a sustained eye care service in North Omo. One of the key elements of this project will be in training local eye care workers and providing necessary medical equipment to combat the blinding condition of trachoma (a bacterial infection of the eye). This element of this rural project will therefore include: training of nurses and health assistants in trichiasis surgery; educating community health agents in primary eye care, trachoma prevention, treatment of active cases of trachoma and referral of patients to health centres; provision of medical supplies and equipment in combating trichiasis at the regional level. The project will directly benefit the 70,000 blind and visually impaired people in the North Omo Zone.

PLAN International UK

Hygiene and Sanitation, Lalibela Town, Lalibela District

£24,000

To improve the poor sanitary conditions of Lalibela Town. In Lalibela Town household waste, including drainage from latrines and other wastewater, flows uncovered through side streets, as there is no sewage system in place. The major health problems in the town are communicable diseases due to poor environmental health conditions. This project will construct 12 four-room latrines in strategic locations throughout the town. This will improve the hygienic conditions in which people live and the cleanliness of the town, thus reducing incidences of disease and illness. Some 960 people will benefit from the project.

GAMBIA

Methodist Church, The Gambia

Repairs to Marakissa Clinic Ambulance, Marakissa

£625

To provide funds for the repair of the ambulance used for the medical work of the Methodist Church, The Gambia, centred on the Marakissa Clinic. The Clinic is situated at Marakissa, a village about 25 miles south of Banjul and 5 miles south of Brikama, the regional town. Clinic sessions are also carried out in 3 other villages (soon to be 4), up to 20 miles from Marakissa. The Clinic provides a primary health care service with an emphasis on antenatal, immunisation, and under-fives care. The vehicle is used for the transport of: patients in an emergency from any of the clinic sessions to Brikama or Banjul; patients from Marakissa to Brikama in an out-of-hours emergency; medical staff between village clinics outside of Marakissa, medical staff between Marakissa and Brikama.

GHANA

Matercare International

Operating Theatre Equipment for West African Birth Trauma Centre, Apam Cape Coast

£19,430

The overall aim is to develop a West African regional birth trauma centre at Apam on the Cape Coast, to provide comprehensive treatment, and rehabilitation for obstetric patients; training for doctors and nurses in fistula surgery and patient care, and research into the epidemiology of obstetric fistula in West Africa, with the object of reducing the high rates of maternal morbidity in the region. It is estimated that for every mother who dies, 30 more suffer long-term damage to their health, most commonly obstetric fistulae which occur as a consequence of neglected obstructed labour and frequently also from cultural practices eg female circumcision and Gisiri cuts. Because they are incontinent of urine and/or faeces they are treated as outcasts by their husbands, families and society, simply because they are wet, and offensive. They suffer pain, humiliation, and lifelong debility if not treated. It is estimated that, world-wide 500,000 - 1 million mothers are suffering the problem, mostly in Sub-Sahara, Africa. The tragedy is that most of this mortality and morbidity is preventable. Funding is for the provision of operating theatre equipment for the West African Birth Trauma Centre.

INDIA

Arpana Charitable Trust (UK)

Provision of Diagnostic Equipment, Arpana Hospital, Madhuban, Haryana

£26,560

The provision of diagnostic equipment to Arpana Hospital, Madhuban. Arpana has a three-tier health care system: (a) the 175-bedded Arpana Hospital/Referral Training Base has a catchment area of over 500 villages (Population approx. 900,000); (b) mobile clinics are conducted in 35 villages of Karnal District, Haryana; (c) an intensive primary health care and development programme in 35 villages of Karnal District, Haryana. The Referral Base Hospital is a recognised part of the overall health system in the area, with extensive training programmes for village workers, paramedics, hospital technicians etc. Although the equipment will be used at the Hospital, it will form an integral part of the overall health programme. The emphasis is on primary health care through an extensive outreach network to the outlying villages and target population. This is achieved through a combination of village midwives (Traditional Birth Attendants) and village health workers including child health guides. Their work is supervised by the mobile clinics which travel to every village in turn and when necessary refer villagers back to the Base Hospital. Without this diagnostic equipment the Hospital is unable to offer the next stage of care to these villagers. This causes inevitable hardship and distress, as any other facilities are some distance away and often unreliable. The aim of the project is to supply reliable diagnostic information without delay, in dealing with patients who come to the Hospital for treatment, particularly in acute emergencies when a quick decision leads to saving life. At present, laboratory and X-ray facilities are able to cope with everyday problems, but when there is a requirement for Ultrasound, or more sophisticated diagnosis, samples have to be sent to outside facilities, which is time consuming and distressing for patients, and not easily affordable, especially for needy patients from the rural areas. Thus the project aims to bring the benefits of Ultrasound and related equipment within the reach of disadvantaged rural people, at free or highly-subsidised rates, especially women and children, who do not have access to diagnostic facilities at present.

The Leprosy Mission

Mahindra Minibus for Health Education Team, Bankura Hospital, West Bengal

£8,310

To purchase a minibus to transport the Health Education Team based at Bankura Hospital, West Bengal. The mobile health unit plays an important role in awareness building, and health education through audio-visual aids, use of traditional media, and prints material. Its main aim is to encourage the early treatment of leprosy and so avoid the risk of disability and deformity.

KENYA

Cooper, Bryan & Marjorie – “Wishing for a Well” Appeal

Construction of Two Dams, Tseikura District

£11,000

The construction of a further two earth catchment dams, one each in the villages of Kamutukya and Kathaalani in the Tseikura District of N E Kenya, to serve the Akamba people, in this very arid and famine-stricken area.

MOZAMBIQUE

LEPRA (The British Leprosy Relief Association)

Strengthening Basic Leprosy and Tuberculosis Services, Northern Zambezia

£21,940

To provide reliable leprosy and tuberculosis services at health units in the Districts of Milange, Gurue, lie, Alto Molocue and Gile in Northern Zambezia which are not easily accessible. At present patients suspected of having either of these infectious diseases are obliged to travel long distances (up to 100kms or more) to the district health centre for confirmation of diagnosis and start of treatment and/or monitoring and continuing their treatment. The project will provide the five health workers responsible for these services with adequately powered motorbikes to make regular monthly visits to all outlying health posts (10-13) and village health groups (5-10). During these outreach visits new patients can be diagnosed and treated, existing patients with complications treated, ongoing treatment monitored through disability assessments, TB sputum samples collected and medicines resupplied.

NEPAL

Ryder-Cheshire Foundation

Medicines, Equipment etc for the Ryder-Cheshire Home, Jorpati, Kathmandu, Nepal

£1,160

To provide the cost of medicines, investigation, medical/physiotherapy equipment for the Ryder-Cheshire Home, Jorpati, Kathmandu. The Ryder-Cheshire Home is one of only a very few organisations in Nepal who are trying to assist people who are disabled as a result of accidents or illness and provides intensive physiotherapy and vocational training so that residents are able to return to the community. The home also has a number of long-term residents who are severely disabled. During 2000-2001, 52 short-term patients were successfully re-integrated into their respective communities, and 8 long-term residents.

SIERRA LEONE

ActionAid

HIV/AIDS Education for Returnees and Youths, Kambia and Bombali Northern Region

£24,956

The aims of the project are; to raise awareness of 6,000 returnees and community members (both young and old) in Kambia (Kambia – 4,000 and Kamakwie (Bombali 2,000) on HIV/AIDS and its impact on development; to create a sustainable skills base in Sierra Leone to support the use of the proven effective Stepping Stones approach to sexual behavioural change; to build the capacity of 20 members of local NGOs/community based organisations and Ministry of Health personnel to facilitate the Stepping Stones training programme and to replicate it in other communities within the district; and to document and share experiences with other agencies and institutions interested in similar programmes so as to increase the number of potential beneficiaries and therefore the impact of the project. The risk of HIV/AIDS in the country has been more threatening due to the civil war. A large number of women and girls were abducted and sexually abused by the fighting forces. The high illiteracy rate coupled with lack of skills and extreme poverty reinforced by conflict has forced many young girls to the streets where they indulge in prostitution, begging and sometimes resort to stealing. Lack of access to sex-education and reproductive health, limited knowledge on the existence and transmission of HIV/AIDS, strong religious beliefs and traditional ties are also some of the factors that contribute to the increase in HIV/AIDS in the country. Kambia and Bombali districts have been selected as project sites because of the high influx of returnees and ex-combatants. ActionAid Sierra Leone has adopted the Stepping Stones training package which emphasises building relationships skills, addressing gender issues and focuses on developing assertiveness to deal with real-life situations. A detailed training manual complemented by video, consisting of a number of short clips is used with specific sessions.

SUDAN

Save the Children Fund (UK)

Provision of Primary Health Services, El Kuma and El Sayah, North Darfur

£21,500

To expand Save the Children Fund's work in North Darfur over many years, by providing improved health facilities which will benefit 30,000 drought-affected people in two of the most needy areas, El Kuma and El Sayah. The project will support the construction of a primary health care unit, a revolving drug fund, the construction of 4 handpumps and the provision of training on hygiene, health and pump maintenance to community members. The project will be implemented in close consultation with the Ministry of Health, UNICEF and the two communities.

UGANDA

International Care and Relief

Improving and Maintaining a Domestic Water Supply for Rural Families, Rakai District

£18,275

To improve the health of 21,000 residents of Kooki and Kyotera villages in Rakai District and reduce the vulnerability of rural people to seasonal drought by providing access to clean, safe drinking water. These aims will be achieved by: constructing shallow wells/water pumps, protecting springs and erecting household rainwater tanks throughout Rakai District; developing the skills of local people to ensure that the water supply infrastructure remains in good working order; providing training in good hygienic practices to reduce ill-health. To ensure that rural communities have the skills to maintain their new water supply, 40 water-maintenance committees will be formed to supervise and manage the water-supply programme, and 80 'water caretakers' will be provided with the skills to maintain and repair their new water supply for their long-term future benefit.

Uganda Society for Disabled Children (USDC)

Physiotherapy Unit at Apac Hospital, Apac District

£15,865

To establish a properly equipped physiotherapy unit in Apac Hospital, Apac District and to make physiotherapy services more accessible and affordable to those children who need them most, as part of a comprehensive programme of Community Based Rehabilitation for children with disabilities in Apac District. The Programme includes raising awareness of disability on local radio and through many workshops, and providing corrective surgery at Apac District Government Hospital. Large number of children and adults with disabilities have started seeking rehabilitation services including physiotherapy – at Apac Hospital, especially children who have undergone corrective surgery. At present the Hospital (the main referral hospital) lacks a physiotherapy unit and any physiotherapy equipment. The overall goal is to deliver the rehabilitation services necessary to help such young people play an active role in their local communities. There are an estimated 37,000 with some form of disability in the District, about 11,000 of whom have a moderate or severe disability. This project will complement the provision of an Orthopaedic Workshop also provided to Apac Hospital at the same time under a separate application.

Uganda Society for Disabled Children (USDC)

Orthopaedic Workshop at Apac Hospital, Apac District

£14,598

To build and equip a workshop at the well-established Apac Hospital, Apac District. The incidence of poverty in Apac District is high and which currently lacks any capacity for the production and maintenance of rehabilitation aids and appliances (crutches, callipers, wheelchairs etc) which are essential for many disabled young people in their quest for schooling. This project therefore intends to build and equip a workshop for manufacturing such items at the Hospital. The aim is to make the service more accessible and affordable to disabled children and their parents. The nearest orthopaedic workshop is in neighbouring Gulu District, 150 km from Apac. Many families do not make the journey because they cannot afford to do so. There are an estimated 37,000 children in Apac District with some form of disability, about 11,000 of whom have a moderate or severe disability. The project work will include: construction of a small orthopaedic workshop, purchase and provision of the workshop tools and equipment, and training of some local artisans in production and maintenance of simple rehabilitation aids and appliances. The project will complement the provision of a Physiotherapy Unit also provided to Apac Hospital at the same time under a separate application.

ZAMBIA**United Nations Children's Fund (UNICEF)****Provision of Clean Water Supplies as Part of the Water, Sanitation and Hygiene Education Programme, Southern Province** **£25,694**

To provide clean water facilities for 30 villages benefiting around 8,000 people, in the rural Sinazongwe and Gwembe Districts, Southern Zambia, as part of a wider Water, Sanitation and Hygiene education programme in the area. Only a third of Zambian families have access to clean, safe water. Leaving two thirds of the population at risk of life-threatening diseases such as malaria, dysentery and diarrhoea. Children under the age of five are at most risk of death from these diseases. Provision of clean water facilities will improve their general health and increase the chances of survival of the children. The provision of water facilities is part of an integrated programme of tackling sanitation issues and hygiene behaviour, and fully involves the local communities in the construction and management of the programme.

ZIMBABWE**Elim International Missions****Provision of Four-Wheel Drive Ambulance, Elim Hospital, Nyanga District** **£19,984**

To provide a four-wheel drive ambulance to Elim Hospital, Nyanga District, to enable the Hospital to serve the population of Nyanga North, a rural people who live in the hilly catchment area of around 100 km from the Hospital. The ambulance will serve both as transport for patients, many of whom die on the way to the Hospital on wheel barrows and carts, and to bring in drugs and other supplies.

Integrated Development

INDIA**Christian Aid****Women's Rural Development, North Arcot, Tamil Nadu****£22,840**

To help low-caste dalit people (formerly 'Untouchables') and adivasis, or tribal people, in North Arcot, one of the poorest parts of Tamil Nadu and especially women from these groups, to secure their legitimate rights over land and re-establish traditional farming practices. The project will support women's sangams (village associations) which will run community-based savings and credit programmes to reduce dependence on money lenders and contribute to women's economic independence. The other project activities will include: training on organic farming, soil and water conservation techniques, land laws and cattle management; occupational training and basic formal education; awareness raising on land legislation and rights in feudal land-holding villages where their rights are suppressed by the caste system; running a co-operative tool-hire scheme; helping set up a sheep-breeding centre. Some 400500 women will benefit from the project.

Interlock 2000**Completion of Ansure Matrumandir Oni Model Farm Centre Konkan Maharashtra State****£25,000**

To promote an alternative development strategy that is geared to rural development by recreating sustainable local economies through a culture based Eco-tourism project. The project will enable the local population to benefit from resources and information, to produce alternatives to migrating to the urban slums, and provide opportunities for the return of the previously displaced. The Eco-tourism will provide an alternative income and ongoing funding for a Model Farm and Development Centre reaching out to 29 villages and benefiting approximately 20,000 people. In addition to such income, improved and alternative agriculture methods are being explored. Improved irrigation allows a four-fold increase in mangoes, cashews and bananas. Orders for mango grafts have been established with the Indian Government. The introduction of a horticulture nursery is proving to be very successful. A rose production unit is already an alternative employer. The introduction of solar power for the production of ice for the aquatic produce will bring in returns. Also new ideas from participating guests will foster long term involvement and sustainability.

International Childcare Trust**Vilpatti Village Project, Anna District, Tamil Nadu****£11,884**

Further to the Committee's previous funding of the project, including the initial grant in 1989 that established the Vilpatti Village Project, funding is for the renovation of the basic structures and the support of the activities of this well-established area resource – creche, school children, community clinic, outreach health programme, and family income generation. The Project extends deep into a desperately poor village and isolated hill tribe population totalling some 10,000 people, the majority of which are illiterate landless farms labourers. The Project has continued on a very limited budget. Despite income-generating programmes, it is confronting a serious funding problem. Funding, to include both capital and revenue items and some repairs and administration costs in respect of the above components of the Project, will return it to a sound financial position.

PLAN International UK

Post-Cyclone Rehabilitation, Ganjam and Pun Districts, Orissa State

£24,033

To support those most severely affected by the powerful cyclone which hit the northeast Indian State of Orissa in October 1999 which affected some 15 million people and killed over 10,000. The aim is to provide long-term rehabilitation to 100 villages, benefiting 5,000 families, approximately 50,000 people, in Ganjam and Pun Districts, Orissa State. The project will: provide support to 20 groups of coconut farmers in their efforts to restore the tree resources; support 100 villages with grain banks and food storage bins; assist 50 villages in the restoration of tree nurseries and community plantations; the provision of training for 500 community leaders in order to improve their ability to deal with, and prepare for, future disasters.

Sense International

Provision of the First Services for Deafblind Children in North India, Delhi, Haryana, Uttar Pradesh

£11,500

To support the National Association for the Blind (Delhi) (NAB) in adding a deafblind dimension to its work by creating a deafblind education unit in Delhi and an outreach programme for deafblind children in the surrounding Districts of Haryana and Uttar Pradesh, North India. The project will also strengthen the NAB's capacity to maintain these services in the long-term. The ultimate aim of the project is to improve the quality of life for some of the most disadvantaged children in India. It is estimated that there are more than 350,000 deafblind people in India. These are people who are both deaf and blind, but with the right education, rehabilitation and support are able to be full and active members of their families and communities. Until 1997 there was only one deafblind service in the whole country. As a result of Sense International's work since 1997 there are now 15 services in 8 different States, but there are still no services in the North India region. The National Association for the Blind (Delhi) is one of the most respected organisations working with disabled children in India.

KENYA

East and Southern Africa Volunteer Scheme

Makalia Water Initiative, Nakuru

£26,502

To provide 2 boreholes to a maximum depth of 120 metres, lined with uPVC casings and screens, together with pumps, generators and ancillary equipment. One borehole will be located at Kilo School and the other at Gujoga Farmers' Co-operative site, approximately 3 km apart, but drilling into two separate aquifers, to benefit over 8,000 people living in a semi-arid area of the Rift Valley.

International Widows and Orphans Welfare Society of Kenya

Development of Sustainable Livelihoods in Rural Areas

£6,100

To provide sea freight costs for a consignment of 400 bicycles, computers, sewing machines, typewriters, motor vehicle mechanical tools, plumbing tools, wheel chairs, hospital equipment (donated by the States Board of Health) and laboratory equipment to Kenya, principally for use at the Widows and Orphans Welfare Society of Kenya's Training Centre at Kisumu (the hospital equipment will form part of the Otonglo Health Project). Widows and Orphans will go through training in a range of skills and trades of their choice and on completion of training they will be loaned the tools to start their own businesses, and will pay a minimal amount to the Centre to enable others to be similarly trained. Bicycles, tools and computers will be used to support skill development amongst the disadvantaged section of the community, while the hospital equipment will enable the project to develop a primary health and acute care health programme thus increasing the access to health care for this target group. The school laboratory equipment will enable rural schools to provide quality education services with young people thus increasing their literacy level. The project aims generally to provide the means for sustainable human development, increased access to health care and an increase of the literacy level, which will result in poverty eradication amongst widows and orphans and the community at large.

LIBERIA

Concern Worldwide

Rehabilitation of Kunor Town Bridge, Montserrado County

£15,000

To contribute to the resettlement efforts of returnees in rural Western Liberia, and those who remained in the area during the civil war, through the re-construction of Kunor Town Bridge, Montserrado County, one of 14 to be re-constructed with the support of Concern Worldwide over the period 2001/2002, to enable communities to access markets and for goods and services to be able to access communities. The new bridge of Kunor Town will provide the following benefits: a revival of local market and the flow of goods and services in, out and within the project area; the rural economy will be stimulated; local communities will be able to trade and profit from excess agricultural production. Some 120 relatively isolated communities will benefit. There are between 100-1,000 people in each community. The population of the major settlements along the road on which Kunor Bridge lies is 17,042.

MALAWI

PLAN International UK

Health and Education Centre, Lilongwe

£21,876

To construct a multipurpose centre where the health and education needs of Mtandire's population can be met. Mtandire community is a squatter camp in Lilongwe District; its 30,000 inhabitants face a shortage of essential basic services such as electricity, health, education and community centres. The community lacks access to health services and vocational training for young people. This Health and Education Centre will provide a forum and a facility for valuable services such as health clinics, health education, pre-school classes, adult education, and life skills and vocational training for youths.

NEPAL

Richmond Fellowship International

Employment and Training Opportunities for Ex-Addicts through the Establishment of a Shop in Thamel, Kathmandu

£9,889

To provide recovering and ex-addicts in Kathmandu with the necessary skills and experience to be able to effectively compete in the job market once their rehabilitation is complete, through involving them in the production of candles to be sold locally. Beneficiaries will also have the opportunity to become involved in all aspects of running a small business including marketing, advertising, shop design, book-keeping, sales, pricing, development, banking, business planning and customer service. Where appropriate, a number of ex-addicts who have been unable to find employment will be able to apply for a short-term, full-time position managing the business. The project will benefit a minimum of 50 addicts a year on an on-going basis.

NICARAGUA

One World Action

Community-Based Agricultural and Health Programme, Department of Madriz **£12,743**

Following the devastation caused by Hurricane Mitch in October 1998 and the provision of immediate emergency relief, this project focuses on health, the environment and community organisation by building 40 fuel saving ovens, promoting soil conservation, strengthening the abilities of approximately 1,400 health volunteers, enabling the continuing replacement of wells and latrines destroyed by Hurricane Mitch and strengthening the ability of the organisation's members to effectively work together to confront the poverty which was exacerbated by the disaster. The number of beneficiaries will be around 3,500. The programme will also work with children and adults to promote the respect of their rights and will promote gender equality in the work of the organisation and in the personal lives of the people of Madriz.

PAKISTAN

ActionAid

Rehabilitation of Traditional (Kareiz) Water Systems, Tehsil Kah, **£24,385** **Balochistan Province**

To rehabilitate 11 traditional water systems (Kareiz) in 6 villages in Union Council Pidark, namely Sin Kalag, Gor Koop, Eastern Jamak, Western Jamak, Pidark and Daram Kol, to provide a clean source of drinking and irrigation water accessible to the local communities. The project will improve arid sustain the agricultural livelihoods of the people of Pidark in agriculture, which is dependent on the Kareiz water system. The Kareiz water system is a traditional method of bringing water to the surface. The project area is very mountainous and hence boring and drilling for water is impossible. The Kareiz system consists of a series of 8-12 wells at different levels on a mountain. They are located at distances of 200-250m apart and are connected by tunnels. People are very poor in Union Council Pidark and do not have access to basic facilities to lead a full and healthy life. The Kareiz water channels are used for drinking, bathing, washing, and irrigation of crops such as wheat, rice, barley, oat, cabbage, spinach, okra, dates, mangoes, guavas and lemons. These crops are the main sources of income for these communities. Many of the Kareiz are in need of renovation and the contamination level of this water is a serious problem. During the dry season the availability of water is seriously reduced, and as it has not rained in the area for over two years, many wells have dried up. This has led to the death of much of the communities' livestock and means women currently have to walk long distances to collect water. Funding is to rehabilitate the 11 Kareiz systems. Work will include the renovation and digging of 44 wells, preparing the floor of the wells to hold the water, and cleaning the 11 existing Kareiz. The project will benefit a total of 12,672 local farmers who will benefit from the improved irrigation and women who are the main collectors of water and their families. The project will also benefit people in surrounding areas.

PHILIPPINES

One World Action

Agricultural Production Support Project, Island of Negros

£11,404

Following the Committee's funding in 2000 to improve the health, food security and self-sufficiency of two communities on the Island of Negros by developing water supply and irrigation systems, this project will help 127 households in two communities (around 762 people) to obtain farming inputs such as rice seeds, fertilisers, tools, 18 cow and 2 bull buffaloes. Training and education will be provided to enable them to use them efficiently, so enabling the households to improve food security, become more self-sufficient, and thereby gain more control over their lives and livelihoods. Poverty remains a rural phenomenon in the Philippines where nearly 70% of the rural population remains below the poverty line and rural poverty represents two-thirds of the country's total. Following agrarian reform, some land has been redistributed more equitably but recipients are frequently too poor to purchase the necessary farming inputs and lack the skills to use sustainable farming technologies successfully. Consequently, they face problems of food security. They then obtain capital from local traders at exorbitant interest rates to purchase inputs and make good food shortfalls, and a cycle of dependency emerges as farmers borrow money, become indebted, and eventually may be forced to sell their land.

RWANDA

HelpAge International

Supporting Older People's Contributions to Poverty Reduction and Reconciliation, Kibungo and Umutara Prefectures

£25,000

To support the role of older people in Kibungo and Umutara Prefectures in rebuilding their communities that were affected by the genocide of 1994, through building the capacity of 100 local community groups (comprising over 2,000 older people), by providing, administering and managing loans to 100 small businesses in the first year. The project aims are: to develop community-based savings and credit schemes accessible to older people; to develop agricultural co-operatives for older people. This project will address the key problem facing older people, which in their inability to access credit and will build the capacity of community groups and intergroups and their local support structures.

SRI LANKA

Save the Children Fund (UK)

Production of Low Cost Materials for Children with Disabilities, Embilipitiya Region

£10,033

To help increase the inclusion of physically-impaired children in the community, as part of an integrated community-based rehabilitation programme for children with disabilities in the Embilipitiya Region, through: the training of communities in the production of low-cost mobility aids for children; the refurbishment of a community resource centre providing inclusive education to children with disabilities and physiotherapy training to parents of children with disabilities. The project will be implemented in full collaboration with the local authorities and with a local NGO partner skilled in the production of low-cost aids, and is expected to benefit over 300 children directly and many more children and community members indirectly. The physiotherapy sessions supported by the project benefit over 200 of these children per year.

TANZANIA

Concern Worldwide

Pawaga Mahenge Food Security Project, Iringa District

£24,720

To provide long-term sustainable irrigation and food security for 33,000 poor people in the Pawaga and Mahenge Divisions, Iringa District, in response to the identified problems of the community, through various activities. These activities include the following: the provision of a range of advice and services to 240 farmers, the further training of extension staff and village animators; the completion of the irrigation canal in Pawaga Division, which will irrigate a total area of 400 acres; the construction of 4 shallow wells, one each of 4 villages; the construction of bridge and 3 culverts in Mahenge to ensure all-year-round access to markets, directly benefiting some 2,500 people.

UGANDA

Kawuku Women's Group

Chilli Sauce Production Project, Gaba Parish, Kampala District

£1,393

To improve the general social and economic situation of the poor women in Kawuku Village, Gaba Parish, by enabling them to grow the essential raw materials (seedlings of red pepper, chillies, tomatoes and onions). It will provide practical training and improve on the manufacturing of chilli sauce for commercial site and will thus improve the standard of living of the 25 women members of Kawuku Women's Group, benefiting around 200-250 people. Funding is for training, the provision of seeds etc, the construction of shades and the purchase of bottles, labels etc.

Uganda Women's Effort to Save Orphans UK Trust (UWESO)

Savings and Credit Scheme, Luwero District

£25,300

Millions of children have been left orphaned in Uganda because of civil wars and AIDS. These children are being cared for in the community through the extended family system. This presses a heavy burden on the families often headed by women, who take in the children of deceased relatives and others. The UWESO Savings and Credit Scheme directly supports the families who care for orphans by providing training, extension advice and funding for inputs. Funding is by credit terms so that the resources can revolve in the community and benefit more families supporting orphans. The grant will be given as loans to the beneficiaries under this project for many types of income-generating activities/businesses which will include the following: rented shops, kiosks or stalls for selling provisions like soap, secondhand clothes, paraffin, food, cloth, plastic wares, etc., fishmongering, bicycle, taxi, bakeries, crafts, cafes/restaurants, farming activities, butcheries, etc. These activities will bring quick returns and raise household incomes. With increased income, the families will be in better positions to meet the needs of the orphans eg school fees, clothing, food, medicine, shelter etc.

Distribution of Funding 2001

Africa

<i>Agriculture/Fisheries</i>	<i>£66,413.00</i>	
<i>Education</i>	<i>£140,257.00</i>	
<i>Health</i>	<i>£331,594.00</i>	
<i>Integrated Development</i>	<i>£145,891.00</i>	
Total Aid Given to Africa		£684,155.00

Indian Sub-Continent

<i>Agriculture/Fisheries</i>	<i>£0.00</i>	
<i>Education</i>	<i>£0.00</i>	
<i>Emergency Disaster Relief</i>	<i>£100,000.00</i>	
<i>Health</i>	<i>£42,830.00</i>	
<i>Integrated Development</i>	<i>£139,564.00</i>	
Total Aid Given to Indian Sub-Continent		£282,394.00

Latin America & Caribbean

<i>Agriculture/Fisheries</i>	<i>£27,090.00</i>	
<i>Education</i>	<i>£0.00</i>	
<i>Health</i>	<i>£0.00</i>	
<i>Integrated Development</i>	<i>£12,743.00</i>	
Total Aid Given to Latin America & Caribbean		£39,833.00

Other Asia & Pacific

<i>Agriculture/Fisheries</i>	<i>£24,500.00</i>	
<i>Education</i>	<i>£7,680.00</i>	
<i>Health</i>	<i>£12,407.00</i>	
<i>Integrated Development</i>	<i>£11,404.00</i>	
Total Aid Given to Other Asia & Pacific		£55,991.00

Total Contribution to Aid Overseas		£1,062,373.00
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IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 24TH DAY OF APRIL, 2002

The States resolved as follows concerning Billet d'Etat No. VI dated 5th April, 2002

STATES PROCEDURES AND CONSTITUTION COMMITTEE

**RULES OF PROCEDURE AND CONSTITUTION AND OPERATION
OF STATES COMMITTEES**

- I. After consideration of the Report dated 14th March, 2002 of the States Procedures and Constitution Committee:-
1. To approve, in pursuance of the provisions of Article 7 of the Reform (Guernsey) Law, 1948, as amended, the consolidated version of the Rules of Procedure in and in relation to Assemblies of the States of Deliberation of the Island of Guernsey.
 2. To approve, in pursuance of the States Committees (Constitution and Amendment) (Guernsey) Law, 1991, the Rules relating to the Constitution and Operation of States Committees.

STATES ADVISORY AND FINANCE COMMITTEE

TERRORISM LEGISLATION

- II. After consideration of the Report dated 20th March, 2002, of the States Advisory and Finance Committee:-
1. To approve the provisions set out in the paragraph entitled "Conclusion" contained in that Report relating to international terrorism.
 2. To approve the Projet de Loi entitled "The Terrorism and Crime (Bailiwick of Guernsey) Law, 2002", and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE LONG-TERM CARE INSURANCE (GUERNSEY) Law, 2002

- III. To approve the Projet de Loi entitled "The Long-term Care Insurance (Guernsey) Law, 2002", and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

entitled

THE EUROPEAN COMMUNITIES (BAILIWICK OF GUERNSEY) (AMENDMENT) LAW, 2002

- IV. To approve the Projet de Loi entitled "The European Communities (Bailiwick of Guernsey) (Amendment) Law, 2002", and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

STATES ADVISORY AND FINANCE COMMITTEE

STATES OF ALDERNEY – REPLACEMENT STATES HOUSING

- V. After consideration of the Report dated 20th March, 2002, of the States Advisory and Finance Committee:-
1. To authorise the construction of four replacement States houses at Newtown Road, Alderney.
 2. To authorise the States of Alderney to accept the tender in the sum of £398,367 submitted by A. J. Bohan for the construction of those replacement houses.
 3. To vote the States of Alderney a credit of £438,643 to cover the full cost of the above project, including contingencies and architectural fees, which sum shall be taken from the States of Alderney's allocation for capital expenditure.

STATES ADVISORY AND FINANCE COMMITTEE

REGULATION OF INVESTIGATORY POWERS

- VI. After consideration of the Report dated 20th March, 2002 of the States Advisory and Finance Committee:-
1. That legislation be enacted along the lines set out in that report with regard to the regulation of investigatory powers.
 2. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATES BOARD OF ADMINISTRATION

GUERNSEY AIRPORT – REDEVELOPMENT OF TERMINAL BUILDING AND ENVIRONS

- VII. After consideration of the Report dated 20th March, 2002 of the States Board of Administration:-
1. To authorise the construction of a new Terminal Building and associated external works at Guernsey Airport, as set out in that Report, at an estimated cost of £18,224,212 inclusive of constructions costs, risk contingency sum, consultancy and project management fees, fluctuations, site investigations costs and provision for a Clerk of Works.
 2. To authorise the States Board of Administration to accept the negotiated revised tender in the sum of £16,410,066 (which sum includes £727,000 for the necessary enhancement and elongation of the Airside walkways in order to comply with DTLR security requirements) submitted by Hochtief (UK) Construction Limited for the construction of that new Terminal Building and associated external works.
 3. To vote the States Board of Administration a credit of £18,224,212 to cover the cost of the above works, which sum to be charged as capital expenditure in the accounts of Guernsey Airport.

STATES BOARD OF INDUSTRY

THE CONSTRUCTION INDUSTRY AND THE STATES CAPITAL SPENDING PROGRAMME

- XI. After consideration of the Report dated the 19th March, 2002, of the States Board of Industry:-
1. To note the contents of that Report and to agree that the key issues identified in relation to the cost of construction and the States capital and maintenance programme shall be addressed as a matter of priority.
 2. To charge the States Board of Industry and the States Advisory and Finance Committee with joint responsibility for developing and implementing an agenda for change and reporting back to the States where necessary.
 3. To direct the States Board of Industry to develop appropriate cost effective mechanisms for measuring supply and demand in the construction sector as a basis for forward planning.
 4. To direct the States Advisory and Finance Committee to devise a system of prioritisation for future capital projects which addresses the concerns raised in that Report and enables projects to be considered on a strategic and corporate basis.

STATES AGRICULTURE AND COUNTRYSIDE BOARD

REVIEW OF CULL CATTLE COMPENSATION

- XII. After consideration of the Report dated the 15th March, 2002, of the States Agriculture and Countryside Board:-
1. To continue to meet the cost of slaughtering and disposing of the carcasses of all bovine animals over 30 months of age at the time of slaughter.
 2. To continue to pay compensation of £150, in addition to the slaughtering and disposal costs, for cull cattle over 30 months of age at the time of slaughter that would have been considered fit for human consumption prior to the 20th March, 1996.
 3. To confirm the provision in the States Agriculture and Countryside Board's 2002 budget for cull cattle compensation payments and for the cost of slaughtering and disposing of such cattle.
 4. That the States Agriculture and Countryside Board shall make an annual provision for cull cattle compensation payments and slaughter costs in its budget submission from 2003 onwards.

5. That the cost of the compensation shall continue to be categorised as formula-led in the budget of the States Agriculture and Countryside Board.
6. To direct the States Agriculture and Countryside Board to report to the States on the operation of the cull cattle compensation scheme without delay if developments in respect of BSE mean that it should be substantially altered or discontinued.

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 25TH DAY OF APRIL, 2002

The States resolved as follows concerning Billet d'Etat No VI dated 5th April, 2002

(Meeting adjourned from 24th April, 2002)

STATES EDUCATION COUNCIL

**A SITE DEVELOPMENT PLAN FOR THE REORGANISATION OF SECONDARY,
POST-16 AND SPECIAL NEEDS EDUCATION IN THE BAILIWICK OF GUERNSEY**

VIII. After consideration of the Report dated the 19th March, 2002, of the States Education Council:-

1. To approve in principle the outline proposals for the reorganisation of secondary, post-16 and special needs education in the Bailiwick of Guernsey.
2. To approve in principle the States Education Council's proposals for the relocation of education facilities, alterations to premises and construction of new buildings as set out in its Site Development Plan.
3. To authorise the States Education Council to progress the Site Development Plan by the appointment, subject to the approval of the States Advisory and Finance Committee, of an overall Project Manager and other advisors to assist in the production and implementation of a detailed project execution plan, individual elements of which will be submitted to the States Advisory and Finance Committee as appropriate.
4. To vote the States Education Council a credit of £4,000,000 to cover the cost of compiling the project execution plan and formulating proposals for the initial individual projects, which sum shall be taken from that Council's allocation for capital expenditure.
5. To authorise the States Advisory and Finance Committee, bearing in mind the prevailing overall economic circumstances, other financial demands on States funding and the ability of the construction industry to undertake the works, to take account of the States Education Council's balance of 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 for the furtherance of the Site Development Plan.
6. To direct the States Advisory and Finance Committee when recommending to the States revenue allocations for the States Education Council for 2003 and subsequent years, to take account of the additional costs associated with the Site Development Plan.

STATES BOARD OF HEALTH

LA CORBINERIE SITE – CONTINUING CARE WARDS

IX. After consideration of the Report dated the 8th March, 2002, of the States Board of Health:-

1. To authorise the work to create three continuing care wards, including associated infrastructure, at La Corbinerie site at a total cost, as set out in that Report, not exceeding £6,318,927.55.
2. To authorise the States Board of Health to accept the tender in the revised sum of £5,753,927.55 submitted by W. A. Mosgrove Limited for the building and demolition works, which tender includes separate prime cost sums for both electrical and mechanical installations.
3. To authorise the States Board of Health to accept the tender in the revised sum of £546,134.36 submitted by Electrical Installations (Guernsey) Limited for the electrical installation works.
4. To authorise the States Board of Health to accept the tender in the revised sum of £832,343.59 submitted by Building and Technical Services (CI) Limited for the mechanical services installation works.
5. To vote the States Board of Health a credit of £6,318,927.55 to cover the cost of the above works, which sum shall be taken from that Board's allocation for capital expenditure.
6. To direct the States Advisory and Finance Committee to take due account of the estimated revenue cost to the States Board of Health resulting from the above project.
7. To direct the States Civil Service Board to have regard to the estimated establishment required by the States Board of Health resulting from the above project.

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 25TH DAY OF APRIL, 2002

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4. To vote the States Education Council a credit of £4,000,000 to cover the cost of compiling the project execution plan and formulating proposals for the initial individual projects, which sum shall be taken from that Council's allocation for capital expenditure.
5. To authorise the States Advisory and Finance Committee, bearing in mind the prevailing overall economic circumstances, other financial demands on States funding and the ability of the construction industry to undertake the works, to take account of the States Education Council's balance of 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 for the furtherance of the Site Development Plan.
6. To direct the States Advisory and Finance Committee when recommending to the States revenue allocations for the States Education Council for 2003 and subsequent years, to take account of the additional costs associated with the Site Development Plan.

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