



TYNWALD COURT OFFICIAL REPORT

RECORTYS OIKOIL
QUAIYL TINVAAL

PROCEEDINGS

DAALTYN

HANSARD

Douglas, Tuesday, 26th April 2022

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Present:

The President of Tynwald (Hon. L D Skelly)

In the Council:

The Solicitor General (Mr W H Wannenburgh),
Miss T M August-Hanson, Mr P H Craine, Mr P Greenhill, Mr R W Henderson,
Mrs D Kelsey, Mrs M M Maska, Mr R J Mercer, Mrs K Sharpe
with Ms J Corkish, Deputy Clerk of Tynwald.

In the Keys:

The Speaker (Hon. J P Watterson) (Rushen);
The Chief Minister (Hon. A L Cannan) (Ayre and Michael);
Mr J R Moorhouse and Mr T S Glover (Arbory, Castletown and Malew);
Mr T D Johnston (Ayre and Michael);
Mrs C A Corlett and Mr C C Thomas (Douglas Central);
Ms J L Faragher and Hon. C L Barber (Douglas East);
Hon. D J Ashford MBE and Mr J C Wannenburgh (Douglas North);
Mrs S L Maltby and Mrs C S B Christian (Douglas South);
Mrs D H P Caine and Mr A J Smith (Garff);
Hon. K A Lord-Brennan and Hon. T M Crookall (Glenfaba and Peel);
Hon. J P Poole-Wilson and Mr S G Peters (Middle);
Mr R E Callister and Hon. J M Edge (Onchan);
Hon. L L Hooper and Hon. A J Allinson (Ramsey);
Dr M E K Haywood (Rushen)
with Mr J D C King, Clerk of Tynwald.

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Tynwald

The Court met at 10.30 a.m.

[MR PRESIDENT *in the Chair*]

The Deputy Clerk: Hon. Members, please be upstanding for the President of Tynwald.

The President: Moghrey mie, Olteynyn Onnoroil.

5 **Members:** Moghrey mie, Eaghtyrane.

The President: In the absence of the Lord Bishop, I shall lead prayers.

PRAVERS

The President

Leave of absence and to attend remotely granted

The President: I have given leave of absence to the Lord Bishop, Mrs Barber and Mrs Christian for the first part of the morning session. I have given leave to attend remotely to Mrs Maska.

Welcome to His Excellency the Lieutenant Governor

10 **The President:** May I extend a warm welcome to His Excellency the Lieutenant Governor who is with us this morning.

Two Members: Hear, hear.

Congratulations to FC Isle of Man

15 **The President:** Hon. Members, I am sure you will join me in congratulating FC Isle of Man in their tremendous achievement, with a historic victory and promotion in the North West Counties Football League. I wish the Ravens every success for next season in the Premier Division.

Members: Hear, hear.

1. Papers laid before the Court

The President: We now turn to Item 1, and I call on the Clerk to lay papers.

20

The Clerk: Gura mie eu, Eaghtyrane. Ta mee cur roish y Whaiyl ny pabyryn enmysit ayns aynr nane jeh'n Chlaare Obbyr.

Thank you, Mr President. I lay before the Court the papers listed at Item 1 of the Order Paper.

Items subject to motion that have had six weeks on the Register of Business

Road Traffic Act 1985

Driving Licence and Tests (Amendment) Regulations [[SD 2022/0011](#)] [[MEMO](#)]

Customs and Excise Act 1993

Customs and Excise Acts (Application) Amendment Order 2022 [[SD 2022/0030](#)] [[MEMO](#)]

Plastic Packaging Tax (Application) (Amendment) Order 2022 [[SD 2022/0093](#)] [[MEMO](#)]

Taxation (Cross-Border Trade) Act 2018 (Application) (Amendment) Order 2022 [[SD 2022/0094](#)] [[MEMO](#)]

Customs (Miscellaneous Provisions) (Amendment) (EU Exit) Regulations 2021 (Application) Order 2022 [[SD 2022/0096](#)] [[MEMO](#)]

European Union and Trade Act 2019

Afghanistan Sanctions (Application) Regulations 2022 [[SD 2022/0033](#)] [[MEMO](#)]

Social Security Act 2000

Social Security Contributions and Benefits Act 1992 (Application) (Amendment) Order 2022 [[SD 2022/0043](#)] [[MEMO](#)]

Value Added Tax Act 1996

Value Added Tax Act 1996 (Amendment) Order 2022 [[SD 2022/0044](#)] [[MEMO](#)]

Hydrocarbon Oil Duties Act 1986

Hydrocarbon Oils Duties Act 1986 (Amendment) Order 2022 [[SD 2022/0095](#)] [[MEMO](#)]

Airports and Civil Aviation Act 1987

Civil Aviation (Aircraft Registration and Marking) Order 2022 [[SD 2022/0073](#)] [[MEMO](#)]

Civil Aviation (Aerodromes) Order 2022 [[SD 2022/0074](#)] [[MEMO](#)]

Civil Aviation (Miscellaneous Amendments) Order 2022 [[SD 2022/0075](#)] [[MEMO](#)]

Financial Provisions and Currency Act 2011

Douglas Promenade Support (No.2) (Amendment) Scheme 2022 [[SD 2022/0099](#)] [[MEMO](#)]

Enterprise Development (Amendment) Scheme 2022 [[SD 2022/0100](#)] [[MEMO](#)]

Items not subject to motion that have had six weeks on the Register of Business

Documents subject to negative resolution

Finance Act 2021

Plastic Packaging Tax (Descriptions of Products) Regulations 2022 [[SD 2022/0038](#)] [[MEMO](#)]

Finance Act 2003

Customs (Contravention of a Relevant Rule) (Amendment) Regulations 2022
[\[SD 2022/0047\]](#) [\[MEMO\]](#)

Value Added Tax Act 1996

Value Added Tax (Imported Goods) Relief (Amendment) Order 2022 [\[SD 2022/0092\]](#)
[\[MEMO\]](#)

Value Added Tax (Amendment) Regulations 2022 [\[SD 2022/0045\]](#) [\[MEMO\]](#)

Taxation (Cross-border Trade) Act 2018

Customs and Excise (Miscellaneous Amendments) Regulations 2022 [\[SD 2022/0017\]](#)
[\[MEMO\]](#)

Taxation (Cross-border Trade) Act 2018 & Finance Act 2003

Free Zones (Customs and Excise) Regulations 2022 [\[SD 2022/0046\]](#) [\[MEMO\]](#)

Customs and Excise Management Act 1986

Customs (Safety and Security Procedures) Regulations 2022 [\[SD 2022/0021\]](#) [\[MEMO\]](#)

Documents subject to no procedure

Airports and Civil Aviation Act 1987

Civil Aviation (Restriction of Flying) (Russian Aircraft) Regulations 2022 [\[SD 2022/0097\]](#)
[\[MEMO\]](#)

Payment of Members' Expenses Act 1989

Payment of Members' Expenses (Specified Bodies) (Amendment) Order 2022
[\[SD 2022/0041\]](#)

Social Security Pensions Act 1975 (an Act of Parliament)

Pensions Increase (Annual Review) Order 2022 [\[SD 2022/0105\]](#)

Reports

Isle of Man Gambling Supervision Commission, Annual Report 2020/2021 [\[GD 2021/0097\]](#)

Culture Vannin, Annual Review 2020/2021 of the Manx Heritage Foundation (trading as Culture Vannin), incorporating the report of the Gaelic Broadcasting Committee [\[GD 2022/0003\]](#)

Tynwald Commissioner for Administration Report on Case TCA 2006 [\[TCA 2006\]](#)

Communications and Utilities Regulatory Authority, Annual Gas Regulation Report 2021-22
[\[GD 2022/0029\]](#)

The Treasury, 2021 Report for the purposes of Section 65 of the Terrorism and Other Crime (Financial Restrictions) Act 2014 [\[GD 2022/0032\]](#)

Office of Human Resources, Impact on Employee Structures of the Removal of the Personnel Control Mechanism in 2015 [\[GD 2022/0030\]](#)

Department of Home Affairs, Annual Report of the Surveillance Commissioner for 2021
[\[GD 2022/0031\]](#)

Isle of Man Financial Intelligence Unit, Annual Report 2020/21 [[GD 2021/0033](#)]

Items not subject to motion that have not had six weeks on the Register of Business

Documents subject to negative resolution

Airports and Civil Aviation Act 1987

Civil Aviation (Restriction of Flying) (Manx Grand Prix) Regulations 2022 [[SD 2022/0071](#)]
[MEMO]

Civil Aviation (Restriction of Flying) (Tynwald Day) Regulations 2022 [[SD 2022/0072](#)]
[MEMO]

Civil Aviation (Restriction of Flying) (TT - Red Arrows Display) 2022 [[SD 2022/0134](#)] [MEMO]

Civil Aviation (Restriction of Flying) (Isle of Man TT Races) Regulations 2022 [[SD 2022/0070](#)]
[MEMO]

Questions

TREASURY

1. National Insurance Fund – Purpose; Social Security Acts' review

The Hon. Member for Douglas Central (Mr Thomas) to ask the Minister for the Treasury:

What the purpose is of the National Insurance Fund; when and by whom the last review was undertaken of the operation of the Social Security Acts including in respect of this Fund; what the terms of reference were for that review; and when the matter will next be reviewed?

25 **The President:** We turn to Item 2, our Question Paper, and Question 1. I call on the Hon. Member for Douglas Central, Mr Thomas.

Mr Thomas: Thank you, Mr President.

30 I beg leave to ask the Minister for the Treasury what the purpose is of the National Insurance Fund; when and by whom the last review was undertaken of the operation of the Social Security Acts, including in respect of this Fund; what the terms of reference were for that review; and when the matter will next be reviewed?

The President: Treasury Minister to reply.

35 **The Minister for the Treasury (Mr Ashford):** Thank you, Mr President.

40 The purpose of the Manx National Insurance Fund is to pay the benefits and pensions that are listed in section 163 of the Social Security Administration Act 1992 as applied to the Isle of Man and certain administrative costs in relation to the collection of National Insurance and the payment of benefits. In addition, following Tynwald approval, the Fund was used to support the Island during the pandemic, with the Salary Support Scheme and MERA benefit being paid from the Fund.

The Administration Act also requires that the operation of the Fund is reviewed every five years and this work is carried out by the UK government's Actuary's Department, and the report for the

45 period up to March 2017 will be laid before this Hon. Court later this year. It is intended that the review of the Fund up to March 2022 will also be completed this year.

The last review into the operation of the Social Security Act was carried out by Ci65 in 2014, and a review of the National Insurance regime was carried out by PwC last year. Both of the reviews were subject to a tender process, and I will circulate to all Members the tender documents for each of these reviews, Mr President. Both reports were made public and were debated in this Hon. Court. As stated in the Island Plan, it is intended to complete the review of the National Insurance regime undertaken by PwC last year by the time of next year's Budget.

Thank you, Mr President.

The President: Supplementary, Mr Thomas.

55 **Mr Thomas:** Thank you, Mr President.

I think the Ci65 terms of reference were actually published back in 2013 and 2014 and there was substantial Public Accounts Committee interest at the time in this question.

60 Can the Treasury Minister advise whether it was just loose English that he used in his Answer to a Written Question earlier this month about the opportunity cost of the National Insurance Holiday Scheme for the National Insurance Fund? The Minister seems to advise in that Answer that the National Insurance Fund operates 'as a buffer for fluctuations in the economy.' What did the Minister mean by that; or was it just a loose use of English?

65 **The President:** Minister to reply.

The Minister: Thank you very much, Mr President.

In relation to the comment from the Written Answer that the Hon. Member has raised in terms of the National Insurance Fund as a buffer, the National Insurance Fund is a fund that is used to actually pay out benefits, so it gives security around the future cost of benefits and obviously one of the issues, as the economy changes, is Government revenue may change, whereas the Fund actually gives us certainty around where the benefit costs are coming from.

75 **The President:** Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

80 So just to summarise then, can the Treasury Minister confirm that what he has just said is that the NI Fund is a buffer for future generations, for Social Security and National Insurance, and is not for balancing the economy in 2022 any more than it will be in 2023 or 2024?

The President: Minister to reply.

85 **The Minister:** Mr President, I am a bit lost at what the Hon. Member is getting at, but in relation to the National Insurance Fund, it is there for a variety of reasons, which I have just laid out in my initial Answer. In relation to the National Insurance Fund, it provides certainty around the cost of benefits, it has been viewed for many years, since the Fund was very first established, that it is there to ensure that there is continuity and that there are funds available to pay out benefits that otherwise would have to be paid from general revenue.

90 **The President:** Final supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

So in the initial Answer, the Treasury Minister said that the purpose of the National Insurance Fund was to assure benefits and payments under section 163 of the 1992 Act and to pay

95 administrative costs. That is not the same thing as supporting the economy as a buffer for
fluctuations in the economy. Can the Treasury Minister confirm that he agrees with that point?

The second point is back in 2014, at the time of the Ci65 review, long-standing excellent
Members of the Treasury, Mr Henderson and Mr Teare, supported by Mr Robertshaw, talked
100 about the next generation, not the next general election. They were worried about the
sustainability of the National Insurance Fund. They said that the evidence says our current system
is broken and not fit for the future and that they had to increase pension age to 66 and then to 67
because the Fund was running out by 2047.

Does the Treasury Minister agree with me that the messages are getting a bit mixed because
105 seven years ago we were told that the Fund was running out and now we are told it can be used,
to hundreds of millions of pounds' extent, to support current fluctuations in the economy?

The President: Minister to reply.

The Minister: Mr President, I completely disagree with the Hon. Member. That is not what is
110 being said at all. It is not being said that the National Insurance Fund can be used to support
hundreds of millions of pounds. This Hon. Court, if he is referring to the pandemic support
schemes, took the view at the time that it was the right place for those schemes to be funded
from. (**Mr Henderson:** Hear, hear.) The schemes supported people during what was a pretty
unprecedented time, Mr President. In fact, you have got to go back 100 years to find something
115 similar. It was the right decision then, I believe it is still the right decision now. The National
Insurance Fund is not a buffer in the way the Hon. Member is portraying it. It is there to ensure
that we have sufficient funds to honour the commitments in relation to benefits that need to be
paid, which if we did not have that Fund would have to come out of general revenue.

So that is the reason for the National Insurance Fund. It was the historic reason for it and I think
120 it is still relevant today.

CHIEF MINISTER

2. People's Forest – Evolving nature

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Chief Minister:

How the nature of the People's Forest is evolving; and if he will make a statement?

The President: We move to Question 2 and I call on the Hon. Member for Arbory, Castletown
and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

125 I would like to ask the Chief Minister how the nature of the People's Wood is evolving; and if
he will make a statement?

The President: I call on the Chief Minister to reply.

130 **The Chief Minister (Mr Cannan):** Mr President, as an action initiated and led by the previous
Chief Minister, I am pleased to pick up the baton on this initiative and to be able to provide an
update.

The Department of Environment, Food and Agriculture continues to manage the site and, as
planned, is currently replacing trees that have died and will continue to do so on an annual basis,

135 as required, for the next four years to ensure a good establishment rate. Over the spring and
summer months, the Department will be surveying for next year's replacements and undertaking
regular weeding to keep the competing vegetation under control.

The site has a central access path designed into the planting layout, which will be used by DEFA
to support the ongoing maintenance and which will, in time, become the primary public footpath
140 across the site, which will link it to the Raad ny Foillan coastal path. DEFA's intention is that over
the next few years this site will be monitored to ensure successful tree establishment and any
future works planned for the formation of the footpaths and the car park are appropriate, both in
terms of landscaping and the financial costs involved with the development.

I look forward to seeing, over the next few years, the growth and development of the People's
145 Wood.

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Chief Minister.

150 What has been the total budget for this initiative, and what is the total spend so far? Have all
the trees now been planted?

Thank you.

The President: Chief Minister to reply.

155

The Chief Minister: Mr President, Treasury provided £258,000 from the contingency fund for
expenditure against the Department of Environment, Food and Agriculture's five-year tree
planting strategy, and this was to include the People's Forest amongst other things. I understand
that £110,574 has been spent to date on the People's Wood. However, £30,000 of that money
160 has been sponsored by Barclays Bank, leaving a total spend from Government of £81,974.

I understand that DEFA has planted over 80,000 trees on the site.

The President: Supplementary, Mr Moorhouse.

165 **Mr Moorhouse:** Thank you, Mr President, and thank you, Chief Minister.

Was that new money for DEFA, or was that a change in what had been planned for? And in
terms of the general maintenance, has a recent assessment been done of the survival rate?
Concerns have been raised about potentially ... not the level of survival that one might expect for
an area of woodland.

170 Thank you.

The President: Chief Minister to reply.

The Chief Minister: Just in terms of the survival rate, I understand that the current, what they
175 call the beat-up rate, is about 40%, but these trees will be replaced. The money for this was
provided from the contingency fund for, as I said, the five-year tree planting strategy, and that
was put forward in the Budget as contingency funding.

The President: Final supplementary, Mr Moorhouse.

180

Mr Moorhouse: Thank you, Mr President, and thank you, Chief Minister.

When will the woodland be promoted and people actively encouraged to visit the site?

Thank you.

185 **The President:** Chief Minister to reply.

190 **The Chief Minister:** Obviously, Mr President, the creation of any new wood takes many years, and of course the management and maintenance never really ends. Over the early years, managing the establishment of the trees, replacing failures and controlling weed growth takes priority, and I think I would suggest that once we have a firm take-up, an establishment and some substantial growth in the trees it will then begin to be promoted and used more actively by the general population.

INFRASTRUCTURE

3. Emergency road closures in last three years – Number caused by tree falls

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Minister for Infrastructure:

How many emergency road closures there have been in each of the last three years because of tree falls?

195 **The President:** We move to Question 3 and I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

I would like to ask the Minister for Infrastructure: how many emergency road closures have there been in each of the last three years because of tree falls?

Thank you.

200

The President: Minister for Infrastructure to reply.

The Minister for Infrastructure (Mr Crookall): Thank you, Mr President.

205 I can confirm the number of emergency road closures recorded by Highways Services for fallen trees is as follows: in 2019-20 there were 12 emergency closures, in 2020-21 there were 24, and in 2022 to date there have been five emergency closures.

The above figures exclude closures instigated by the Emergency Services Joint Control Room, as the Department does not hold that information.

210 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister.

How do these figures compare with the long-term average, and are the figures within the expected range, especially last year when there were 24?

215 Thank you.

The President: Minister to reply.

The Minister: Thank you, Mr President.

220 With regard to them being in the average, looking at this year compared with the last two years I would say it looks as though it is going to be, but it is purely dependent, I would suggest, on the weather. We have no control over that, so we will just have to wait and see at the end of the year.

With regard to compared with years before that, I do not have those figures. If the Hon. Member wants to take it up with me later, I will certainly have that conversation with him.

225 Apologies, I missed the last part of your question.

The President: Supplementary, if you wish to add that, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, just in terms of was it within the expected range,
230 that 24, because it looks rather a high figure.

Also, in terms of the closures, do you have any information in terms of them being caused by trees that were known to be diseased?

Thank you.

235 **The President:** Minister to reply.

The Minister: With regard to being within that number, I do not have those figures, but I will get those for him.

240 And as regards to those that are diseased, or not, I am sure at the time they do not look at that when they are busy cutting them down in the middle of the night. I am not sure whether DEFA or we hold those figures at all. I will have a look again, Mr President.

The President: Final supplementary, Mr Moorhouse.

245 **Mr Moorhouse:** Thank you, Mr President.

What support is available to ensure that trees that need removing are removed as quickly as possible to reduce the risk of accidents and road closures, but also to enable new saplings to be planted?

Thank you.

250

The President: Minister to reply.

The Minister: Mr President, there is an ongoing programme between my Department and DEFA. We are working together. Surveys have been done of all the diseased trees on the roadside
255 and it is into the long thousands. We are working together to sort that problem out, but obviously it will take an awful long time, and of course a lot of those trees are not owned by the Department or by Government, they are owned by privateers, so we are having to work with them as well.

4. Imported vehicles – Roadworthiness inspection waiting time

The Hon. Member for Rushen (Dr Haywood) to ask the Minister for Infrastructure:

What the waiting time is for imported vehicles to be inspected for roadworthiness?

The President: We move to Question 4. I call on the Hon. Member for Rushen, Dr Haywood.

260 **Dr Haywood:** Thank you, Mr President.

I would like to ask the Minister for Infrastructure what the waiting time is for imported vehicles to be inspected for roadworthiness?

The President: Minister for Infrastructure.

265

The Minister for Infrastructure (Mr Crookall): Thank you, Mr President.

The normal waiting time for an imported vehicle to be inspected for roadworthiness is usually about two weeks. However, there is currently a delay of approximately six weeks.

270 This delay is due in part to the time required for the examiners to close down the operation at the Vehicle Test Centre in readiness for their relocation to the new one, with this resulting in fewer tests taking place during this time. Furthermore, waiting times have never returned to previous pre-COVID levels due to annual leave and COVID staffing issues and also the retirement of a vehicle examiner.

275 Relocation to the new site took place during last weekend. There will be two days of commissioning – which has been yesterday and today – to allow the staff to settle in and familiarise themselves with the new equipment at the new Vehicle Test Centre, which will open tomorrow for business again as usual.

280 The TT will also have an impact on testing capabilities, as the Vehicle Test Centre is not easily accessible during race periods, and most people do not want to have a test appointment during this TT period. The examiners assist the Police in road traffic collisions, and whilst it is hoped these are minimal, there have been occasions where resources are required to be diverted to inspect vehicles involved in RTCs and defective vehicles apprehended by officers. Bookings for appointments during race week are kept to a minimum for those reasons.

285 Thank you, Mr President.

The President: Supplementary, Mr Callister.

Mr Callister: Thank you, Mr President. I thank the Minister for his statement this morning.

290 Could I ask the Minister, if possible, to look at his timeframe of six weeks? I have had several car sale outlets saying that they are waiting up to three months to get vehicles through the Test Centre.

The President: Minister to reply.

295 **The Minister:** Yes, Mr President. I am happy to tell the Hon. Member I have already looked at that, because I have heard comments from people out there who are wanting to do their own private cars that garages seem to get priority, and I am told that is not the case, but I will happily look into that again and speak to the Hon. Member about it afterwards.

300 **The President:** Supplementary, Dr Haywood.

Dr Haywood: Thank you, and I thank the Minister for his Answer.

305 One of my constituents bought a vehicle across to the Island in February and rang the Test Centre, they would not even give him a date and instructed him to ring back at the start of April. So I suspect that the numbers that he has given today may not reflect the accurate waiting times.

I think the other thing happening is that businesses are importing vehicles and they pre-book appointments, whether they are needed or not, and so that is a disadvantage to private individuals.

310 Does the Minister think this level of service is acceptable and if it is difficult to meet an acceptable level of services, what changes might he suggest?

The President: Minister to reply.

315 **The Minister:** I appreciate the Hon. Member's comments, and I do not think it is acceptable. I believe the staff are doing their best trying to backfill as a result of COVID and staff shortages up there and having to do other jobs outside, working with the Police and other enforcement agencies. I will talk to the Member outside here again, but the staff, as I said, are short up at the Vehicle Test Centre. I am due up there again at the end of this week and we can see if we can

320 make it any better up there, if you like. I would say at the moment it is not acceptable but it is what it is at the moment, unfortunately.

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

325 Given the current challenges, the shortage of staff and all the things the Minister has mentioned, could private companies be used to actually allow a catch-up to occur? And is the facility capable of dealing with more vehicles?

Thank you.

330 **The President:** Minister to reply.

The Minister: The new facility, Mr President, will be capable of doing more facilities, but that depends on manpower and people being able to do the job, of course.

335 As regards, I think he said putting it out to private garages, that is not possible at the moment. Those garages would need to be licensed or whatever. The idea was the new Test Centre was there for Government to do this but it is not something in the future ... It has been talked about before, whether it be MOTs or just doing vehicle checks, about private garages doing that, and there is no reason why that should not be looked at in the future, Mr President.

340 **The President:** Supplementary, Dr Haywood.

Dr Haywood: Thank you.

345 I wonder if the Minister would consider what the roadworthiness test is trying to achieve and whether it might be sensible to accept a recent UK MOT certificate for vehicles that are over three years old that are imported; and that would help to address the backlog that we currently have.

The President: Minister to reply.

350 **The Minister:** Again, Mr President, I am not sure how long it is since that was looked at, but there have been times when vehicles coming in have been found to have faults, even though they are fairly new. We all know that once a vehicle is registered here that basically, unless it becomes a private hire or something along those lines, those vehicles are out there on the road and it is up to the owners to see that they stay roadworthy, as we do not have the MOT here. So I think it is a good thing they are tested when they get over here. Again, it is something that has been talked about for a long time, MOTs, and I dare say it will raise its head again shortly.

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

360 In the last answer the Minister gave to me, he made reference to MOTs. Is his Department bringing MOTs into the Island as standard?

Thank you, Mr President.

The President: Minister to reply.

365

The Minister: Sorry, I think I have got the Hon. Member right when he said are we looking at bringing MOTs in as standard. That is not the case at the moment, definitely not.

The President: Final supplementary, Mr Thomas.

370 **Mr Thomas:** Thank you, Mr President.

I was going to pick up on that same off-the-cuff remark about MOTs, but can the Minister confirm that policy is now about to change, possibly? We have just spent millions of pounds on a new vehicle licensing centre just outside Douglas, but now we are considering allowing private garages to do roadworthiness tests. Is that what the Minister said? We are considering that?

375

The President: Minister to reply.

The Minister: I did not say it was being considered. I said it *could* be considered, and I am always happy to consider that if it is an option for Government saving money.

5. Horse tramway – Completion and operation dates

The Hon. Member for Garff (Mrs Caine) to ask the Minister for Infrastructure:

When the horse tramway will be completed, when trams will operate, and if he will make a statement?

380 **The President:** We move to Question 5 and I call on the Hon. Member for Garff, Mrs Caine.

Mrs Caine: Thank you, Mr President.

In the interest of clarity, could I just confirm here for Members that I am still the Chair of the small charity the Douglas Bay Tramway Heritage Trust, although charity fundraising is a bit in abeyance at the minute.

385

I would like to ask the Minister for Infrastructure when the horse tramway will be completed, when trams will operate and if he will make a statement?

The President: Minister for Infrastructure to reply.

390

The Minister for Infrastructure (Mr Crookall): Thank you, Mr President.

There has been considerable difficulty in securing materials to finish off the horse tramway in the vicinity of Broadway, which is critical to the tramway operating. I am very disappointed that there is not a definite delivery date on the outstanding components, so I am not yet able to provide a date for completion. Attempts are still being made to see if an alternative solution can be found that will allow the horse trams to operate this summer.

395

The Department will make an announcement regarding the horse trams as soon as possible, and I believe that will be by the end of this week, Mr President.

400 **The President:** Supplementary, Loayreyder.

The Speaker: The horse tramway seems to have lurched from one crisis to the next, from the red tarmac to the points, to the delivery and the funding. Can the Minister give us some sort of indication as to whether this project has been professionally managed or not, in his opinion, and what lessons he is learning from it?

405

The President: Minister to reply.

The Minister: I would have to say it has been professionally managed because it has been managed by professionals. *(Laughter)*

410

The Speaker: Interesting definition! (*Laughter*)

The Minister: Whether it has been *well* professionally managed is a different question, and one that will be answered later on.

415 There have been a lot of issues with this. Obviously, it started well before my time in the Department, and this is one of the reasons why ... It did not take long to see, once I got into this Department, there were going to be issues here and it was not going to be finished as and when it was said it was going to be finished. It still is not finished, as far as I am concerned, because these lines, these tracks, are not done, and hopefully by the end this week we will have an answer
420 on that.

I am not hopeful. I will tell you that now for nothing. I am not hopeful there will be horse trams running this year from what I have just received this morning. It is not a definite at the moment, but I am not hopeful at the moment. I need some really positive teamwork coming together from my Department – I will say that here and now – to make this happen.

425 I think the Hon. Mr Speaker had another question there, which I have ... No? Okay.
Thank you, Mr President.

The President: Supplementary, Mrs Caine.

430 **Mrs Caine:** Thank you, Mr President.

The Minister mentioned that certain components were needed. Can he confirm if that is the points or if there are additional materials that are required?

In terms of it operating at all this summer, can he confirm there were actually trams operating yesterday for a TV programme? If you can manage to operate between the stables and Strathallan
435 for a TV company, would it be possible on high days and holidays, and for the benefit of particularly the transport heritage group visits that are booked for this year, to have even a novelty ride for the benefit of those visitors who are wanting to come to our Island?

Thank you, Mr President.

440 **The Speaker:** It's a fair clop.

The President: Minister to reply.

The Minister: Thank you, Mr President.

445 Yes, it is absolutely the points that are holding us up. They were due, originally, from Germany. They were ordered in January; we were told they would be here sometime in March. There was an issue then at the factory and that was put back to June. We are now seeking to either sort that issue here on the Island, which I am hoping is the information I am waiting to get either today or tomorrow, or somewhere very close in the UK.

450 With regard to the tram that was out yesterday, it was brought out for a television programme that was being made and it was purely on a straight piece of track. To use the tracks that we have had put down, if the points were to be done, obviously there is some training to be done with the horses because there are bendy bits in the track now, which they did not have to put up with before, and crossings, and I am told that to go up the tram line and come back against the traffic
455 is a dangerous procedure and they would not be happy to do that – although they did it yesterday in a very short section.

The Speaker: Horses need to be trained to go round corners? (*Interjection*)

460 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

465 After months of nothing being done at the bottom of Broadway, there are lots and lots of people there this morning, well into double figures. Has that been a response to Mrs Caine's question, or was that work planned?

Thank you.

The President: Minister to reply.

470 **The Minister:** That is planned work on the ... [*Inaudible*] concrete that has been ... The signage has been up for a few days, warning people, and they have started that this morning.

The President: Supplementary, Mrs Caine.

475 **Mrs Caine:** Thank you, Mr President.

Can the Minister give us some indication of the completion of the reinstallation of the tram tracks? If and when the points and the other components have arrived on the Island and the tracks are completed to Broadway, would it be a simple task then to extend to the War Memorial and on to the end of Loch Promenade?

480 He mentioned that it requires teamwork and the coming together of all his Department. Is he confident that his Department is operating as a team and that they are all coming together to deliver this project?

The President: Minister to reply.

485

The Minister: If I take the last bit first, Mr President, it is not just my Department. Obviously, there are contractors involved in this and it seems to be – and we have all seen what has gone on over the last three years – that there have been issues. Certainly from the Department's point of view, it has not been teamwork all the way, and that has led to some of the issues, I believe, which will come out later on, I am sure.

490

I have forgotten what the – (**Mrs Caine:** The sections.) With regard to the sections, if we get the points this week as hopefully promised – *if* we get those – for this season we will just say that bit to the bottom of Broadway. My problem with going on to the War Memorial is I need to know before that, because I would rather do one job, and that would be only if Tynwald says there is more money to take it from the War Memorial to the Sea Terminal –

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The Speaker: You have had the money.

The Minister: – in future years. Then I would do that whole job from where we are now to the Sea Terminal, rather than going from where we are now to the War Memorial and then, at a later date, doing another job from the War Memorial to the Sea Terminal. So I need to know from Tynwald if there is financial support to finish off from the War Memorial to the Sea Terminal before I commit to any major works after finishing off what we are doing at the moment.

505

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

The Minister has been toying with us over that very issue for months and months now. When will the Department bring the required papers to Tynwald, so we can actually make the decision on whether that can go ahead? At the moment, suggesting it could, it is down to us – we need that clarity. When can it come to Tynwald and when can we make the decision?

510

Thank you, Mr President.

The President: Minister to reply.

515 **The Minister:** Thank you.

The idea of that, Mr President, is when I come back – and it will be, probably, in June when the job is hopefully finished and I have to come back for an overspend on the job – hopefully then I would be looking to Tynwald for their support, just verbally, as to whether they would support me going to Treasury next year to ask for more money to finish that job from the War Memorial to the Sea Terminal. If Tynwald does not support me, then I will not bother taking it to Treasury later on when we go back for budget talks.

The President: Supplementary, Mrs Caine.

525 **Mrs Caine:** Thank you, Mr President.

Could the Minister recap for us what additional expenditure is remaining to spend, to complete the promenade and the reinstallation of the tramways? I think previously he has said £1.2 million to the War Memorial and an additional £1.5 million to the end, or in that region. But would he accept that Tynwald has previously voted three times, I believe, in support of the horse trams, latterly in 2017 to instruct the Department to complete the single tramline between the War Memorial and the end of Loch Promenade? So does he not feel that his Department should carry out the will of Tynwald and complete the tramline? And when he talks about the overspend and the additional funding needed for the tramlines, would he accept that that is because of the overspend on the roadway, (**The Speaker:** Hear, hear.) and the tramlines have not had the expenditure that was initially in the project for them? Why is the Department's incompetence now the responsibility of the tramlines, and the tramlines at risk because of the Department's incompetence?

The Speaker and two other Members: Hear, hear.

540

The President: Minister to reply.

The Minister: Thank you, Mr President.

I would nearly agree with everything that the Hon. Member has just said, except for the incompetence part, because it is not just the Department here; there are other people involved in it all. (*Laughter*) Some Members find that funny. I do not. When we are talking a lot of millions of pounds of taxpayers' money I certainly do not find this funny at all. I find it really hard to deal with in the Department.

But the Hon. Member is basically right in what she said with regard to the figures of what would be needed to come back. And yes, when I come back to Tynwald – as I said, probably in June – for the overspend on the job, on the project, there will be a breakdown of where all the money has gone. I know money has been taken from the tramlines, to finish the tramlines, to put back into the prom, and people need to know exactly where it has gone, and there are other parts that have had money taken from them too, as far as I am led to believe, to go into the prom to finish it, so other things have not been done, and I will absolutely make that clear to Hon. Members of Tynwald.

The President: Supplementary, Loayreyder.

560 **The Speaker:** Mrs Caine.

The President: Final supplementary, Mrs Caine.

Mrs Caine: Thank you, Mr President.

565 One final point: would the Minister accept that should the decision of Tynwald, of this Hon. Court, be to scrap the horse trams or to conclude the line sooner, the point at which we should

570 have taken that decision is before the Department invested £600,000, I think, or in the region of that, to purchase the stables, plus additional work on that, and £1.2 million rebuilding the tram sheds? And if the Department has spent around £2 million investing in the horse trams as a visitor attraction, should they not just get on and finish the job and enable them to operate and become a visitor attraction for the next decades?

Thank you, Mr President.

575 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

580 As the Hon. Member said herself, just now, there is £1.2 million in the Budget to finish the tram tracks up to the War Memorial, so the spend that has been done on the stables and others beforehand will have been money well spent because those properties were not fit for purpose. The point will be whether the tramlines go from the War Memorial up to the Sea Terminal, and that will be, obviously, a Tynwald decision at some stage.

Thank you.

CABINET OFFICE

6. Financial settlements in last three years – Nondisclosure agreements; total value; transparency

The Hon. Member for Rushen (Mr Speaker) to ask the Minister for the Cabinet Office:

How many financial settlements were reached (a) with and (b) without nondisclosure agreements in the last three years; what the total value of those financial settlements was; and what plans she has to improve transparency in this area?

The President: Question 6, and I call on the Hon. Loayreyder.

585 **The Speaker:** Gura mie eu, Eaghtyrane.

I would like to ask the Minister for the Cabinet Office how many financial settlements were reached with and without non-disclosure agreements in the last three years; what the total value of those financial settlements was; and what plans she has to improve transparency in this area?

590 **The President:** Minister for the Cabinet Office to reply.

The Minister for the Cabinet Office (Ms Lord-Brennan): Thank you, Mr President.

595 The number of financial settlements reached with and without non-disclosure agreements, often referred to as confidentiality clauses, for the previous three years is as follows: for 2019-20, with a non-disclosure agreement, 31; and without, 22; with a total value of £2,594,236. For 2020-21: with a non-disclosure agreement, 50; and without, 13; with a total value of £1,635,019. And for 2021-22: with a non-disclosure agreement, 20; and without, two; with a total value of £893,817. To provide some context to the figures, the majority relate to contractual payments, including cases under mutually agreed resignation schemes, renegotiation of terms, voluntary and compulsory redundancies and the settlement of a few employment disputes.

600 Mr President, every financial settlement should be carefully considered before agreements are entered into, to ensure the cost is given consideration and there may indeed be occasions where it may be more cost-efficient to settle through an agreement. Mr President, upon inquiring into these figures from the past few years, I believe it is appropriate both for a clearer policy frame of

605 reference and for greater oversight on this matter of settlement agreements, including financial settlements, by the PSC, along with reporting to Tynwald, and I give my commitment today for this to be examined and done.

Thank you, Mr President.

610 **The President:** Supplementary, Loayreyder.

The Speaker: Gura mie eu.

I appreciate the Minister's comments and that she will facilitate reporting on these numbers annually to Tynwald going forward, which is welcome. The fact, however, that we have spent
615 £5 million in the last three years on these sorts of settlements, does the Minister believe that the way that they are currently done, without publishing where the money has gone and to whom and why, means that it is easier, perhaps too easy, for Departments to just pay people to go away?

The President: Minister to reply.

620

The Minister: Thank you, Mr President.

I am not familiar with all the detail of all the individual cases, but I think just from that basic information, yes, there needs to be fuller transparency, there should be a policy frame of reference. There is the involvement of MERS as a facilitator. However, the Hon. Speaker is correct
625 that there is the role of Departments in this and the role of OHR. That is why I think that in terms of the PSC having oversight and reporting in the annual report to Tynwald on that particular matter to ensure greater transparency, that should help both get clarity over that, but also to understand what perhaps the key issues are if we are looking at how many people this involves, the grade, the reasons, the financial costs, and also the justifications over arguments for longer-
630 term savings, where there has been an agreement for financial settlement.

Thank you, Mr President.

The President: Supplementary, Mr Moorhouse.

635 **Mr Moorhouse:** Thank you, Mr President.

What is the timetable for this review? The current system makes it too easy simply to pay people off without adequate consideration of the impact on public finances, and at the end of the day, the public's money is being used for this. Do the associated gagging orders simply mean that issues that should be resolved and considered in more detail are not discussed because they
640 cannot be discussed openly?

Thank you.

The President: Minister to reply.

645 **The Minister:** Thank you, Mr President.

Just to deal with the second point first of all from the Hon. Member, the use of non-disclosure clauses, they are used when it is considered necessary to do so and there is the advice on MERS in terms of that, which acts as the facilitator.

I am not committing to a review, I am saying that actually the PSC needs to start receiving
650 information on this in terms of oversight and that the PSC report will report on the figures related to such financial settlements, so I think that is what needs to happen on that.

Non-disclosure agreements and clauses are used in different circumstances that would relate to individual cases, so I would just make that point as well.

Thank you, Mr President.

655

The President: Supplementary, Loayreyder.

The Speaker: Thank you.

660 Would the Minister be willing to publish and review the policy as to when and why non-disclosure agreements are used? And could I ask does the Public Services Commission review these on a case-by-case basis to ensure that they are learning the lessons that are coming out of employment tribunals and other reasons for people leaving with significant amounts of taxpayers' money, to make sure that policies and practices are improved, not just within OHR, but around Government?

665 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

670 It is precisely for those reasons that the Hon. Speaker has mentioned that I think that there needs to be a change in this regard and hence the answer given in my original Answer about there needing to be a clearer policy frame of reference and greater oversight.

From what I can tell, in my initial role in all of this and looking into this matter, I do not think that that sort of thing has happened yet as a matter of course. I am interested that it should and I think that that will help us glean what the issues are and just give some more oversight and transparency over the matter that seems appropriate.

675 Thank you, Mr President.

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

680 Can the Minister confirm that what she has announced is a review of the transparency in respect of the non-disclosure agreements and the disclosure agreements, not a review of the policy in respect of agreements and arrangements inside the various schemes that operate? I think they are quite public on the human resource webpage.

685 Secondly, can the Minister agree with me that it is not clear that the Public Services Commission was not aware of the major aspects and dimensions of this? It is my recollection that the Public Services Commission, when it transformed itself, did actually begin to receive quarterly reports which included this sort of information.

690 And finally, can the Minister confirm that the Public Services Commission itself is not actually responsible for all public servants? A great number of those have employing bodies which are not the Public Services Commission, for instance, bus drivers in the Department of Infrastructure, teachers and the like. So can the Minister confirm it will be quite difficult for the Public Services Commission to get into those peripheral, extra, special bodies that have chosen not to engage with the Public Services Commission fully?

695 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

700 Yes, it is right that the PSC does not have responsibility for all of the different public service workers. That is correct. However, my view is that the PSC should have an oversight role in terms of OHR, OHR is often involved in some of these matters, so that is the emphasis that I think is relevant and that there could just be a different way of this information coming forward to PSC for oversight.

705 For clarity, Mr President, I have not committed to any review. What I have said is that I believe there needs to be clearer policy frame of reference for this matter to do with settlements and financial settlements. And further, I have given the commitment that in the interest of transparency I think that such information should be reported to the PSC and then the annual PSC report that is put to Tynwald should include information as to those figures. Those have been my commitments today. Thank you.

710 Oh, and the final point is to do with non-disclosure agreements. I am not reviewing any matters to do with that. I appreciate that there are elements of policy that are available on that point. So just to be clear on what I have committed to there, it is those two points.

Thank you, Mr President.

EDUCATION, SPORT AND CULTURE

7. Emotional wellbeing in schools – Teaching and measurement

The Hon. Member for Douglas East (Ms Faragher) to ask the Minister for Education, Sport and Culture:

How emotional wellbeing is taught and measured in schools?

The President: We move on to Question 7. I call on the Hon. Member for Douglas East, Ms Faragher.

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Ms Faragher: Gura mie eu, Eaghtyrane.

I would like to ask the Minister for Education, Sport and Culture how emotional wellbeing is taught and measured in schools?

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The President: I call on the Minister for Education, Sport and Culture to reply.

The Minister for Education, Sport and Culture (Ms Edge): Thank you, Mr President.

725

The emotional wellbeing of children and young people is a strategic priority for the Department. Staff in schools are closely attuned to the emotional wellbeing of the students they teach and departmental officers work closely with schools to develop programmes designed to enable children and young people to manage their emotional wellbeing.

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In terms of how emotional wellbeing is taught, it is important to recognise the importance of a positive, nurturing ethos and culture in schools, which maximises the impact of taught elements of the curriculum. Alongside schools' commitment to building a compassionate culture, there are several programmes available at a universal level for schools to teach. If and when required, DESC officers train and support staff in the delivery of these.

735

In addition, Manx Sport and Recreation support primary and secondary schools' delivery of sport and physical activity. Some are designed to enhance emotional wellbeing and the Youth Service provides support via trained listeners as part of the secondary schools' listening service. The Department is working closely with other agencies to strengthen the universal offer for emotional health and wellbeing in schools, whilst building appropriate pathways for additional or complex support. This includes educational child psychology support as appropriate, both in primary and secondary schools and the UCM.

740

Whilst the Department does not seek to directly measure levels of emotional wellbeing of pupils across all education settings, individual schools monitor pupil wellbeing in several ways. Firstly, schools' pastoral support allows pupils to talk to an adult whenever they need to. All pupils therefore have access to adults they can trust and feel safe to share their thoughts and feelings with. As a result, the school pastoral leaders regularly work together to address individual, group or whole-school issues when they arise.

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Secondly, working with the Youth Service, Manx Sport and Recreation, CAMHS and other agencies enable schools to gauge levels of emotional wellbeing in individuals, groups or whole-school populations.

750 Finally, secondary schools have undertaken a pupil wellbeing survey this year in partnership with the Child Outcomes Research Consortium. The survey period ran from January to the end of March and consisted of a set of validated measures for assessing pupils which are mental health, wellbeing, emotional strengths, and skills and support networks.

Thank you, Mr President.

755 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister.

760 That Answer was encouraging. You referred to a lot of very specific things. The problem is for most children and most students they hit a crisis at an unexpected point. Are schools ensuring that that simple strategy, that simple solution that is out there, is readily available at all times and when the child actually needs it? In a classroom at this moment in time it may not be required, but when the child gets home tonight at five o'clock, they may need that clarity. Are the pathways clear and easily accessible at all times?

Thank you.

765 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

770 Obviously the Hon. Member, as a teacher in his previous life, knows the challenges that come into schools on a daily basis.

With regard to external hours, obviously, we work closely with the Department of Health and Social Care and people outside of that, and I think the important thing for students is that collaboration and to make sure that our students are supported when they are in our school environments.

775 **The President:** Supplementary, Ms Faragher.

Ms Faragher: Gura mie eu, Eaghtyrane, and thank you to the Minister for that reply.

780 It is interesting to hear that this is viewed as a strategic priority but the Answer gave lots of information that was based around if and when required, rather than a proactive ethos. Unfortunately, we do not have a lot of local data around the impact of mental health on the school years, but we do know that our Child and Adolescent Mental Health Service is struggling with the amount of referrals that they are receiving and wider data shows that on average 50% of all lifetime cases of mental illness begin at age 14.

785 Does the Minister agree therefore that we urgently need a consistent and Department-led framework for teaching and measuring wellbeing; i.e. does she agree that prevention is better than cure?

Thank you.

790 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

I think all Hon. Members in here would agree that prevention is better than cure, and it is disappointing that the CAMHS waiting list is so high for many of our students.

795 With regard to the proactive approach, as I have stated with regard to working in partnership with the Child Outcomes Research Consortium, that is for secondary-age students and the report will be provided to the schools after the Easter break. So that is imminent and hopefully once we have got that detail, which is the first detail that we will have from all of our schools, obviously we can look at that and move forward.

800 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

805 Since I asked the related question a couple of months ago, has DESC had the opportunity to meet with key stakeholders to bring about any improvements in this area? I know it is a very fast-moving area and it is getting extra funding and extra knowledge all the time, but the key bit is the individual student and ideally every student will have either their own individual programme or at least access to the support mechanisms that are in place.

810 The Minister spoke previously about the internet facilities, which are good and are useful, but are those actually at the top of the list? Are they in the students' planners? Are they available when the students actually need it at five o'clock this evening or two o'clock tomorrow morning?
Thank you, Mr President.

The President: Minister to reply.

815 **The Minister:** Thank you, Mr President.

Obviously I gave a list of some of the programmes that were available. There was Kooth and obviously Jigsaw and names like that. I think what the Member is alluding to is whether they are available online outside of the school day. Certainly I do not think they are at this present time. Whether that is a possibility, I will certainly look at that.

820 **The President:** Supplementary, Ms Faragher.

Ms Faragher: Gura mie eu, Eaghtyrane.

825 I just wanted to thank the Minister for the additional information around measuring wellbeing in secondary schools, but could I ask the Minister if she will commit then to a consistent and Department-led framework for teaching and measuring wellbeing as a priority in this administration?
Thank you.

830 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

835 Clearly, obviously, we have done this at secondary level initially. Whether there is a programme that is suitable for our primary students, it is certainly something to look at. The difference in our primary schools that the actual nurturing element is they have their teacher all year round, so that teacher is very well attuned to the individual needs of the students. But certainly once we have got the outcome of this, we will be looking at it as a programme to go forward.

840 **The President:** Final supplementary, Mrs Corlett.

Mrs Corlett: Thank you, Mr President.

845 Would the Minister accept that any wellbeing programme offered in schools needs to be properly evaluated to ensure that providers' credentials and course content are appropriate? Is there any quality control carried out by her Department when independent or third sector organisations are providing support in schools?

The President: Minister to reply.

The Minister: Thank you, Mr President.

850 Yes, we do have a number of third sector organisations and it is certainly key for myself and Department Members to ensure that the quality of what they are delivering is what is required.

We have certainly looked at ... There are a number of these contracts due for renewal at the present time, and that is certainly one of the key priorities, to make sure it is delivering what is required in our schools.

ENTERPRISE

8. Airport Technology Gateway – Progress

The Hon. Member for Arbory, Castletown and Malew (Mr Glover) to ask the Minister for Enterprise:

What progress has been made with the Airport Technology Gateway; and when work will start?

855 **The President:** Moving on to Question 8. I call on the Hon. Member for Arbory, Castletown and Malew, Mr Glover.

Mr Glover: Gura mie eu, Eaghtyrane.

860 I would like to ask the Minister for Enterprise what progress has been made with the Airport Technology Gateway; and when work will start?

The President: Minister for Enterprise to reply.

865 **The Minister for Enterprise (Dr Allinson):** Thank you, Mr President. I would like to thank the Hon. Member for his Question.

870 The Department for Enterprise is developing an Airport Technology Gateway that can support the future economic needs of our economy. A number of businesses have shown an interest in sites in the gateway and this should ultimately lead to more jobs based in the south of the Island. However, these businesses have their own individual requirements, which means we must remain flexible in order to deliver what they need to succeed.

875 I last updated the Hon. Member in the other place five months ago, in November last year. At the time I stated that we were looking at a July 2022 start date for initial works to commence. Global challenges around inflation and supply chains have delayed the process due to increased construction costs across all capital projects. In addition, the private sector interest has meant we need to develop the framework in line with their requirements. The Department believes it is right to hold back temporarily on the final details of the scheme to ensure that the designs maximise the opportunities for inward investment and to maximise the potential for the sites, but I am pleased to confirm the Department is working closely with the Department of Infrastructure Project Management Unit to now commence the initial stages of the ATG project plan.

880 Planning approval has been obtained for the implementation and construction stage of the enabling scheme and these are now proceeding to tender and procurement. This will involve hard landscaping, which includes roads, footpaths, drainage and the provision of services to enable the development of the site. We estimate that the first stage ground breaking will be able to commence in late July, and I look forward to working with the business sector, local community and their elected representatives to achieve the desired outcome of creating a key gateway to our Island.

Thank you.

The President: Supplementary, Mr Glover.

890 **Mr Glover:** Gura mie eu, Eaghtyrane.

I did indeed ask on 9th November in another place about the Airport Technology Gateway, which the Minister said there was, and recognised the need for, a first-class technology and high-tech business park, especially with the development of the medicinal cannabis sector. Having a landing pad for those tech-focused businesses will support the Island's diversifying economy and this is also continuing interest in the site for inward business investors, which means that there is a catalyst to develop the project and support those sectors for the Manx economy.

895 Can I ask the Minister if the work – we are just talking about enabling work – has suddenly had an injection of urgency, following two senior, prominent business figures being prepared to walk away from the project?

900 It does appear to be a case with the Airport Technology Gateway of freedom to flounder, rather than flourish.

The President: Minister to reply.

905 **The Minister:** Thank you, Mr President.

The plans for the Airport Technology Gateway are ongoing. The investment has been made in terms of a master plan and the enabling work will start, and once that starts we can then re-engage with those people who have been quite realistically frustrated by the lack of movement since this project began in 2016. I hope that once they can start seeing development, the enabling works, the sites being prepared for the eventual outcomes, which is inward investment, they will regain that trust that we are moving forward with this project.

Thank you.

The President: Supplementary, Mr Moorhouse.

915

Mr Moorhouse: Thank you, Mr President.

You have been able to speak quite confidently about the enabling work. Is the funding for enabling work currently in place? We were previously told that that would require Treasury funds. Has the CEO, has the Minister had direct involvement with that? Has the money been provided to ensure that the enabling work to the standard required will be carried out?

920 In terms of the timetable, we had a date previously, but that got slightly lost in the previous Answer. Is there a date when we will actually see spades in the ground?

Thank you, Mr President.

925 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

As I have just said, the intention is to start breaking ground in July this year.

In terms of the budget, a budget has been agreed which will be able to cope with this enabling work. Money has already been spent in terms of the master planning, a lot of the surveys and we can now go ahead with actually starting to improve the site.

930 Thank you.

The President: Supplementary, Mr Glover.

935

Mr Glover: Gura mie eu, Eaghtyrane.

Will the Minister confirm that he and his executives will use their very best endeavours and provide all necessary resources to ensure that the full Airport Technology Gateway strategy is fully approved through all Government processes by the end of 2023? We do not need more strategy rewrites, we have had 10s of them already. It is time to get on.

940

The President: Minister to reply.

The Minister: Thank you very much, Mr President.
945 I completely agree with the Hon. Member that it is time to get on.

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.
950 In terms of the money for the enabling work, is that the money that was provided in the 2019 budget or has additional money been provided?

With regard to it being a key strategic project, is this something that the Minister has backed, is continuing to back and take forward, not only for the Department, but also for the nation and the Government as a whole?

955 Thank you very much.

The President: Minister to reply.

The Minister: Thank you very much, Mr President.
960 The original budget was for the master planning, the surveys and the enabling work.
To answer the Hon. Member's question, yes, I continue to back this project. It is extremely important, both for the local economy in the south of the Island, but also for our national economy.
Thank you.

9. Horse tramway – Heritage and tourism value

The Hon. Member for Garff (Mrs Caine) to ask the Minister for Enterprise:

What assessment has been made by (a) his Department and (b) the Visit Agency of both the heritage value and the tourism value of the horse tramway?

965 **The President:** We move on to Question 9. I call on the Hon. Member for Garff, Mrs Caine.

Mrs Caine: Thank you, Mr President.
I would like to ask the Minister for Enterprise what assessment has been made by (a) his Department and (b) the Visit Agency of both the heritage value and the tourism value of the horse tramway?
970

The President: Minister for Enterprise to reply.

The Minister for Enterprise (Dr Allinson): Thank you, Mr President.
975 Over the last three years, the Visit Agency has commissioned a number of particular studies and more general research into visitor attractions on the Isle of Man, although none have solely covered the horse tramways. The research commissioned by the Visit Agency does confirm that the Isle of Man has a strong heritage and culture visitor offering, which over time has attracted and retained a loyal visitor base. These visitors, together with those visiting friends and relatives,
980 make up the majority of the Island's annual overall visitor numbers, which in recent years was seeing small levels of growth pre- the pandemic. In 2019, some 320,000 visitors came to our Island, and it has been estimated that they spent over £140 million in our economy.

985 At the May sitting of Tynwald, we will debate the new visitor strategy which outlines the strategic plan for growing the Island's visitor economy over the next 10 years, including a programme of visitor product development covering Manx heritage and culture. Our heritage transport is undeniably an important part of our overall offering, but it may be difficult for anyone to put an accurate assessment on its value in isolation.

Thank you.

990 **The President:** Supplementary, Mrs Caine.

Mrs Caine: Thank you, Mr President.

995 I thank the Minister for his reply, but I would question if the research has been ongoing for the past three years. I do not believe the horse trams have been operating for much of that. And in terms of the extension from Minister Crookall's responses earlier, it would seem that the section of horse tramway at risk is between the War Memorial and the end of Loch Promenade. Would the Minister accept that there is a large concentration of hotels along that section, and that historically a large proportion of travellers on the Manx Electric Railway have been delivered to Strathallan by the horse tramway operating along the full length of the promenade?

1000

The President: Minister to reply.

The Minister: Thank you very much, Mr President.

1005 The original Question was in terms of the heritage value and the tourism value of the horse tramway and I have tried to point out that this is very hard to quantify. The horse tramway is an incredibly important part of our transport infrastructure and our heritage offering, both to visitors and residents alike. In terms of the Hon. Member's specific questions, in terms of gauging the value of that, it is incredibly difficult. And similarly, it is very difficult to say whether any one particular stretch of the track is more important than the other.

1010

I think we need to look at it as a whole which, as the Minister for Infrastructure has said, the heritage railways of the Island, which includes the horse trams, are an important part of our visitor offering and also our offering to residents. That is being expedited by his Department to try to reach a prompt conclusion.

Thank you.

1015

The President: Supplementary, Loayreyder.

1020 **The Speaker:** Is the Minister aware that in 2013 the value of the heritage railways for the Island was estimated to be £11 million? Does the Minister stand by that figure and suggest that it would be at least that, if not more, for the heritage railways as a group in terms of its contribution to national income?

The President: Minister to reply.

1025 **The Minister:** Thank you very much, Mr President.

1030 In terms of the value of the heritage railways, the last decent assessment I could find of that was in June 2011 when the economic impact of the heritage railways was assessed by a consultancy called Ecorys, which actually looked at the overall value of the heritage railways, but did not at the time look at the horse trams, because at the time that was operated by Douglas Borough Council. They estimated that around about 10% of total tourism expenditure was on the heritage railways, which at the time amounted to a direct income contribution of around about £9 million in respect of GDP. I have got no reason to doubt that that will continue to grow as our visitor numbers grow, and so that total contribution to GDP should increase year on year.

Thank you.

1035 **The President:** Supplementary, Mrs Caine.

Mrs Caine: Thank you, Mr President.

1040 Would the Minister agree with me that as the single remaining Victorian public service horse tram operation running – when it returns – on its original tramway route, the Douglas Bay Horse Tramway is unique in the world and there must be a value in terms of retaining that for the Island and for future visitors? But also there is seemingly a value if the *Antiques Roadshow* is moved to come to the Isle of Man and the horse trams are operating on the small section between Strathallan and the stables. Obviously, that is going to be of value to the Isle of Man in promoting the Island as a visitor destination. So would the Minister himself feel that there is a value in retaining and operating the Douglas horse trams?

1045

The President: Minister to reply.

1050 **The Minister:** I am quite happy to agree with the Hon. Member that the horse trams are invaluable. Without wanting to quote Oscar Wilde, the cost of them against the long-term value of it, both in terms of their heritage, their ability to attract visitors and also to amuse residents here, is invaluable. It is extremely difficult to quantify that on any level, particularly as it is part of an overall heritage offering which is being promoted by Visit Isle of Man in terms of our tourism strategy.

1055 Thank you.

10. Financial Assistance Scheme payments – Disclosing amounts paid April 2020 to March 2021

The Hon. Member for Douglas Central (Mr Thomas) to ask the Minister for Enterprise:

Whether in principle he would be prepared to disclose the amounts paid to each recipient of payments under the Financial Assistance Scheme for the period 1st April 2020 to 31st March 2021?

The President: We move on to Question 10, and I call on the Hon. Member for Douglas Central, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1060 I beg to ask the Minister for Enterprise whether in principle he will be prepared to disclose the amounts paid to each recipient of payments under the Financial Assistance Scheme for the period 1st April 2020 to 31st March 2021?

The President: Minister for Enterprise to reply.

1065

The Minister for Enterprise (Dr Allinson): Thank you, Mr President.

1070 The Department lists the names of those businesses which have received financial assistance from the Financial Assistance Scheme within the Enterprise Act 2008 Annual Report, which is laid annually before Tynwald. It is a requirement of the Enterprise Act 2008 itself. However, in the Report the Department does not publish individual amounts associated with those businesses for competition, commercial sensitivity and confidentiality reasons. The Department analyses each application based on its merits and economic impact, and the general position is that the exchequer benefit received through the investment and jobs created is greater than the annual level of support provided. The exchequer benefit is demonstrated within the Annual Report.

1075 Whilst the Department is committed to transparency, there does need to be a balance in
achieving this, whilst not operating in a manner which could be detrimental to existing or
relocating businesses wishing to invest in our Island and economy. Our broader Scheme provides
flexibility to maximise economic returns on a case-by-case basis, and therefore it would be
inappropriate for me to take a general position on the disclosure of what may be detrimental to
1080 the commercial sensitive information or detrimental to the Department's role in helping
businesses relocate or grow here. The Department has of course committed to publish details of
all support provided in response to its COVID schemes, which were typically applied on a published
set of terms.

Thank you.

1085

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President, and to the Minister for that Answer.

1090 Does the Minister agree with me, then, that it might be helpful when Government is giving its
message about transparency, that the message becomes it is committed to transparency,
although there are caveats when the information is deemed to be either commercially sensitive
or detrimental to the company or the Isle of Man or advantageous to our competitors or fall under
an exemption of Freedom of Information?

1095 My second question is does the Minister believe that this information would be made public if
an FOI was submitted; and does the Minister not agree with me that that would be a good judge
about whether or not this information should be public, given it has been made public for the
COVID scheme recipients?

The President: Minister to reply.

1100

The Minister: Thank you, Mr President.

1105 In terms of transparency, as I have said there, a balance has to be found. In terms of the
Freedom of Information, the right to obtain access to information under this Act can only be
restricted if it is necessary to maintain the balance with rights of privacy, effective Government
and value to the taxpayer, and that I think is exactly what Government is trying to achieve.

Thank you.

The President: Supplementary, Mr Thomas.

1110 **Mr Thomas:** Thank you, Mr President.

1115 Many cities around the United Kingdom and many of our competitors do publish all of this
information, which might well be based around Freedom of Information concerns. And secondly,
it might be that the Isle of Man could actually gain benefit by explaining how much it gives Manx
Telecom and Swagelok and Strix and all the other people listed, because that might be good
promotion of the Island's abilities.

Does the Minister agree with me that at least this needs to be investigated, whether or not we
could actually benefit from publishing how generous we are in terms of plant and equipment and
buildings as part of our competitive pitch?

1120 **The President:** Minister to reply.

1125 **The Minister:** In terms of things like relocation grants, the Isle of Man may be in direct
competition with such jurisdictions, including Wales, Northern Ireland and Britain. Releasing the
details of such financial support on a routine basis could be against our national interest and may
damage our ability to grow our economy and secure well-paid jobs for our people.

Thank you.

Mr Callister: Hear, hear.

The President: Loayreyder, supplementary.

1130

The Speaker: I was just wondering how the Minister has come to that conclusion? I think it is a quote from *Yes Minister*, that is the 'articles of civil service faith':

it takes longer to do things quickly; it's more expensive to do them cheaply; [and] it's more democratic to do them in secret.

So I am just wondering how has he actually tested that theory, as opposed to just assumed it?

1135

The President: Minister to reply.

The Minister: Thank you very much, Mr President.

1140

In terms of testing the theory, the only way of doing that would be to go out to all the recipients under the Financial Assistance Scheme and ask them if putting their details into the public domain would hinder, or in fact advance, their business cases. I am quite happy to engage in that process with the recipients of the Scheme, as is currently raised.

1145

The Hon. Speaker obviously was part of the Public Accounts Committee who looked into some of the reporting under the Financial Assistance Scheme when they looked at the Media Development Fund and some of their contributions at the time were towards greater transparency in terms of the outcomes of the Scheme, rather than the actual physical details of the Scheme itself.

Thank you.

1150

The President: Final supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

Would the Minister undertake to ask his officers to do a survey of competitor jurisdictions around the British islands particularly to actually explain to Members and the public which other places actually make this sort of information public and which do not?

1155

Secondly, does the Minister agree with me that it is quite likely that those firms who are listed in section 4.4 of our Report are quite likely to be telling our competitors how much we get in the Isle of Man, 'and if you give us a bit more, we'll come to you instead', so it is quite likely that this information is already out there with our competitors?

1160

Thirdly, does the Minister not agree with me that there is a perception risk here? We have 40 business people who very generously come along to serve on the Agencies and quite a few of them actually are beneficiaries of employing bodies under the Financial Assistance Scheme. We do have a perception issue here that we are giving out all the information for COVID recipients, smaller people, but we are not for these bigger firms, and that is a perception issue that we certainly need to address now it has been raised by the Department's decision in respect of COVID schemes.

1165

The President: Minister to reply.

The Minister: Thank you, Mr President.

1170

I think there were three questions there. Looking at other jurisdictions: we do that on a regular basis to see how their financial assistance schemes compare with ours.

In terms of whether all this information is freely available because people talk about it, I do not see any particular evidence of that.

1175 In terms of his final point in terms of perception, I would like to point out to him that everyone, all the business people who sit on any of our Agencies, are very aware of conflicts of interest and actually declare those at the start of any particular meeting, particularly when financial terms are involved.

Thank you.

ENVIRONMENT, FOOD AND AGRICULTURE

11. Diseased trees – Number identified

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Minister for Environment, Food and Agriculture:

How many trees on Island have been identified by the Department as diseased?

1180 **The President:** We move on to Question 11 and I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

I would like to ask the Minister for Environment, Food and Agriculture, how many trees on Island have been identified by the Department as diseased?

1185

The President: The Minister for Environment, Food and Agriculture to reply.

The Minister for Environment, Food and Agriculture (Mrs Barber): Thank you, Mr President.

1190 Unfortunately, our Island trees are susceptible to many tree diseases, some of which have been with us for many years, such as Dutch elm disease, red band needle blight and fire blight, to name but a few. Many of these existing diseases go relatively unnoticed, and although unwelcome, only have a minimal impact. In the last decade, my Department has identified two new tree disease infections that will have a major impact on our Island, with the potential to cause significant detrimental impact to our landscape and biodiversity values, namely *Phytophthora ramorum*,
1195 affecting – amongst many varied plants – rhododendrons and large numbers of larch trees, and most recently ash dieback affecting our native ash population.

1200 *Phytophthora* is Greek for ‘plant destroyer’ and is a fungal-like organism, causing the death of a wide range of trees and shrubs – a disease which does not just affect larch and indeed has a current plant host list in excess of 150 species. Ash dieback is a fungus which originated in Asia and its arrival to Europe about 30 years ago has devastated the European ash. The nature of these infections, their life cycles and the manner of dispersal makes it impossible to eradicate, and very difficult and costly to effectively control the spread of these diseases. We know that both of these recent diseases have significantly affected hundreds, if not thousands of trees across the whole Island.

1205 My Department does not record the number of trees, due to the large numbers potentially infected and the significant resources that would be required to do so. Instead, work is focused on providing information, guidance and advice on general plant health, managing tree risk and monitoring for new pests and diseases as part of a wider UK and Ireland co-operation; as well as, of course, ensuring our estate remains safe for its visitors. We work also with the Department of
1210 Infrastructure on tree safety for our road infrastructure.

One key aspect in relation to ash dieback is to identify trees which are showing resistance to the disease, especially if they are in close proximity to known infected trees. Such trees may have

a natural genetic resistance, which can help with the future recovery planning of the ash tree in our natural landscape.

1215 The information we do have with regard to the number of trees infected with the disease is with regard to elm trees felled across the Island by my Department. Since its discovery in 1992, 3,172 elm trees have been felled due to Dutch elm disease. Of these, 2,155 were confirmed as disease-infected, the remainder being insect brood trees where disease is not present but populations of the disease distribution beetle have been found. It is now also estimated that all larch on the forest estate will need to be felled as a result of *Phytophthora ramorum* disease. That equates to around 500 hectares or 20% of our commercial forest estate. My Department continues to prioritise the controlled felling of these areas as part of its annual forest management operation and will replant with a suitable tree species.

1220 My Department maintains a close working relationship with relevant plant health organisations across the UK, Ireland and Crown Dependencies, sharing information and understanding the current threats and latest developments. We also undertake regular annual surveying for the occurrences of many pests and diseases that impact not only our trees but other flora, including agricultural crops. From this information we know our Island shares similar threats from plant pests and diseases as those experienced by the UK and parts of Europe. It is difficult to place a figure on how many there are, but a combination of significant pest and disease outbreaks, and the impacts of climate change could have a drastic and dramatic landscape-changing effect on our Island and its biodiversity values. It is estimated that the impact from ash dieback alone could result in the loss of around 80% to 95% of our ash trees.

1230 The predicted cost of managing such diseases is exceptionally high. It includes the practical expense of managing the risk from infected, dead and dying trees, to the loss of its environmental services. My Department will continue to monitor disease evolvment, movement and impact. However, there are a couple of key messages that could be taken home by everyone today: the need to practise good biosecurity when visiting the countryside, by cleaning boots and wheels after your visit; purchasing plants and trees from knowledgeable, reputable nurseries who can provide you with plant traceability from seed source; and reporting any tree health concerns through the industry's Tree Alert app which you can find online; or, happily, contact our Department.

1235 Thank you, Mr President.

1245 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President; and thank you, Minister, for that detailed Answer, especially to the recommendations at the end.

1250 Are the diseases ranked in any order or are they all seen as equally bad? Is a public record available of where the diseased trees are located? Have the diseased trees close to roads and homes to be removed within a certain period of time? And does the Department collate data on the number of trees identified as diseased that fall before action is taken?

Thank you.

1255 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

The main notable diseases currently of significance are *Phytophthora ramorum*, ash dieback, Dutch elm disease and *Xylella fastidiosa*, as well as *Phytophthora pluvialis*.

1260 There are not any records that are kept or publicised of locations, and the effort and resources required would be significant for this. For example, if we take just ash dieback, it affects thousands of trees across the Island. Producing an accurate record could also mean having each tree tested to ensure it has ash dieback and not something else similar, such as common dieback, which ash can also suffer with.

1265 I think, hopefully, Members will appreciate this is an extensive issue that my Forestry team are working really hard on, but ultimately we are not immune to the impacts of pests and diseases within our tree estate.

Thank you, Mr President.

1270 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister, for that update.

1275 In terms of resource available to your Department – it is a small Department – it is a *huge* responsibility. Are you getting sufficient funding? You are bound to say no, but presumably there are reasons for that! And is the Department actually proactive or reactive? Are they actually going out and covering the Island or responding to calls of concern?

When a tree is identified as being at risk, is any assessment carried out in terms of the risk that could potentially be done? In terms of trees, are they all treated equally, or are trees in the centre of a field and at the edge of a road quite different?

1280 Thank you, Mr President.

The President: The Minister to reply.

The Minister: Thank you. I love lots of questions together!

1285 Our response is proactive in the early phase of a new disease, which will be based on professional and scientific advice given by the UK plant health authorities. This will be to start to learn and understand if the Island has the disease, how it is transmitted and potential impact, and where the control measures will be required – and if they are, if they are likely to be effective. For example, a new disease identified in the UK during the summer of last year, which we are currently surveying for, is *Phytophthora pluvialis*, which predominantly affects Douglas fir and western hemlock. Fortunately, we have not identified this on the Island yet but the officers are working through the tree population.

1295 Once a disease is identified, it depends on its characteristics as to how any controls can be implemented, if any. Every disease is different, some can be controlled with a degree of effort, whereas with others like ash dieback it is practically impossible. It is the responsibility of the tree owner or the landowner to undertake any tree risk assessments and then, if required, manage the removal of the tree. When undertaking tree risk inspections, whether diseased or not, the tree's location should and would be taken into consideration. This can have a bearing on the final risk evaluation and any prescription for required tree work, such as tree removal. In its simplest form, 1300 a tree in the middle of a field has a lower risk rating when compared to one adjacent to a major highway, for example, where we would work with our colleagues in Dol. Therefore, even if it is diseased and dying, it may not require any work.

Thank you, Mr President.

1305 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister.

1310 Is financial support available for landowners who have issues with tree disease; and in terms of if there is not one available, should it be available, to actually encourage the removal but also the planting of new trees? In terms of our commitment to the environment, if we have so many trees at risk we surely should be pushing to get more trees planted to make up for this shortfall.

Thank you, Mr President.

The President: The Minister to reply.

1315 **The Minister:** Thank you.

1320 The Department does have a small budget to assist with management of Dutch elm disease, as well as a small budget supporting tree safety works, which does include ash dieback across the estate. It does not have any specific budget for control of pests and diseases on its estate or the wider landscape, and it does not have the resources to record and monitor large-scale infections.

1325 Any additional funding support to private landowners would need careful consideration on how it could be implemented, monitored and approved. I think it is safe to say that this is something like trying to hold back the tide in terms of some of these tree diseases, but certainly my officers are happy to talk to any private individuals; and equally, if trees are removed as a result of an application through the tree-felling scheme through Planning, there are requirements to replant, and that would be taking into account the right species to go in in those circumstances. Certainly within our forest areas we are ensuring that tree planting and replanting is occurring when we are felling trees.

1330 Thank you, Mr President.

The President: Final supplementary, Mr Johnston.

Mr Johnston: Thank you, Mr President.

1335 Clearly, these diseases are causing a lot of felling of hard- and softwood species. Does that limit what timber can be used? Obviously we are looking at a lot of timber potentially reduced from all of this. Is that something that can be used, for example, in the construction industry? Or do these diseases mean that the timber cannot be used in certain circumstances? Obviously it is a tremendous resource still, potentially, and we want to make sure that we make the most of it if we can.

1340 **The President:** Minister to reply.

1345 **The Minister:** I am aware that all the larch that is felled within the estate can currently be used, as well as those from ash dieback which are also being used. Obviously, those that are felled on private land, it is the choice of the landowner what they would use that for.

1350 I would also say we did have a really interesting conversation with the Manx Wildlife Trust only yesterday where we talked about options such as biochar. This is something that I certainly want the Department to look further into, so that I can understand a little bit better about the other options that may be available to us, to ensure that we are not simply not using a resource at a time when perhaps it has got some value to us.

HOUSING AND COMMUNITIES BOARD

12. First time buyers' schemes – Assessment and update

The Hon. Member for Douglas North (Mr Wannenburg) to ask the Chair of the Housing and Communities Board:

What his assessment is of the first time buyers' schemes; and what plans are being made to update them?

The President: We move on to Question 12 and I call on the Hon. Member for Douglas North, Mr Wannenburg.

Mr Wannenburg: Thank you, Mr President.

1355 I would like to ask the Chair of the Housing and Communities Board what his assessment is of the first-time buyer schemes; and what plans are being made to update them?
Thank you.

The President: Chair to reply.

1360

The Chair of the Housing and Communities Board (Mr Thomas): Thank you, Mr President. I thank the Member for the Question.

I understand first-time buyer schemes have assisted around 1,600 people in the last 20 years, but an important workstream is Homes for All, which is aimed to enable all Island residents to own or rent a suitable and affordable home which is appropriate to their needs, and that will require an assessment. Outputs of this workstream are wider access, shared equity with more appropriate thresholds and other terms in the current schemes, alongside further development of, for instance, rent-to-buy, mid-rent and key worker housing opportunities.

The Housing and Communities Board has received periodic updates from Department of Infrastructure officers about their plans and activity to review and update the current shared equity schemes. Indeed, one such update was included as the first appendix in the Housing and Communities Board Action Plan 2022-23, which is currently on the Tynwald Register of Business for consideration in May. Beyond this, I can confirm that Department of Infrastructure officers made an operational policy change in December 2021 to allow some second-time buyer participation in the current scheme and have engaged actively with the Attorney General's Chambers about shared equity reform. It is now planned to amend the current schemes by July 2022 and to report on the more fundamental review by the end of this year.

Other activities the Board currently plans in this workstream include publishing an enhanced housing market review, including affordable housing definition, by September 2022; review of Land Registry fees to encourage local owner occupation by January 2023; continuing the policy development for mid-rent, rent-to-buy and public sector housing, including tenancies, rent setting and allocation management, by March 2023; further developing key worker housing policy, including working with the Manx Development Corporation, the Department of Education, Sport and Culture and the Department of Health and Social Care, by March 2023; and engaging with the Bankers' Association and others to enhance lending and saving arrangements, by March 2023.

Additional work has been identified to look at how we can objectively assess the level of housing need on the Island and I would like to see this happen in parallel with the schedule of updates to the current scheme.

Thank you, Mr President.

1390

The President: Supplementary, Mr Wannenburg.

Mr Wannenburg: Thank you, Mr President.

Does the Chair consider his Housing Board to be adequately resourced, both in people and finance, to take this forward?

Thank you.

The President: Chair to reply.

The Chair: Thank you, Mr President.

At the Budget a fund was announced by Treasury and subsequently Treasury has established the terms of reference for that fund, and now Departments, through the Housing and Communities Board, can actually make applications to Treasury for that fund. We hope, with the help of the Cabinet Office, to make our first application to the Treasury for a member of staff in coming days or weeks, so we then should have a member of staff working on the housing and communities project and that will come from the fund. Thereafter, Departments like the

Department of Infrastructure, DHSC, the Cabinet Office or somebody else can make applications to that fund for Treasury to decide – or Council of Ministers to decide, if it is a large amount of money – whether or not money can be spent.

1410 So to answer the question, at the moment, we do not have any resources, any staff, but we do now have access to them and I hope – I am optimistic, and I think the Board is optimistic – that we can continue to do what we have done already, which is optimise provision around Government and beyond to fix this serious housing issue.

1415 **The President:** Supplementary, Mr Glover.

Mr Glover: Gura mie eu, Eaghtyrane.

1420 The Chair of the Housing and Communities Board gave a figure of those who have been helped within the 20 years by the first-time buyers' schemes. Will he confirm that a large weight and proportion of those who have been helped in the 20 years will be towards the 10-20 years ago and has declined quite dramatically in recent times?

Thank you.

The President: Chair to reply.

1425

The Chair: That is very much the case. In the first 10 years of the scheme the vast majority of those would have been helped, and since 2017 the number helped has been 30 or 40 a year, which would not get you to 1,600 if multiplied by the 20 years.

1430 Can we do more? Of course we can. The first thing is Members might have missed that we have just brought forward the date when we can expect a shared equity scheme amended from December 2022 to July 2022, and with a fair wind and the excellent work of the AG's Chambers, I do hope that we will have this on the Tynwald Register, so that we can be bringing the Shared Equity Schemes up to date in July Tynwald, for coming into force in August.

1435 Do we need more money for shared equity? Probably not, because there is a Housing Reserve Fund which has £5 million-plus in it. The way that scheme works at the moment is Government makes money from this scheme rather than all money going to help people, and that is one of the things that we will be reviewing in July when we approve the amendments and then we begin work on additional schemes.

1440 One thing I would like to say to this Hon. Court and the wider public is I am a big fan, and I think some officers are in particular, of the mid-rent pilot scheme, which by chance I launched back in 2015 and was then taken forward by Housing people in 2016-17. Essentially, we have five houses in Colby that enable people to pay less than the market rent and save for a deposit, but we only have five houses in Colby in that scheme. What we need to think about is massively increasing that scheme, which requires a legal basis, which is one reason why we have a law scheduled for 1445 next year to provide the legal basis for that scheme, and it will also require this Court, initially through Treasury, to get behind an expansion of the mid-rent scheme. That is where I would like to prioritise our activities, because that can make a major impact on dealing with the housing crisis.

1450 Social housing can be important as well. Improving the rented market will be important, and that is why we are doing this fundamental review, to report back, through Government, to this Court, aiming to have the report completed by the end of this year.

The President: We move on to ... Mr Wannenburgh, do you have a final supplementary?

1455 **Mr Wannenburgh:** No, Mr President.

MANX UTILITIES AUTHORITY

**13. Key meter customers –
Electricity price increase effect**

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Chair of the Manx Utilities Authority:

Whether key meter customers had to pay more for electricity from 1st April 2022 with immediate effect; whether other customers will continue to pay the old tariff for many weeks; and what plans the Authority has to rectify this situation when a second tariff increase is applied in July?

The President: We move on to Question 13. I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

1460 I would like to ask the Chairman of the Manx Utilities Authority whether key meter customers had to pay more for electricity from 1st April 2022 with immediate effect; whether other customers will continue to pay the old tariff for many weeks; and what plans the Authority has to rectify this situation when a second tariff increase is applied in July?

Thank you.

1465

The President: I call on the Chair of the Manx Utilities Authority to reply.

The Chair of the Manx Utilities Authority (Mr Callister): Thank you, Mr President, and I thank the Hon. Member for his Question this morning.

1470 I can confirm that Manx Utilities applied a tariff increase for electricity supplied with effect from 1st April 2022. Unlike other electricity and utilities providers, Manx Utilities does not apply a tariff increase until after a meter has been next read following the introduction of a tariff change, so as to ensure a tariff change is not applied to electricity consumed when the previous tariff was still in effect.

1475 Manx Utilities offers a number of different tariffs and operates a number of different meter types. The differences in meter operation and differences in metering infrastructure mean that the timing of when a tariff change is applied for a customer depends on the tariff and the meter type and, in the case of manually read meters, when the meter is actually read.

1480 Key meter customers, also referred to as prepayment customers, will generally have the tariff increase applied to their electricity consumption compared to a domestic credit meter customer. Many, not all, prepayment customers will have had the increase applied from 1st April 2022.

I can confirm that there are no changes in the approach being proposed for the further increase from 1st July, but when we are in a position to lower tariffs, prepayment customers will be the first to benefit.

1485 The differences in timing arise from the differences in metering infrastructure and how the billing processes work for different meters and different tariffs. It is simply not possible to implement a tariff increase across all customers in an identical manner with the current metering infrastructure. Generally this has led only to small differences in cost for customers but it is accepted that the differences for the current increases will be larger, due to the larger increases being applied at the moment.

1490

Thank you, Mr President.

The President: Supplementary, Mr Moorhouse.

1495 **Mr Moorhouse:** Thank you, Mr President, and thank you, Chairman.

There is a fundamental issue here in terms of when there is most pressure on because of inflation and other issues out there: the poorest in our society are going to pay most first of all. In terms of the MUA having this awareness, has it considered a special social tariff for people using key meters so they could pay the first amount but the payment would be more reasonable and justifiable?

Only last week, the CEO of ScottishPower suggested key meter customers should receive a discount because they are the least capable of paying the increase in electricity prices.

Thank you, Mr President.

1505 **The President:** Chair to reply.

The Chair: Thank you, Mr President.

I thank the Member for his question and I also thank him for making me aware of the CEO's comments, where he has suggested that key meter customers should receive a discount.

1510 I think it is worth putting on record that key meter customers, or prepaid customers, on the Isle of Man pay no different than a domestic customer, and in the UK you will pay a considerable amount more for being on a key meter or a prepaid meter.

I think the Member is absolutely right, we do need to look at these, but we are a utility company and we do not hold the data such as Treasury might hold with regard to who is vulnerable and who is not vulnerable as a customer. Some people actually use our key meters out of choice, not because they are necessarily vulnerable. So I take the comments on board from the Member, but I think further work needs to be established as to how many of our key customers are actually considered vulnerable, because I know from my own constituency there are many within general domestic customers who are also feeling the pinch from these increases.

1520 Thank you.

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1525 When Treasury, the Council of Ministers or the Manx Utilities Authority, whoever it was, decided to delay part of the increase to July firstly, and secondly to start the new rate whenever your bill was sent, at that point whoever made that decision made a decision that some of the poorest people who are on prepaid meters would be treated worse than richer people. And that is not the first example. For instance, if you have Comfy Heat or an electric vehicle, you also get a cheaper electricity rate in certain hours, and there are not a lot of poor people who have ground-source heat pumps or electric vehicles as yet. So is this becoming systematic? Is the Manx Utilities Authority not doing its bit for poorer people? In actual fact, is it doing its bit more for richer people who consume electricity in larger amounts?

1535 **The President:** Chair to reply.

The Chair: Thank you, Mr President.

I do not agree with the Hon. Member's comments. I think we have done everything we can, as a utility company, to shield our customers over the last 12 months. In this place and in the other place I have repeatedly said that we have done everything we can to shield our customers to the value of around £16 million.

1545 I think it is worth putting on the record that Manx Utilities has around 48,000 customers. Under the current system, as I have said in my original Answer, it is almost impossible to apply the increase to everybody on the same day, and where we have actually started ... It is worth mentioning that we are rolling out our smart meters, which will actually help people to manage

their consumption as well, and I have also mentioned that our customer service team is there if anybody is struggling with their electricity bills at the moment.

The President: Supplementary, Mrs Christian.

1550

Mrs Christian: Thank you, Mr President.

Does the Chair agree with me that key meter customers paid the new rate from 1st April, but if you are a quarterly billing customer, your meter was read on 21st April ... they were billed at the old rate up until the 21st? Does the Chair not agree with me that the key meter customers have been disadvantaged here? And is the MUA going to rectify this problem?

1555

Thank you, Mr President.

The President: Chair to reply.

1560

The Chair: Thank you, Mr President.

I do not think they have been disadvantaged. As I have said, we have 48,000 customers. Some of our business customers would have had the increase applied from 1st April. Some of our domestic customers would have had the new tariff applied on 1st April.

1565

The Member is shaking her head. Why doesn't she come and speak to me and I will actually give her the evidence to show her?

Our billing cycle goes over a two-month, three-month period, so some customers will have had the increases applied from 1st April. Some of our prepayment meter customers would not have had the increase applied because they would not have topped up their cards yet.

1570

I am happy to speak to the Member directly and actually give the information to show how our billing system works, but, as I have mentioned, we have 48,000 customers, it is not practically possible to bill everybody on 1st April. Some have to be billed first, some get billed over a period of time. Happy to speak to the Member if she has any further questions.

The President: Supplementary, Mr Moorhouse.

1575

Mr Moorhouse: Thank you, Mr President.

When did the MUA actually have an assessment of the people using key meters? They are clearly a very distinct group in that perhaps it is down to income, perhaps it is down to personal choice. They are a distinct group and it looks questionable from the outside for the MUA to make a decision that those people would pay the increased amount on 1st April, whereas a medium date could have been chosen, or even the longest possible date that people paying with quarterly bills would have. Why was 1st April chosen as the date when key meter users would actually have that increase, when an alternative date could have been chosen?

1580

Thank you.

1585

The President: Chair to reply.

The Chair: Thank you, Mr President.

I think if you go back to our Pricing Strategy, which was approved by Tynwald in October 2018, it clearly said that Tynwald ... if the prices need to increase ... it is very clear and transparent, it is according to CPI in September and then applied from 1st April. Nothing has changed. The only thing that is changing is the amount of increase that is being applied on this occasion.

1590

The President: Final supplementary, Mr Thomas.

1595

Mr Thomas: Thank you, Mr President.

1600 Does the Chair agree with me that effectively the Manx Utilities Authority – or perhaps it was the Council of Ministers, or perhaps it was Treasury – has not actually treated all customers equally, (**A Member:** Hear, hear.) because if by chance your billing date is June you get electricity at a cheaper rate for much longer than if it is at 1st April?

Does the Chair further agree with me that that is contrary to his basic statement over and over that he wants to treat all customers equally, and it is also contrary to the Tynwald-approved Pricing Strategy, in which it states that customers should be treated equally and fairly?

1605 **The President:** Chair to reply.

The Chair: Yes, thank you, Mr President.

1610 I think the Hon. Member is right on one point, because our pricing principle does say simple and transparent, stable, and non-discriminatory, but as I have said, we have 48,000 customers, we cannot bill everybody at the same particular moment in time. Hopefully, when we roll out our new smart meters, that may be a thing in the future, where everyone does get the same increase on the same date at the same time. At this moment in time, it is just not possible.

Thank you, Mr President.

14. Domestic MUA customers in welfare support categories – Tariff changes post-2018 Pricing Strategy

The Hon. Member for Douglas Central (Mr Thomas) to ask the Chair of the Manx Utilities Authority:

What changes the Authority has considered and implemented regarding electricity tariffs for domestic customers in defined welfare support categories since its Pricing Strategy was approved in October 2018?

1615 **The President:** We move on to Question 14, and I call on the Hon. Member for Douglas Central, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1620 I beg leave to ask the Chair of the Manx Utilities Authority what changes has the Authority considered and implemented regarding electricity tariffs for domestic customers in defined welfare support categories since its Pricing Strategy was approved in October 2018?

The President: The Chair of the Manx Utilities Authority to reply.

1625 **The Chair of the Manx Utilities Authority (Mr Callister):** Thank you, Mr President, and I thank the Member for his Question.

1630 Following the publication of the Pricing Strategy, contact was made with the relevant parties of Government to consider what support could be made for groups of customers to improve the affordability of electricity. These discussions did not result in any specific change to tariffs. However, we do continue to work with our colleagues within Treasury. Manx Utilities also continues to work with a number of third sector organisations to support customers who may be struggling to pay their electricity bills.

There are no immediate plans to undertake further work in this regard but the matter remains under periodic review and will be considered again when we look at our Pricing Strategy update in 2023. We continue to monitor the impact of our tariffs on our customers and the ongoing

1635 energy cost crisis. We will continue to monitor customer feedback and provide relevant support for customers to minimise their energy costs.

In the meantime, I would remind anyone who does have concerns about their electricity bill or their consumption to contact the customer service team at Manx Utilities on 687675 or email accounts@manxutilities.im.

1640 Thank you, Mr President.

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1645 Does the Chair just want to confirm, then, that in the Cold, Hunger and Homelessness Action Plan from the Council of Ministers it was reported:

In addition, an agreed MUA principle for pricing water, sewerage and electricity is that the pricing will be 'consistent with Government's policy – charges should be set mindful of Government's social, economic and environmental policies'. More specifically the MUA has agreed 'to continue to work with Government to consider changes to customer support' and 'welfare support arrangements' which are 'targeted at households in defined welfare support categories (with the cost of this subsidy being recovered by raising the tariffs to all other customers, not only other residential customers) if such support is desired and necessary legal powers are in place to do so.'

so the MUA had that as a task which they agreed with Government in 2018 and has not, as yet, fulfilled that task?

1650 **The President:** Chair to reply.

The Chair: Yes, thank you, Mr President, and I thank the Hon. Member for his supplementary question.

1655 I am more than happy to take that away. That was an action point from a previous discussion and from a previous action plan. Happy to pick that up with officers as soon as possible and to report back to the Court as soon as possible, Mr President.

The President: Supplementary, Mr Thomas.

1660 **Mr Thomas:** Thank you, Mr President.

1665 In the Pricing Strategy in October 2018, the MUA was raising some questions about being able to carry this action forward in terms of social tariffs or warm home discounts, or something like that, and it talked about 'if such support is desired and necessary, legal powers are in place'. Can the Chair advise what legal powers are deficient to allow Manx Utilities to have done this? And what sort of support was the MUA wanting to be desired to have put down those caveats?

The President: Chair to reply.

The Chair: Thank you, Mr President.

1670 As I have just mentioned, I am more than happy to pick up that action point and to have a look at that full debate, along with any questions and concerns raised.

1675 Manx Utilities does not hold a huge amount of data of somebody's wealth or somebody who is in trouble, other than those who actually contact the organisation, contact the Authority, to ask for support and help, which we will always listen to on a case-by-case basis. But on a wider discussion, more than happy to pick up the points that the Member has made this morning and look at those action points and the concerns.

The President: Supplementary, Mr Moorhouse.

1680 **Mr Moorhouse:** Thank you, Mr President.

There are clearly challenges here, but as a simple starting point, could the Chairman and the board consider delaying the price increase for the prepaid users by a month, as a sign of what can be done and helping out many of the poorest people in our society?

Thank you, Mr President.

1685

The President: Chair to reply.

The Chair: Thank you, Mr President.

1690 As I have just mentioned, we have no data to actually show that our prepaid customers or our key meter customers are the most vulnerable in society. Yes, there will be some in there but there are absolutely some within our domestic tariffs as well, who will also be feeling the pinch of the increase. If the Member has any data to show that key meters are actually being disadvantaged, then speak to me, but as I have said, as soon as the prices come down they will be the first to benefit from any decrease that we apply.

1695

The President: Supplementary, Mrs Corlett.

Mrs Corlett: Thank you, Mr President.

1700 The Chairman has stated that fairness is a priority, and if one tariff is cheaper than another then that will have to be balanced off by other people paying more, (**Mr Thomas:** Hear, hear.) so should those customers in defined welfare support categories have that addressed through benefits, rather than through lower tariffs from their energy supplier?

The President: Chair to reply.

1705

The Chair: Thank you, Mr President.

1710 Yes, I agree with the Hon. Member. I think this is a piece of work that needs to be undertaken with our colleagues in Treasury. They are the ones who actually have the data on people who access benefits. They are the ones who have introduced the winter bonus, where we have introduced £16 million shielding all of our customers to make sure we are not discriminating against anybody, to help them get through the winter period. But I think there is a bigger piece of work that we need to undertake with our colleagues in Treasury to make sure that we are being fair and we are actually also capturing people who are absolutely in fuel poverty at the moment.

Thank you.

1715

The President: Final supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1720 It is a very helpful Answer that the Chair has given today. Perhaps it would be helpful for Members and the public for the Chair to add to his Answer today further details about the dialogue with Treasury in 2019, 2020 and 2021 about this very matter and to upload it to *Hansard*.

The President: Chair.

1725 **The Chair:** Thank you, Mr President.

Obviously I was not on the board of the Manx Utilities in 2019, 2020 or 2021; I only joined in November 2021. Happy to pick those discussions up again, and if they were relevant to *Hansard* then I will make sure they are put on the record, but obviously there is ongoing work with Treasury as we speak.

1730

Thank you.

**15. MUA's industrial electricity customers –
Proportion and consumption; tariff and gas price impact**

The Hon. Member for Douglas Central (Mr Thomas) to ask the Chair of the Manx Utilities Authority:

What proportion of the Authority's electricity customers are industrial electricity customers; what proportion of the electricity consumed in the Island is consumed by them; what tariff they are on; and to what extent they were shielded from the impact of high gas prices on electricity tariffs in 2021-22?

The President: We move on to Question 16. I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

1735 I would like to ask the – (*Interjections*)

The President: Apologies, Question 15 – jumping ahead of myself. I call on Mr Thomas to ask Question 15.

1740 **Mr Thomas:** Thank you, Mr President.

I beg leave to ask the Chair of the Manx Utilities Authority what proportion of the Authority's electricity customers are industrial electricity customers; what proportion of the electricity consumed in the Island is consumed by them; what tariff are they on; and to what extent were they shielded from the impact of high gas prices on electricity tariffs in 2021-22?

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The Chair of the Manx Utilities Authority (Mr Callister): Thank you, Mr President. I thank the Member for his Question.

For 2021-22 the proportion of electricity customers considered to be industrial customers was 1% and the proportion of electricity consumed by them was 36%, or just over one third. These customers are on a range of tariffs including the M1, M2, M3, M4, High Volume User, High Volume User 2-rate and High Load Factor. The tariffs have higher standing charges than our standard domestic customer tariff but lower unit rates. In addition to the higher daily standing charge, industrial tariffs charge additional monthly charges for maximum demand and agreed supply capacity to reflect the impact of the customers' load on the local electricity network and electricity supply.

1755

As previously advised, the tariffs applied from 1st April 2021 resulted in a shortfall of income to cover the increased wholesale energy costs of £16 million, equivalent to 28% of our annual electricity revenue. As I have previously advised, this figure was equivalent to a benefit of £176 per domestic customer, totalling £7.7 million, and £8.3 million for non-domestic customers. Industrial customers would have equated to £5.1 million of this latter figure.

1760

Thank you, Mr President.

The President: Supplementary, Mr Thomas.

1765 **Mr Thomas:** Thank you, Mr President, and to the Chair for that helpful Answer.

Can the Chair confirm, then, that the M1, M2, M3 and M4 tariffs went up by the same proportion – the 30% – as the domestic customers?

And secondly, can the Chair confirm my quick mental arithmetic, which is that the domestic customers then were shielded to the extent of £5 million – that is what I calculated; I think the Chair confirmed it was £5.1 million – so that means that the average industrial domestic customer was actually shielded to the extent of £10,000, given that 1% of the 48,000 customers are

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1775 industrial domestic customers? That is 60 times better than the domestic customers – £10,000 is 60 times greater shielding than you got if you are a poor person on a domestic customer ... Does the Chair confirm my mathematics, and does he think it is right that large industrial customers were shielded by £5.1 million, which on average is £10,000 per customer, approximately?

The President: Chair to reply.

The Chair: Thank you, Mr President.

1780 On the first part, to the best of my knowledge, yes, all customers obviously have had the increase applied to their tariffs from 1st April, which was agreed in line with the Pricing Strategy and the additional increase to take into account the pricing crisis in respect of the cost of natural gas.

1785 In respect of the percentage, I did ask this question, myself, yesterday. I think I will probably write to Members, because it is very clear to get an average for the domestic customers but when we talk about non-domestic customers it really does depend on their usage; some of our biggest customers pay millions of pounds for electricity. So I will write to the Member and I will write to Hon. Members just to clarify that last point on non-domestic percentage payments, Mr President.

1790 **The President:** Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1795 Before we get into the mathematics, does the Chair, does his board, does Treasury, does Council of Ministers, as far as you know, believe it is right that £5.1 million was shielded from the likes of the Hospital and other large Government users, from Tesco, from Manx Telecom and other large data centres, when that £5.1 million could have been used to help out, a little bit, gas customers who are struggling, especially given the just transition? That £5.1 million could have been used to invest in improving the meter system, so we did not have to discriminate against poor people because they have to pay from 1st April, whereas everybody else gets lower. That
1800 £5.1 million could have been used for alternative energy and home energy efficiency planning for the future. Does the Chair think it is right that somebody has decided to shield big customers by £5.1 million with nothing brought to Tynwald about it?

The President: Chair to reply.

1805

The Chair: Thank you, Mr President.

I think I have put on the record previously I was not on the board when this decision was taken, but I will just repeat what our pricing principles actually say: they have to be simple, transparent, they have to be stable and they have to be non-discriminatory.

1810 What the Authority decided to do was to split the amount of money that was going out equally between non-domestic and domestic customers, and that is what the Authority has done. I do not have the percentages of what was given to non-domestic customers, but I know for domestic customers it was £176, which has already gone on the record, and I think most Manx Utilities customers welcomed that help over the winter period.

1815

The President: Final supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1820 Does the Chair agree with me that the Tynwald-approved pricing review would have allowed for price changes in the course of 2021-22 in the event of something like the gas price moving? So can the Chair advise whether or not the board – perhaps Treasury and the Council of Ministers, if he knows – even considered this point that I have made about this huge use of public funds to support large industrial customers? In the pricing review it actually said the MUA should start

1825 supporting less. That is actually what it states in the pricing review: they should move over to treating customers equally.

The President: Chairman to reply.

The Chair: Thank you, Mr President.

1830 As I said, I was not on the board, so I was not party to the discussions, but I am happy to pick up his point; I think it is a valid point. I will write to Hon. Members formally and give the information once I have understood the situation myself.

Thank you, Mr President.

INFRASTRUCTURE

16. Pavement parking – DoI policy following Constabulary announcement

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Minister for Infrastructure:

What his Department's policy is on the prevention of parking on pavements; and whether that policy changed after the announcement on this matter made by the Constabulary on 16th March 2022?

1835 **The President:** We will now move on to Question 16. I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

1840 I would like to ask the Minister for Infrastructure what his Department's policy is on the prevention of parking on pavements; and whether that policy changed after the announcement on the matter made by the Constabulary on 16th March 2022?

Thank you.

The President: The Minister for Infrastructure to reply.

1845 **The Minister for Infrastructure (Mr Crookall):** Thank you, Mr President.
The Manx Highway Code states that:

You MUST NOT park wholly or partly on a pavement without a police officer's permission. Parking on a pavement can obstruct and seriously inconvenience pedestrians, people in wheelchairs or with visual impairments, and people with prams or pushchairs.

The Department supports the Isle of Man Constabulary in addressing pavement parking contraventions to improve the safety and amenity of pedestrians, particularly those who are vulnerable through disability. There has been no policy change in my Department.

1850 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister.

1855 Is the enforcement of this law in suburban cul-de-sacs different from what happened before?
You say it was not a new policy, but is it different?

Have parking controllers ever assessed and issued tickets in areas such as Elizabeth Rise prior to the announcement on 16th March?

Thank you.

1860 **The President:** Minister to reply.

The Minister: Mr President, the controllers have not assessed anything. The law is the law, they go about their job, whether it be in suburban cul-de-sacs or the towns, or wherever it may be. If people are parking on pavements, whether it be in fact the controllers or the police officers, whether it be early in the morning or late at night, if people probably are parked in dangerous, or what they would call 'inconsiderate places', I am sure that is why they give the tickets out.

The Speaker: Hear, hear.

1870 **The President:** Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Minister.

I am not changing the law. The law is important and we all must abide by it. But in terms of the changes that have happened, there has been an issue in terms of, rather than issuing advisory notes, rather than making people aware that this was something that was now happening, it seems to have just been taking place in suburban areas, and people have been seeing a different side of DoI and a new enforcement policy. Was this something that was happening before 16th March 2022?

Thank you.

1880 **The President:** Minister to reply.

The Minister: Mr President, I think for years, probably, the Police have gone out of their way to try and be nice to motorists and left them alone and probably parking controllers to some extent. There was a warning given out on that date that the Hon. Member has said, and the Police have followed up on it, like they said they would do.

We have to abide by the law and if people are seen to be parking in dangerous positions or on the pavement blocking it for pedestrians, then the Police or the traffic controllers will act accordingly.

1890 **Several Members:** Hear, hear.

17. St Mark's traffic management – Progress

The Hon. Member for Arbory, Castletown and Malew (Mr Moorhouse) to ask the Minister for Infrastructure:

What progress has been made with proposed changes to traffic management in and around St Mark's?

The President: We move on to Question 17. I call on the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

1895 **Mr Moorhouse:** Thank you, Mr President.

I would like to ask the Minister for Infrastructure what progress has been made with proposed changes to traffic management in and around St Mark's?

Thank you.

1900 **The President:** Minister for Infrastructure to reply.

The Minister for Infrastructure (Mr Crookall): Mr President, the Department met again with Malew Commissioners on 2nd December 2021 and it was agreed that good-quality planters should be installed. At the same meeting it was also agreed that the Department will engage with residents on the most appropriate type and seek to implement their preferred option.

1905 The Department had programmed the renewal scheme for 2022-23. It was originally envisaged that resident engagement would happen in the last quarter of 2021-22. However, due to COVID-related backlogs and resource issues, departmental priorities have had to be focused on other areas.

1910 The Department plans to carry out the resident engagement after TT this year.

The President: Supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister.

1915 It is rather concerning that this decision was made many months after the last lockdown, many months after we had got used to life as normal, and we are now looking at another jump forward in time to actually talk to the residents.

The residents have been spoken to about this issue since August 2020, and there has been clarity in terms of what the residents want and the outcomes. Could the Minister and could the team actually review what the residents have asked for previously and speed the process up? At the moment we seem to be going backwards and backwards, rather than going forwards.

1920 Thank you, Mr President.

The President: The Minister to reply.

1925

The Minister: Mr President, following the trial, the Department wanted to improve the quality of the planters, and though this appeared to have the support of the residents, the Commissioners were not initially supportive, so no improvements were made.

1930 **The President:** Supplementary, Dr Haywood.

Dr Haywood: Thank you, Mr President.

I would just like to ask, given the impending works in Santon during the winter and the fact that that route is going to be designated for HGVs, whether the Minister would consider perhaps holding off putting his nice new planters out until the big lorries have finished going past?

1935

The President: Minister to reply.

The Minister: This whole issue will be looked at, Mr President, before the work has commenced; and Members from down the south will be consulted on this.

1940

The President: Final supplementary, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

1945 In terms of the timetable, I am rather concerned about how short it is. We are speaking to the residents after TT, so it is going to be the end of June. The road closures are starting to happen

from the start of September. It is a very narrow period to talk to the residents to get the alternatives in place and the real solutions.

1950 Is it realistic? Can the Minister actually achieve that in that small timeframe, when most of the material is already on the desk of the people who can make the decision?

Thank you.

The President: Minister to reply.

1955 **The Minister:** Mr President, I would love to have a sit down and chat with the Hon. Member because I do not know how big a problem this really is. He is trying to make it out to be a really big problem. We are not getting this feedback from anybody else except from himself. If there is an issue there, it is an enforcement issue with Home Affairs, with the Police.

1960 The officers will go out and speak to the residents after the TT but it may well be, as the Hon. Member, the questioner before, has mentioned that there is this planned work on the A5. So it may well be that actually what we agree on afterwards is not installed again until after that work.

As I have said, we will consult with all the Members that are involved in that area. I hope he is happy with that answer.

ENTERPRISE

18. MHK COVID financial assistance FOIR – Terms; preparation basis; pre-issue sight of officers and politicians

The Hon. Member for Douglas Central (Mr Thomas) to ask the Minister for Enterprise:

What the terms were of Freedom of Information request reference 2216151 received on 28th January 2022; on what basis the response was prepared; and which officers and politicians saw the response before it was issued?

1965 **The President:** We move on to Question 18. I call on the Hon. Member for Douglas Central, Mr Thomas.

Mr Thomas: Thank you, Mr President.

1970 I beg leave to ask the Minister for Enterprise what the terms were of Freedom of Information request reference 2216151 received on 28th January 2022; on what basis the response was prepared; and which officers and politicians saw the response before it was issued?

The President: I call on the Minister for Enterprise to reply.

1975 **The Minister for Enterprise (Dr Allinson):** Mr President, the request to which the Hon. Member refers was a request for information on financial assistance from the Department's COVID support schemes applied for and given to all MHKs who own businesses. The request itself and the answer is publicly available on the Isle of Man Government website's disclosure log.

1980 As with many Freedom of Information requests, however, this required clarification. The Department clarified with the requester that we would conduct our search of those who had been MHKs in either the previous or current administration and that we would define ownership as a shareholding or directorship that had been declared on the Register of Members' Interests in either the previous or this administration.

The response was prepared and seen by officers within the Enterprise Support Team who had administered a number of the COVID support schemes, officers in the Visit Agency who

1985 administered the Strategic Capacity Scheme, and the Freedom of Information team who were to provide the response. The response was also seen by the Director of Policy and Strategy, the Head of Marketing and Business Intelligence, the Deputy Chief Executive, the Chief Executive and myself before being issued.

Thank you.

1990

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President, and to the Minister for that helpful Answer.

1995 Can the Minister advise why it was that the Department chose to engage with the Freedom of Information requester to extend the question? The question was about current MHKs who own businesses. It was not about previous MHKs, it was not about directors of companies, it was not about people who were directors of charities, so why did the Department choose to extend the request beyond what was originally asked?

2000

The President: Minister to reply.

The Minister: Thank you, Mr President.

The Department did not extend what was originally being asked. The Department clarified with the requester exactly which information he or she was interested in, and replied accordingly.

2005

Thank you.

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you.

2010

Perhaps the requester agreed to have the request extended, but could the Minister advise why the Department chose to go back to former MHKs and to actually include charities? Charities are not businesses that are owned by any MHK, they are charities, and many of the people are appointed by this Hon. Court to charities, so why did the Department choose to extend it in consultation with the anonymous FOI requester?

2015

The President: Minister to reply.

The Minister: Thank you, Mr President.

2020 The decision to try to be as transparent and inclusive as possible was in accordance with the requester's wishes and the very essence of the Freedom of Information Act.

I would like to also point out that those MHKs have declared their interests on the Tynwald Register of Members' Interests, and so it is quite appropriate that those registrations and those involvements were also included in the request.

Thank you.

2025

The President: Final supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

2030 Does the Minister agree with me that it is quite unusual for the Minister to see a Freedom of Information response before it is issued? Were any other politicians also in receipt of that information? Presumably the factual accuracy was checked with all of the people whose information was going to be revealed. Perhaps it went to the Department for Enterprise board for their commission. Perhaps it went to the Council of Ministers. Can the Minister advise a bit more about who saw this information before it was released, particularly because it had to be changed subsequently?

2035

Secondly, can the Minister advise that the normal procedure is that politicians, except in terms of checking their own information for its accuracy, are not normally involved in Freedom of Information responses?

2040 **The President:** Minister to reply.

The Minister: Thank you, Mr President.

2045 I will not agree with the Hon. Member that the Council of Ministers would be responsible for looking at Freedom of Information requests. That is quite absurd. The Hon. Member knows enough about Freedom of Information requests and the need for confidentiality to answer his own questions.

2050 In terms of questions involving Freedom of Information that come into the Department, following previous experiences those are now logged so that political Members and the board are aware of what questions are being asked. They are kept confidential and those reports, when they are due to be released by the Department, are shared with me, both in terms of accuracy but also so that I can ensure that the responses given by my Department are as honest and transparent as possible.

Thank you, Mr President.

19. Gas price hedging and forward purchasing – MUA policy

The Hon. Member for Douglas Central (Mr Thomas) to ask the Chair of the Manx Utilities Authority:

What the policy is regarding the forward purchasing and hedging of gas prices for Manx Utilities and Manx Gas; and who is responsible for the implementation of this policy?

2055 **The President:** We move on to Question 19. I call on the Hon. Member for Douglas Central, Mr Thomas.

Mr Thomas: Thank you, Mr President.

2060 I beg leave to ask the Chair of the Manx Utilities Authority what the policy is regarding the forward purchasing and hedging of gas prices for Manx Utilities and Manx Gas; and who is responsible for the implementation of this policy?

The President: Chair of the Manx Utilities Authority to reply.

2065 **The Chair of the Manx Utilities Authority (Mr Callister):** Thank you, Mr President, and I thank the Hon. Member for his Question this afternoon.

2070 Manx Utilities' policy regarding forward purchase of natural gas for its own use is hedge-forwarding over a three-year time horizon, based on a 'laddered' approach for each financial year. The policy is set by the board and implemented by the Manx Utilities' energy trading team, via the executive. Manx Utilities also purchase natural gas for Manx Gas on both a daily basis and a forward basis at its own request to suit its needs and requirements. Such purchases are on a pass-through, execution-only basis.

Manx Utilities is not required to forward purchase natural gas on Manx Gas's behalf under its contract agreement with Manx Gas. However, this practice has been followed for many years and is also undertaken by Manx Utilities' energy trading team.

2075 Thank you, Mr President.

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you to the Chair for that Answer, explaining the way that the market is approached.

2080 Can the Chair give some information about the practical arrangements inside the hedging policy for both Manx Utilities and Manx Gas? For instance, credit control: how often is that assessed by the energy trading team or by the board; limits, bank references, margins, deposits, terms through which payment is due? What is the policy regarding, particularly, Manx Gas in respect of those things?

2085

The President: Chair to reply.

The Chair: Thank you, Mr President.

2090 Normally this is all undertaken annually and, as I said, it has been very stable and very proactive and positive over the last 10 years, but then obviously in March-April 2021 we started to enter into a financial pricing crisis. So obviously it was absolutely right that we looked a little closer at these policies around hedging, especially around the financial information and the risks attached with forward purchasing, because when we purchase that gas we are also liable for it if anyone does not pay those hedging contracts.

2095

The President: Supplementary, Mr Thomas.

Mr Thomas: Thank you, Mr President.

2100 So do I understand, then, that annually Manx Utilities assesses inside its hedging policy for Manx Gas, the credit of Manx Gas, the lines of the requirement for deposits? Would he be able to make public all of the assessment of the most recent pre-emergency, pre-gas-price-rise assessment for that; and also how that changed in recent years?

The President: Chair to reply.

2105

The Chair: Thank you, Mr President.

2110 No, I did actually say that Manx Utilities looks at its own hedging policy, annually, and the fact that, as I have said in my original Answer, we are able to buy and hedge gas for Manx Gas under their terms and conditions, and it is on their instructions that we will buy that. The only concern we had was in October last year when they asked us to forward purchase, we asked for some financial information which they did not provide.

I would just like to put on record that at no time has Manx Utilities ever refused to actually hedge and buy gas on Manx Gas's behalf.

2115

The President: Final supplementary, Mr Thomas.

Mr Thomas: Okay, thank you, Mr President.

2120 So can the Chair advise when the last time was that the board actually reviewed the terms and conditions for hedging, for forward purchases, for cash purchases for gas in terms of its trading relationship with Manx Gas? Was that recently, or is it an annual occurrence?

2125 Secondly, can the Chair advise whether either the energy trading team or the Manx Utilities board actually get information systematically from Treasury or the Communications and Utilities Regulatory Authority in respect of some of the questions they might have? Or is that information that Manx Gas is just giving to Treasury and to the Communications and Utilities Regulatory Authority that is not passed on to Manx Utilities?

I guess the final supplementary is that gef.im has been pursuing a Freedom of Information request, which it published quite extensively this morning – a very helpful Freedom of Information

request. Can the Chair advise who received a copy of the letter that was sent to the Chief Executive of Manx Utilities, Phil King, that is now being widely discussed? Did he receive a copy; and which other politicians received a copy of that letter?

The President: Chair to reply.

The Chair: Mr President, unfortunately, I will have to ask the Member just to go back on his first question, because I did not quite hear it.

On the last part, this Question is around hedging, not around an FOI request, so I am not going to answer that part of the Question.

Can the Member just give me the first question he asked? Unfortunately I did not hear it.

The President: Mr Thomas.

Mr Thomas: The Chair very helpfully described the fact that forward purchasing, gas purchasing for Manx Gas, was done under the terms and conditions that apply to that relationship. When were those terms and conditions last reviewed and how often are they reviewed? Is it periodic or is it just once, in October 2021?

The President: Chair to reply.

The Chair: Thank you, Mr President.

I am happy to write to the Member just to ask him ... because there is a contract in place that clearly sets out the terms of that arrangement between Manx Utilities and Manx Gas. I will just repeat that it is up to Manx Gas to approach us to ask that they want us to buy gas on their behalf on a daily basis or on a forward-purchasing contract. Our only concern is during October last year, when the price significantly increased, that we asked for some additional financial information with regard to those contracts.

I am happy to write to Members again, Mr President, just to be very clear on the terms of that contract.

Thank you.

The President: Thank you, Hon. Members.
That concludes our Questions.

Procedural

The President: Just before we move on, I would like to remind Ministers and Chairs, in our Standing Orders of Tynwald, we do have guidance for Answers and they are to be three minutes max.

Order of the Day

3. The financial situation – Statement by the Minister for the Treasury – Questions commenced

2165 **The President:** We now move on to Item 3, the financial situation, a Statement by the Treasury
Minister.

The Minister for the Treasury (Mr Ashford): Thank you, Mr President.

2170 Can I start by thanking you for granting permission for me to make this Statement today,
updating on the ongoing challenges being faced by our community in the face of increasing
inflation and living costs.

2175 The global economy is currently experiencing what some have called a perfect storm. After
almost two years of economic disruption caused by the COVID pandemic, with lockdowns, supply
chain pressure and worrying new variants, the global economy was beginning to gather
momentum with its recovery. This recovery put pressure on supply chains, as industries and
economies ramped up production that had been put on hold.

2180 Against this backdrop of rising energy prices and difficulties sourcing key components, Russia's
invasion of Ukraine has thrown this economic recovery into disarray. Russia is one of the world's
largest energy, food and raw material exporters, and the far-reaching western sanctions that have
rightly been put in place, along with the wider geopolitical considerations, have led to increased
volatility in energy and commodity markets across the globe. Ukraine, for its part, is also a major
global supplier of commodities and industrial products. In the past it has often been named, for
very good reason, the breadbasket of Europe, and the severe impact the war is having on
Ukraine's economy is leading to price volatility and supply disruptions.

2185 Russia's major role in global energy supply has led to high volatility in oil and natural gas prices,
with prices expected to remain abnormally high throughout 2022 at a minimum. To put it into
context, the wholesale price of natural gas prior to the middle of last year had previously averaged
45p per therm and is now averaging around 200p per therm, an increase of between 400% and
500% in wholesale cost. Given the importance of energy to all aspects of our economy, we can
2190 expect to see upward pressure on prices to continue for the time being.

2195 The Isle of Man's economic position is closely linked to our neighbours in the United Kingdom,
so we can expect to see similar pressures. Although Russia is not a major trading partner of the
UK, the impact of price rises on global markets means the UK is experiencing particularly acute
inflationary pressures. Isle of Man inflation measured by CPI typically tracks higher than the UK
CPI when prices are rising rapidly, so we could expect to see Isle of Man CPI peaking somewhat
higher than the UK rate.

UK forecasts are very uncertain. However, the Bank of England is projecting annual CPI growth
of around 8% or even higher later in 2022. Based on previous trends, we have been working on
the assumption that inflation could peak at around 10% later in the year.

2200 A major factor in outturn UK inflation is the Ofgem price cap, which rose by 54% in April and is
due for a further update in October. The amount by which the consumer energy price cap will rise
is highly uncertain due to the fast-moving situation in the global energy market. However, further
increases are likely. While the Isle of Man is not affected by the Ofgem price cap, the same market
pressures are driving up energy bills here.

2205 The impact on households of price rises is already being felt, with increases to energy bills and
road fuel being particularly prominent. Individual households will make their own decisions about
how to reallocate spending to cover rising costs. However, we recognise that for lower-income
households the options are limited.

2210 In terms of businesses, the effects of the current situation will not be felt evenly. While some
of our internationally facing businesses will be more concerned about exposure to Russian
business and the sanctions position, our domestic economy faces pressures in terms of both rising
input costs and pressure on consumer spending.

2215 Against these huge global pressures we are clear that there is a limit to how much the state
can intervene without distorting the market economy in undesirable ways, while the overall cost
of attempting to protect everyone from price rises would be unaffordable. We do have to be
upfront and honest with people. It is not possible for Government to step in and insulate everyone
from every inflationary pressure. The large-scale support packages that were put to use during
the COVID pandemic are not appropriate in an inflationary context such as this, especially one in
which the duration is so uncertain.

2220 Like households and businesses, Government finances are also under pressure in a number of
areas. Government is one of the largest energy users on the Isle of Man, with an estate spanning
hospitals, schools and energy-intensive infrastructure. Non-pay cost increases were budgeted at
1%, while inflation is now over 6%. The value of Government reserves fluctuates in line with stock
market movements, which have been under pressure since the outbreak of war in Ukraine. In
2225 April 2022, the value of Government reserves had fallen by around 10% since their peak in
November 2021. Government has a large workforce, so any upward pressure on wages in
response to inflation will have significant implications for Government finances. While some
businesses may be increasing wages in response to inflation, it is anticipated that any increases in
Income Tax will easily be outweighed by the increased costs that we are facing. We therefore have
2230 to be mindful to protect Government finances and efficiently target support to those who are
most vulnerable.

But in that context we do recognise that there is a role for Government in these difficult times.
Therefore, our policy objectives for the provision of direct support are broadly as follows: firstly,
to support low-income households – those currently in receipt of benefits – with meeting basic
2235 essential needs; secondly, to support households that may not be low income but are
disproportionately affected by inflation, such as families and pensioners; and thirdly, to support
economic activity, where appropriate, through stimulus measures. Based on these objectives, we
have reviewed a wide range of policy interventions and the following have already been
announced.

2240 An Energy Support Payment of £300, which is available to households responsible for housing
costs and receiving income-related benefits. These payments have already commenced and will
be made between 21st April and 5th May, depending on what benefits are received and the
method of payment. The total cost of this measure, which will benefit up to 3,000 households, is
expected to be approximately £1 million.

2245 A Family Support Payment has also been announced of up to £300, dependent on household
income, available to families receiving child benefit, with additional payments for two- and three-
children households. These payments are due to be made in mid-May, with a more detailed
timetable to follow shortly. The total cost of this measure, which will benefit over 6,000
households, is expected to be approximately £1.8 million.

2250 In line with our agreements with the UK on VAT and duties, we have implemented the
reduction in VAT on specified energy-efficiency materials, along with the 5p per litre reduction in
fuel duty. The reduction in fuel duty is estimated to be between £2 million and £2.5 million for a
12-month period. The effect of the VAT reduction on specified energy-efficiency materials will not
be specifically quantifiable, although any reduction in VAT will be taken into account during the
2255 next survey year 2023-24, in accordance with the Customs and Excise Agreement.

But we fully recognise that there are other groups that are struggling, and while, as I have
already stated, we cannot help everyone in every single circumstance, we do recognise that
further support is needed, so today I can announce that, in addition, Treasury is currently
developing a further intervention aimed at those households that did not receive the Energy
2260 Support Payment but are likely to be unable to work or face barriers to such. This will be payable

2265 to most of the same adult groups that usually receive the Christmas Bonus in November, which is mainly those receiving long-term benefits and pensions. This includes pensioners living at home and receiving a state pension from the Isle of Man, persons who are long-term sick or disabled adults and their carers, and the recently bereaved. This Long Term Benefits Support Payment will be payable at the rate of £150 and it is hoped to be paid out in June. Together, these payments will help support vulnerable households in line with our policy objectives.

2270 In addition, there is full recognition that as we head towards the winter months later in the year these increased costs are likely to bite further with even greater impact. It is therefore important that we do not expend all our potential resources now when the major pressures may be felt later in the year. So whilst we are still monitoring the position I am considering increasing the Christmas Bonus for 2022 and paying it much earlier than usual, likely in October, in order to provide additional security for those potentially vulnerable groups over the autumn and winter. I am also giving an undertaking to come back to this Hon. Court in October to make a further statement about the wider situation at that time and what is required to help assist through the winter months.

2275 I hope that Hon. Members will agree that, taken together, the support I have announced today, along with that announced previously, amounts to a comprehensive package which is appropriately targeted at those who are less likely to be able to adjust to the rising cost of living, along with households whose incomes are likely to be fixed or limited. It is fully recognised that it does not cover everyone, nor combat every inflationary pressure we as a society face, but it is targeted, measured support to help ease the pressure on many of those who would struggle the most. The policy interventions ensure some support is available to those on the lowest incomes, families with children, pensioners living at home, persons who are long-term sick and disabled adults, and their carers and the recently bereaved.

2285 In addition to the measures outlined today, the Cabinet Office, including Public Health, and the Department of Education, Sport and Culture are exploring options for a Holiday Activity and Food Scheme. By working with the third sector and private organisations, it is intended that establishing such a scheme will not only have the benefit of healthy food provision, but also provide enrichment activities and tackle social isolation, which may be experienced by some of our young people during school holiday periods. Government is clear that these initial interventions will likely be only the beginning, and we are continuing to work on options for the longer term and the coming winter months later this year.

2290 An identified area for further development is economic stimulus measures, such as through the LoveIOM card, to encourage and support spending in our domestic economy, especially in areas such as hospitality, which are reliant on discretionary spending.

2295 On wider communication with industry, the Department for Enterprise Executive Agencies remain the key conduit for businesses to discuss their concerns with Government, and we encourage them to continue to do so. The close working relationships developed during the COVID response between Treasury and the Department for Enterprise remain as valuable as ever when considering our policy responses.

2300 We are also mindful that impacts may not just be inflationary. Supply chains that were previously under strain will continue to struggle, given the importance of Ukraine and Russia for the supply of certain commodities. As a result, Government is working closely across industry and the public sector to plan for eventualities to ensure continuity of supply of key products.

2305 Regardless of Government's interventions, the challenges facing all of us are unprecedented in modern times, and we will all need to make hard decisions over the year ahead. Government Departments are focused on cost saving, where possible, to limit the impact of inflation on departmental budgets. Each Department will be developing a cost improvement plan to identify ways in which savings can be made to offset the impact of inflation and other cost pressures during the year. Additionally, Departments are looking at their income streams and considering which fees and charges could be increased without significantly impacting those people already

2310

struggling on lower incomes. Nonetheless, a portion of Government income comes from contracts which cannot be adjusted on an annual basis.

2315 I am also aware that many pay negotiations are taking place at present, and whilst I fully appreciate the impact on workers' personal finances, the impact on Government finances must be recognised too and budgets for the coming year's departmental spend have been set, so I would continue to urge for the difficult reality of the pressures facing the public sector finances to be recognised during those negotiations.

2320 Against this worrying backdrop, it is important to emphasise that Government's overall financial position at the current time – though under pressure – remains stronger than many of our counterparts, with low levels of debt, but that does not mean that we should become complacent. Our approach, so far, is part of our strategy to carefully use resources to support the most vulnerable, so as to retain our capability to move quickly in reaction to further developments.

2325 I give my commitment to continue to monitor this fast-moving situation, in particular developments in the energy markets as we move through the year into autumn and winter when the pressures may be felt the most, and come back to this Hon. Court in October with a further statement ahead of the winter months.

2330 As the situation develops, the support schemes announced so far will be kept under review, with capacity to be amended as appropriate. In this way I am confident we will be able to help the most vulnerable through these unprecedented challenges while maintaining our resilience in the long term.

Thank you, Mr President.

2335 **The President:** Hon. Members, the Statement by the Treasury Minister is now open to questions, and first up I have the Hon. Loayreyder.

The Speaker: Gura mie eu, Eaghtyrane.

2340 Two parts to the question, just perhaps to push on two areas that the Minister did mention in his Statement.

With an estimated 10% CPI rate later in the year, is the Minister at this stage still open to considering an interim uprating order for social security benefits in the autumn? I appreciate you mentioned about the Christmas Bonus, but things such as pensions generally, just to make sure that it is not just the worst off but those above who are also helped?

2345 Also, perhaps he could expand a little bit more on what more is being done to expedite pay negotiations in the public sector, perhaps moving faster towards binding arbitration. This is something that again will give a steer to local businesses and is also of some assistance to those people who are in work, just to make sure that we can not only give that certainty to workers but also continue to recruit, because we know that we are still in demand for a lot of skilled jobs during this difficult time.

The President: Minister to reply.

The Minister: Thank you very much, Mr President.

2355 Firstly, in relation to social security and interim orders, that is not something we are considering at the moment. Obviously, it is something that is available to us if we do start seeing the pressures. At the moment, we are targeting the support via the payments we have outlined. In terms of the 10% CPI, what we need to do, because the outlook and the economic predictions are uncertain as to whether that is sustained inflationary increase or whether actually inflation will then start to settle down again after peaking in the mid-year ... so that would be what would dictate potentially any response that we would do if we were seeing a sustained inflationary increase, or if, indeed, inflation started to settle down.

2365 In relation to pay negotiations, I know that both the Department of Education and also Manx
Care and DHSC are at the point in negotiations at the moment where they have been working very
hard with the unions to try to come to an agreement. In some cases, binding arbitration is indeed
an option that may well actually be the end result, but I think it is important that we let the
Departments run their course with the pay negotiations and see if an agreed settlement can be
reached first, because an agreed settlement, I think, is always the best form of settlement,
Mr President.

2370

The President: Hon. Members, I think this is an appropriate time to take our lunch break. The
Court will resume at 2.30 and next up to ask a question is Mrs Christian.

*The Court adjourned at 12.59 p.m.
and resumed its sitting at 2.30 p.m.*

**The financial situation –
Statement by the Minister for the Treasury –
Questions concluded**

The President: Fastyr mie, Olteynyn Onnoroil.

2375

Members: Fastyr mie, Eaghtyrane.

The President: Please be seated.

We continue with Item ... The questioner is not here, (*Laughter*) so we will now move to the
next questioner, which is Ms Faragher.

2380

Ms Faragher: Gura mie eu, Eaghtyrane.

I would like to thank the Minister for his Statement. It is reassuring to hear the recognition of
the protection of the most vulnerable and commitment to supporting low-income households,
those currently in receipt of benefits, with meeting their basic and essential needs.

2385

So I would like to ask if he can give updates on the motions approved by Tynwald in July 2021
based on the report from the Poverty Committee, which include, for example, commitments that
benefit rates should be set as a proportion of the living wage; that free school meals should be
made available wherever there appears to be reasonable justification, so that they should be
broadened out in terms of accessibility; and that free travel passes should be included in the rate
of passported benefits available to those on low incomes?

2390

These are just some examples and all of these measures are targeted at supporting those who
are the most financially vulnerable in our society. It would be helpful to get a commitment to their
urgent implementation in the face of the current cost of living crisis. At least a commitment to
raise benefits in line with inflation would be a good start to indicate intention.

2395

Gura mie eu, Eaghtyrane.

A Member: Hear, hear.

The President: Treasury Minister to reply.

2400

The Minister: Thank you very much, Mr President.

There are several lines of work that are going on in relation to the recommendations from the
Poverty Committee. I know the DoI, for instance, is looking at the access around public transport
and hopefully there will be further announcements to come forward on that. There is also ongoing

2405 work around, obviously, the school meals, and we have had the Minister for Education already
announce in relation to the vouchers for the Easter period that we have just had. Also, I
announced in my Statement the work that the Cabinet Office and the Department of Education
have been working jointly on for the summer period, because it is not just around ... *[Inaudible]*
2410 but also around ensuring that people are occupied during the summer holidays in a
meaningful way.

In relation to benefits, benefits are linked to inflation. There is an inflationary link each year in
September; it is the September inflation that it is linked to.

In terms of it being a proportion, that work is ongoing within Treasury at the moment, as a
proportion of the living wage. The first thing we have to establish is what proportion, but that
2415 work is progressing and I hope by the time of the next Budget, next year, I will be able to give
much more update.

The purpose of the support payments that have been made so far is to take account of the
inflationary pressure for those already receiving the benefits system. As inflation moves
throughout the year, obviously as we come towards the next Budget, then we will have that link
2420 with benefits and inflation for that Budget, but the support we are putting in place now directly
aims to help those individuals with the inflation pressures they are facing now.

The President: Next up is the Hon. Member, Mr Thomas.

2425 **Mr Thomas:** Thank you, Mr President.

I, too, welcome the Statement from the Treasury Minister. Just to follow up two points from
earlier discussions today, the first one is if, by chance, the Treasury Minister needs to draw down
reserves as part of this response to this crisis situation we are in, which reserves is he able to draw
down from?

2430 The second question is I felt really quite sorry for the Treasury Minister today when he was
making his Statement because he seems only to be able to have £2 million of funds to provide
support. He must be so envious of the MUA, which was able to find £16 million in the same year
to provide support. Wouldn't it have been so much better if the shareholder could have taken
that £16 million and actually optimised the use of it to deal with this crisis?

2435 **The President:** Treasury Minister to reply.

The Minister: Thank you very much, Mr President.

2440 I think it is the first time anyone has been accused of being envious of the MUA, so I think I will
leave my comments there in relation to that. Well done to the Hon. Member for Douglas Central
for managing to convolute several issues there and pull them all together, which he does very
well.

In relation to the support announced, the Family Support Payment itself actually comes in at
the £1.8 million. There is also the £1 million which was the estimate for the Energy Support
2445 Payment. In fact, the additional support I have announced today, although we do not have a firm
figure yet, is estimated to be in the region of £3 million, and, as I said, there will potentially need
to be further support ... and consider what we need to do as we head towards the winter months.
So it is not, by any means, a £2 million package.

2450 In terms of the drawdown from reserves, the Christmas Bonus payments, which we are
mirroring for support payments in June, come from the National Insurance Fund.

In relation to other reserves available, there is, of course, the General Reserve, but one of the
things I have to be very clear on is Government needs to ensure that it uses any reserves very
cautiously and very sensibly. The reserves are subject to stock market movements. We have
already seen that, as I indicated in my financial Statement, and that means that any reserves we
2455 spend now are effectively at a higher value than they would have been say if we had been
spending them in November 2021 when the overall value of the reserves was higher.

2460 So it is very much a perfect storm, which again I referred to in my Statement. Not only are we seeing high inflationary pressures – which, if you go back over the last 200 years, have generally seen increases in the stock market as well – but we are actually seeing a levelling off of the stock market at the same time, which is why I made reference to the fact that we are seeing some things and some combinations that we have not seen since the 1950s.

The President: Next up, I will call upon the Hon. Member, Mrs Caine.

2465 **Mrs Caine:** Thank you, Mr President.

I really welcome the Statement from the Hon. Treasury Minister today in terms of how targeted the support is towards those on fixed incomes, pensioners, as well as the most vulnerable families.

2470 I am intrigued about the holiday activity involving a food scheme, working with all the various organisations to deliver that, and I wonder if he could expand a little on how widely available that would be.

2475 Similar to Ms Faragher, I had some concerns that the vulnerability generally, the impact on family, on household incomes ... and wonder whether he would give any consideration to widening the availability of free school meals across the board, as some primary schools across benefit from. Are we in the situation, would he be aware, of people turning to packed lunches, which is actually just a lump of bread because they have not got the ability to pay for school meals at primary or at secondary?

2480 Also, the free travel is very important in terms of young people being able to access the activities during the summer. So it is very welcome to link holiday activity and food, but is it really going to reach everybody who might benefit from that, and will the Minister look at what could be done on a longer-term basis within the schools?

Thank you very much, Mr President.

The President: Treasury Minister to reply.

2485

The Minister: Thank you, Mr President.

2490 Taking the last point first, I know the Department of Education, Sport and Culture and the Cabinet Office are working very closely around the schemes for the summer. I am not in a position to announce all the details today, but I wanted to give the Hon. Court an early sight of where that work is going. I know that the Minister for Education, Sport and Culture is very keen to look at what happens within the school environment and what can be done to support families and those school pupils outside of school times, and that work will continue.

2495 We are not in a position, at the moment, to announce any widening of the free school meals. Anything that we do, I think, has to be in more joined-up policy; we have to look at how it reflects on society as a whole and what the impact is. Rather than doing things in isolation that may benefit one particular group but then have other knock-on effects elsewhere, I think we do need to do it in a more holistic manner, and that is what we have been trying to do with all of the schemes that we have announced so far.

2500 The focus very much around the announcement I made today has been on fixed income, and I am delighted the Hon. Member for Garff welcomes that, because that was one of the big concerns I had about people who might not necessarily be in the benefits system but are still on a fixed income that is not adaptable to the changing needs. So in terms of the way that we are bringing forward support, it is very focused and it is very targeted.

2505 I do need to emphasise again that it will not reach everyone. It will not cover every single inflationary pressure or circumstance – that is just not physically possible – but what we are trying to do is get the targeted support out there, and I believe that, combined with the additional announcement I have made today, that is exactly what we are doing and we are actually covering

more people and more circumstances than most of the other packages available in other jurisdictions.

2510

The President: I call on the Hon. Member, Mr Peters.

Mr Peters: Thank you very much, Mr President.

2515

I also welcome the Treasury Minister's Statement and share the concerns of every Member about the unprecedented-in-a-generation inflation that we all face. I also welcome the Treasury's forward planning in trying to help those who can least afford the increased cost of living. But much of this is to do with rampant energy prices, as we heard earlier, and I have heard nothing today about our own territorial gas reserves, which could make a huge difference to us all.

2520

Can the Treasury Minister give an update today on the Crogga gas field and assure Members that this option is being progressed with all haste?

Thank you, sir.

The President: Treasury Minister to reply.

2525

The Minister: Thank you very much, Mr President.

It is a spike in worldwide energy prices that is one of the underlying causes, and I did address that in my Statement, with the between 400% and 500% increase. It has been seen, particularly, in wholesale gas prices.

2530

In relation to Crogga, my personal view – and it is my personal view – is long on record, which is, as I said very clearly and I state again, that we should not be ruling anything out and all options should be explored.

The President: I call on the Hon. Member, Mr Glover.

2535

Mr Glover: Gura mie eu, Eaghtyrane.

I thank, again, the Treasury Minister for his Statement. I just have a couple of questions.

2540

I have long said we have to keep something in reserve for when things really bite in the autumn and winter. Reserves are here for a rainy day, and I was just slightly concerned with the Minister saying that ... I am just seeking reassurance that help is going to be based, around that time of year, on need versus keeping a balance sheet looking good.

Also, I have not heard anything on companies. It has been about individuals, the vulnerable and targeting. Are we basically saying that for companies it is the survival of the fittest and they will go to the wall if they are not fit enough to survive this current crisis? Or are we going to be helping on an individual basis?

2545

Thank you.

The President: Treasury Minister to reply.

The Minister: Thank you, Mr President.

2550

In terms of companies, DfE and Treasury are both very much engaged with all the various industries across the Island to understand the pressures and what we can do. I made reference in the Statement to economic stimulus packages that we may consider going forward.

2555

What I need to be very clear on ... What we will not be going back to and we have no intention of going back to is the sort of COVID support schemes seen in place. That is not something that can be there long term. Inflation may well be built into the system for a long time to come, and Government cannot cover every single pressure that business may face.

The Minister for DfE and I had a very productive meeting with the Chamber of Commerce, a few weeks ago now, around the pressures being faced by industry. What we can do is work with different industries to understand those pressures and see what we can do to try to help. One of

2560 the things that we can most certainly do is continue to bolster public confidence in the economy
of the Island, because one of the things that will help businesses through this is discretionary
2565 spend, which I referred to. If people stop going out and spending, to be honest, it does not matter
how much intervention Government has within the business community if they are not getting
their customers through the door. So one of the things with the support schemes is to try to help
those who are least able to afford it, so that any discretionary spend they do have they still feel
confident to go out and actually deliver on that spend.

It is not all about a balance sheet, Mr President, in relation to his first point, but we do also
have to be a responsible Government, because if we get to a point where the reserves are gone
and then something else comes along, we do not have any manoeuvre at all. So it is important
2570 that we actually do balance the need to continue to hold reserves for a rainy day – as we do not
know how many rainy days there might be in years to come – along with being a socially
responsible Government that ensures we actually help the people of our Island as best we can.

I have already undertaken to come back to this Hon. Court in October with a further statement
ahead of winter, because it is fully acknowledged that now could actually, depending on how
2575 things go, be the easy part. Winter is when people may well feel the pressures the most if the
continuing combination of pressures is still going, and this Government is fully committed to
assessing the situation in October and coming back to this Hon. Court with an update as to what
we can do to support both our society and ... [*Inaudible*] going forward into those critical winter
months.

2580

The President: I call on the Hon. Member, Mr Thomas.

Mr Thomas: Thank you, Mr President.

I welcome the fact that the Treasury Minister has widened this to include the general position
2585 of reserves and the like.

Can the Treasury Minister advise what his current estimate is of the amount of money that we
actually have in the Reserve Fund and in any other fund that can be considered general reserves
at the moment, and how it compares to recent years?

2590 Secondly, what is his current estimate of the structural deficit in financial year 2022-23, and
what is the top limit on the structural deficit that he can envisage trying to finance?

The President: Treasury Minister to reply.

The Minister: Thank you, Mr President.

2595 Taking the last point first, in terms of structural deficit, obviously with the challenges that we
have faced over the last two years in relation to COVID and now the challenges we are facing, it is
leading to an issue with structural deficit. The pledge of this administration is to balance the books
by the end of this administration. That is a pledge we remain to have, so in terms of the structural
deficit we need to close that.

2600 In terms of the reserves, I can tell him exactly ...

The Speaker: Yesterday's figure will be fine.

2605 **The Minister:** I should be able to tell him exactly what it is. Apologies, it actually eludes me at
the moment, the full table, but the overall reserve value at the moment stands at about
£1.8 billion. That is down from £2.1 billion in November time. As I said, we are subject to stock
market fluctuations and when the value is down in the reserves, any reserve we do spend
effectively is worth more than what it would have been had we spent it at an earlier date. So we
do need to be exceptionally responsible with how we target those reserves, and that is exactly
2610 what these schemes do: they target those who are on a fixed income and those who basically are

the most vulnerable in society, and also those who are more and more commonly now being seen as the squeezed middle.

The President: I call on the Hon. Member, Mrs Christian.

2615

Mrs Christian: Thank you, Mr President.

I also would like to just raise one of the points that my hon. colleague Mr Glover raised about businesses. The Minister has talked about economic stimulus packages for businesses, such as the LoveIOM card, but this does not seem to support the wider economy and seems to just support those who shout the loudest. He has talked about some initiatives or packages that are coming through, but could he elaborate a little bit more about that? And what are Treasury looking at to actually support the wider industries, specifically small-to-medium businesses who are experiencing high inflationary costs, high employment costs and slow trade?

2620

The reason I say this is we are all aware – and I know many of us are experiencing this in our constituencies – that many small-to-medium businesses are actually closing down and we are looking at having numerous ghost towns on the Island because these businesses just cannot survive with these costs.

2625

Thank you, Mr President.

The President: Treasury Minister to reply.

2630

The Minister: Thank you very much, Mr President.

In relation, firstly, to the LoveIOM card, there were talks with DfE and the industries to try to expand it out further, but due to regulatory issues it would need to be a separate card. That was discussed and it would not really be practical with people having multiple cards.

2635

But even with the card, as I have said in answer to a previous question, what actually is going to allow businesses to see themselves through this is people having confidence in the economy and going out and spending. If that discretionary spend dries up, there is nothing that Treasury or DfE, no matter how much work they put in, will be able to do to support those businesses, because they are not getting the footfall. So the direction is to ensure that we shore up spending within the economy, that we ensure that those who can least afford it are supported, so that what discretionary spend they do have, they feel confident enough to be going out to those businesses and actually spending.

2640

I think one of the big things – and a good message for me to get across right here, now, in this Hon. Court – is, again, about people thinking about spending local. Do they have to buy something off the internet and get it in? There may well be a small business in the Island that provides that product, so they should be looking to shop local.

2645

I know DfE, through the Agencies, is working very strongly with different businesses in different sectors to try to understand where the pinch points are – because it is going to be different, sector by sector – to try to help shore up support, and where there are interventions required DfE can consider what they can do to support those industries as a whole.

2650

It most certainly is not a case of those who shout the loudest. I think we have shown throughout the COVID period that we have done broad-ranging support across the whole of the economic sectors on the Island, and we will continue to try to support businesses where we can.

2655

The President: Hon. Members that concludes – Loayreyder, sorry, I did not have you there.

The Speaker: I thought I had caught your eye.

The President: You had; you pointed. Thank you. Loayreyder.

2660

The Speaker: I just want to build on my earlier question, if I might, Eaghtyrane.

2665 With inflation rising, the income thresholds for eligibility to benefits also need to increase in order to ensure a minimum standard of living for those who are worst off and those who otherwise may not be captured by that support mechanism. A £100 payment just above the benefit threshold is not going to cut it for them; they need to be able to access things such as Employed Person's Allowance if inflation is going to rise, to make sure that they are not significantly left behind. So will the Minister consider an interim increase in these eligibility thresholds if inflation stays above 5% for the next four to five months?

2670

The President: Treasury Minister to reply.

The Minister: Thank you very much, Mr President.

2675 Apologies if I was not clear enough in my first answer to Mr Speaker, but in relation to benefits and thresholds, that is constantly assessed by Social Security, and if we are seeing a position where inflation is continuing at the same rate, where we are not seeing it being a peak and then a trough, then that is something that will have to be considered in relation to the eligibility and the thresholds.

2680 I thank Mr Speaker for his question because it has given me an opportunity to actually locate the information I was trying to locate for Mr Thomas, which is that the most current up-to-date market values, as of yesterday in fact, are that the National Insurance Fund is currently at £978.7 million, the General Reserve £766.5 million, the Manx Currency Reserve £33.1 million, and the MUA Fund £82.7 million, which gives you the overall figure that I quoted earlier of £1.8 billion.

2685 **The President:** I call on the Hon. Member, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you, Minister, for the update and widening the net.

2690 What role are third sector organisations like the Foodbank and the Salvation Army playing in ensuring the Treasury is aware of the challenges out there?

And with regard to small businesses, which have been mentioned by two of my colleagues previously, are ongoing discussions taking place with Enterprise to ensure that if additional support is required, it comes in quickly? I know you have said it cannot automatically be switched on, but we may get to the point where that has to be considered. Is it on the table in case it does need to be considered?

2695

Thank you very much.

The President: Treasury Minister to reply.

2700 **The Minister:** The first thing I would say, Mr President ... We have already had a *Yes Minister* joke this morning, and there was a famous moment in *Yes Minister* about Treasury being the Department that wanted there only to be one Department of Government and that being Treasury. But I do need to say that there is much more to Government than just Treasury, so this is not just a Treasury response, this is an Isle of Man Government response. This is us, as an entire Government, working together – a one-Government approach, you may call it. It involves input from Education, from DfE, from the Cabinet Office, which has been doing an awful lot of work in the various areas, and I would like to thank the officers across Government for all the effort they have put in, on top of the already pressured day-to-day work that they have been having to do.

2710 So it is not just a Treasury response, it is actually a response across the whole of the Isle of Man Government. Treasury and DfE have been working exceptionally closely together over the COVID period. Those mechanisms are still in place, and if DfE feels there are interventions that are required, then they will be considered by Treasury in a speedy fashion; that I can assure you.

2715 We have responded, I think, in a very quick way and with a much broader package than most other jurisdictions that I have looked at, capturing many more types of household and many more types of people in our society than most other jurisdictions have managed to do.

The President: Hon. Member, Mr Thomas.

Mr Thomas: Thank you.

2720 I really appreciate the Treasury Minister adding some figures. Perhaps for completeness, then, the Treasury Minister would just update the public on how much in that General Reserve is actually bond draw-down funds that have not, as yet, been transferred to the MUA and the Isle of Man Steam Packet, firstly.

2725 And secondly, does that £770 million of General Reserve include the Statutory Boards, the £50 million at the Post Office, the £80 million – it will not be £80 million now; it will be down to £60 million or so – at the MUA, and those sorts of reserves? Does it include all of the funds that the Treasury manages, or is he just claiming that it is solely the General Reserve Fund which is that large in the Isle of Man?

2730 **The President:** Treasury Minister to reply.

The Minister: In terms of the drawdown, Mr President, I will get the exact figure for the Hon. Member and I will write to Hon. Members with that. Off the top of my head, it is about £300 million of it, I think.

2735 In relation to the MUA, I did actually say, when I stated the figures, that that was separate ... MUA, £82.7 million as it stood at the market values yesterday. So in relation to General Reserve, Mr Thomas makes a very important point, because this is something that ... I am very glad he has made it because it has given me an opportunity to say, now, something I have mentioned for many years. The headline figures look very good and very tempting when you see them, but when you drill down into the different types of reserves and you take off things that are committed to what you actually have as a usable reserve, which is what I think Mr Thomas is drilling down at, the usable reserve in the past has generally been in the region of £300 million to £400 million at the top end, so we need to be very aware of that. So while the headline reserve figure might look very good, what we actually have as usable reserve is below that, so we do need to be very careful.

2740 I just want to state again what I said in answer to Mr Glover, which is that it is not about balance sheets but it is ensuring, as well, that we do not use all our eggs in one basket in one go, that we have the ability to respond as this moves on.

2750 Nobody could have predicted COVID-19 coming round the corner – or if they did, they have a better crystal ball than me. If we had mentioned a year ago that there would be a war in Ukraine that would be having the impact that it is having now, I do not think many people would have believed it, straight after the COVID pandemic. So we do not know what is round the corner next, and we need to ensure that we have the ability to react, should we need to do so.

The President: I call on the Hon. Member, Mr Johnston.

2755

Mr Johnston: Thank you, Mr President.

I would like to thank the Treasury Minister for his Statement, and I also welcome the fact that you are looking to potentially do another Statement in October.

2760 I think it is quite clear, at the moment, that the headline very much is that the energy price is fuelling inflation, but I think as we go through this year, and especially into next year, food prices especially will start to really bite. So I think it is really important that Government has a steer and a clear understanding of that as we go to the end of this year into next year, to make sure that there is support there for people, because I do think that is going to be an increasingly problematic issue as we go through this year into next year.

2765 **A Member:** Hear, hear.

The President: Treasury Minister to reply.

The Minister: Thank you very much, Mr President.

2770 One of the things this Government is fully committed to is a joined-up approach across the whole of Government, so looking not just at things in isolation like the inflationary pressures in relation to energy but also food, and also, as I mentioned in my Statement, the supply chains as well. There are various things that are causing supply chain disruptions that we need to be aware of.

2775 As a Government, we are absolutely committed that we will do it as a joined-up approach. All of the Departments are engaged with one another. There is some excellent work going on in the Cabinet Office pulling everything together. I remain fully committed to a Statement in October ahead of what could be quite biting winter months.

2780 **The President:** Hon. Members, that concludes Item 3.

**4. Independent Review into the Government's handling of the COVID-19 pandemic –
Report terms of reference –
Motion carried**

The Chief Minister to move:

That Tynwald approves the terms of reference for an independent review into the Isle of Man Government's handling of the coronavirus pandemic; covering the period December 2019, when the first case of COVID-19 was reported in China, to the end of September 2021, the end of the term of office of the 2016-2021 administration, with a report to be published to Tynwald by the last day of December 2023. [[GD 2022/0033](#)]

The President: We now move on to Item 4, and I call on the Chief Minister to move.

2785 **The Chief Minister (Mr Cannan):** Mr President, the decision made by Tynwald in November last year to hold an independent review into the Government's handling of the COVID-19 pandemic is important and welcome. We know that the pandemic led to governments across the world, including our own, placing restrictions on our lives that had never been experienced before. And I will repeat what I have said before in this Chamber, that the then Government faced an unprecedented public health emergency and had to move very swiftly, and consequently there was not always time to be as inclusive or as consultative as one might ordinarily wish to be.

2790 It is right then that decisions taken at the time are assessed and scrutinised and, most importantly, that the public are afforded the opportunity to understand what went on inside Government during those key moments. The review will give Government the chance to be transparent on the reasoning behind the big decisions and to explain to the residents of the day why we did what we did.

2795 In November, the Hon. Member for Rushen, the Speaker said:

the worst of all worlds would be to do nothing, to fail to acknowledge the impact that this has had on so many people and to give them that voice which they deserve, to offer their thoughts on lessons that should be learnt.

And, Mr President, I could not agree more.

2800 The nature, extent and consequences of the measures imposed, with the aim of protecting lives and livelihoods, were without precedent. It is therefore imperative that this independent review gives those who wish to the opportunity to be heard and to have their experience placed on record. Furthermore, the review will identify lessons to be learnt, ultimately providing us with recommendations that can be embedded into current working practices, allowing us to learn and enhance any future emergency response should we, God forbid, ever be faced again with a similar situation.

2805 The terms of reference have been drawn up between the Council of Ministers and the PAC, and despite there being some differences of opinion, I believe it true to say that all parties are working towards the same aim, which is to commence the independent review of the Government's handling of the COVID-19 pandemic without further delay. (**A Member:** Hear, hear.) Mr President, it is proposed the review will be led by an independent chairperson who will have absolute freedom to hear and collect evidence from any Minister or Tynwald Member, past or present, any Government Department, civil or public servant, and in addition, to business owners and, indeed, the wider members of the public. As per the original motion, Tynwald waives privilege in relation to any evidence relating to the pandemic held by the Public Accounts Committee and Tynwald Policy Review Committees.

2810 It is proposed the chairperson will be appointed by a political panel, the make-up of which I suggest will be agreed between myself and the Chair of the Public Accounts Committee. In both England and Scotland, the chairs to their COVID inquiries have been appointed by their respective governments. It would not be improper or unusual for the Isle of Man to do the same.

2815 Mr President, let me be clear on this that, despite being appointed by a political panel, the chairperson will be under no obligation whatsoever to the Isle of Man Government other than to fulfil the terms of reference, and in doing so the chair will be offered every support and will be able to appoint additional professionals or lay persons as he or she deems necessary to ensure the full range of expertise is available to complete this necessary work.

2820 The terms of reference lay out several suggested areas for review, although the chair is in no way bound or restricted to these. Additionally, following their review, the chair has the authority to recommend to Tynwald any specific area that they feel should be subject to a more formal inquiry. The report, when it is published, will be published in full and the chair will have full editorial control over the content. I trust it will be a candid and credible narrative of what happened that we can all have faith in and will provide us with recommendations to implement going forward.

2825 Mr President, I would suggest it is time now for this important work to commence and I therefore wish to move the motion standing in my name and hope that Hon. Members will approve the terms of reference as drafted.

2830 Thank you, Mr President.

2835 **Mr Callister:** Hear, hear.

The President: I call on the Hon. Loayreyder.

The Speaker: Gura mie eu, Eaghtyrane.

2840 I am happy to second the motion on the Order Paper today, and I thank the Chief Minister for his engagement with the Committee in a full and frank manner.

2845 As the Chief Minister alluded to in his introductory remarks, the sticking point has been the process for appointing the chair. The Committee's preference was that the involvement of politicians may prejudice the perceived independence. The Public Accounts Committee has not, however, brought an amendment in that regard. There is, I feel, a united sense that getting on with it is a more pressing requirement. But I would encourage Members to share their views on the matter so that it can be taken into account as this develops.

2850 The Public Accounts Committee did emphasise the need for this review to be independent and to be seen to be independent and not staffed by those Departments directly involved, and I am very reassured from my discussions with the Chief Minister that this is a shared ambition, as without independence any report will have no credibility. So I am happy to support the motion and look forward to moving forward on this important issue.

Thank you, Eaghtyrane.

2855 **The President:** I call on the Hon. Member, Mrs Caine.

Mrs Caine: Thank you, Mr President.

2860 I also welcome the terms of reference from the Hon. Chief Minister and echo the words of Mr Speaker, that yes, everybody who was in contact with me about the unprecedented times we had during the pandemic wants to have their day to say and express the impact and what it was for individuals and businesses.

2865 There is a sense that we need to get on with the inquiry, and could the Chief Minister give us any indication what area of professionalism he is considering for the independent chair and give any reassurance that it would be outside of Government? Previously independent reviews have been carried out by a senior auditor, for instance, and I think that it is essential that it is seen to be independent, is independent, and people can have confidence in it.

Could he also give us a sense of the timeframe? When does he believe it will be possible for the independent review to commence?

Thank you, Mr President.

2870

The President: Hon. Member, Mr Glover.

Mr Glover: Thank you, Mr President.

2875 I, too, welcome the fact that we are going to be getting on with this. I just have a couple of questions to ask. One, a slight concern that we want this to be, obviously, a thorough look at what has happened, and I am just slightly concerned that December 2023 might appear too short a timeframe. So if the inquiry is still ongoing approaching December 2023, what happens then? Will there be some flex there? And in the terms of reference, one of the areas is the loss of life as a result of COVID-19, and I just want an assurance that that will include a look at Abbotswood.

2880

The President: Hon. Member, Mr Thomas.

Mr Thomas: Thank you, Mr President, and to the Chief Minister for working with the Public Accounts Committee and Council of Ministers to launch this independent review.

2885 I rise in part because I was expecting Mr Glover's observation, given that he has mentioned that in the press in the last few days, and I just wanted to be careful with Abbotswood because it is easy to say people died, therefore it should be included, but there are all sorts of proceedings that have been going on for quite some time, and I did say when we had this first debate about this that there was a time and place for reviews, and it might be that we do not need to look at what actually happened between the Department and the Hospital and care homes and carers and shielders during that period until all of the proceedings in court, and in all sorts of other devices, have actually finished. So I am actually minded to repeat what I said in that first debate, which is there are some things that are best kept out of this inquiry, and that to my mind is one of them, given there are lots of questions to ask about how lots of people behaved, which are subject, as I understand it, to lots of proceedings.

2895

In that same spirit, I would like to think that things like how planning was proposed and actually developed during the COVID pandemic, because at one point we were going to have a special Planning Committee that in my mind would probably have put in place the sewerage facilities in Laxey and Peel that were subsequently rejected, and to my mind the way that Bus Vannin

2900 operated during the period under special COVID ... *[Inaudible]* is something that ... again, I think that is outside the scope of us paying for this sort of independent inquiry. At this stage, to me, we need to look at that very specifically after everything has played out in the course of the events.

2905 Along those similar lines, I do think that there are certain things that I do not think we should pay for this independent inquiry to go into until they have played out completely, or even that we could just do them better ourselves. For instance, people still assert that the public service was new and better during the COVID crisis, but we have not tested that as yet. People still assert that Economic Recovery Group money was really spent well, although we did spend a huge amount of it, and it was spent, but we have not evaluated that as yet. We have not had the evaluations of those schemes.

2910 So I think the Public Accounts Committee and the Council of Ministers have done a really good job actually excluding certain things from the inquiry as well, and that is right. I think at the right stage other things can come back for specific inquiries, because rule number one is you do not open your chequebook to a leading independent person and ask them to look at everything. You have to be very precise about the questions that are looked at and there are many other opportunities for us to look in more detail when we have more information about things like Abbotswood.

2915 Thank you, Mr President.

The President: Hon. Member, Dr Haywood.

2920 **Dr Haywood:** Thank you, Mr President.

I, too, welcome this inquiry. I want to sound a note of caution. We have seen 11 deaths in the last fortnight. The original proposals for lockdown were to prevent deaths, to prevent pressure on our health services. We have health services that are still under pressure. And although it is easy to set the end of the last administration as a cut-off point, decisions that were made then still roll over onto now, and so I would like some reassurance that actually the inquiry will be able to look at those things that are still carrying forward and are still relevant.

2925 **The President:** Hon. Member, Mr Henderson.

2930 **Mr Henderson:** Gura mie eu, Eaghtyrane.

I certainly stand to support the Chief Minister's motion and in the way it has been progressed and in conjunction with the Public Accounts Committee. As I said at a previous sitting, Eaghtyrane, having experienced at least two public inquiries in the past with an independent legal chair, QC, I can fully assure the Court that you would be leaving an open chequebook on the table. There is no question of that. This is a properly considered, pragmatic approach, which will do justice to the situation that we had to suffer and experience. I have got no doubt about that.

2935 The Chief Minister has given us his assurances on the independence of the chair and so on, and that is good, and that is on the public record. I am sure the inquiry, the chair, will be listening, or reading, rather, the *Hansard* report of the debates and this one in particular, and I would just like to leave some thoughts on the record with regard to that, in the knowledge that the chairman, chairperson, will be reading this *Hansard* report as a starting point anyway, and that is I think the context of the situation going back to December 2019 has to be taken in the round in considering what happened here in the Isle of Man.

2940 To me – I have put it on record before – I am absolutely convinced that the World Health Organization should be held to account in some small way in what I view as a slow reaction to what was unfolding in Asia and in particular China at that time. There is anecdotal evidence that COVID was present before December 2019, going back to possibly October. The slow political reaction to what unfolded and the slow reaction from the World Health Organization to pronounce pandemic and issue guidelines, to me, was far from adequate. I say that in the knowledge that we already experienced the SARS outbreak, we have already experienced the

swine flu outbreak, and we also experienced the bird flu outbreak; not the current one, but in the past.

2955 So there were warning signs already learnt from, and I think the slowness in approach did not help. It certainly did not help the Isle of Man, as far as I am concerned, which led to some disagreement in how we should approach the matter – and I hope the inquiry picks up on that – such as the use of facemasks or not the use of facemasks; conflicting medical evidence. Our medical evidence here was saying one thing, based on UK medical evidence, based on World Health Organization evidence. I quote the facemask debacle, and I will call it that, because I was publicly castigated for promoting the use of facemasks in the initial stages of the pandemic. Yet
2960 other world health professionals, equally eminent as people from the WHO, were saying something completely opposite. And then, as we progressed through this horrendous period in our history, facemasks became the norm and it was recognised that they did help to actually protect people and slow the advance of the disease down so that our hospitals would not be placed under perhaps as much pressure. So I think there is some contextual stuff, Eaghtyrane, that
2965 needs to be taken into account here.

Also, I want to put on record that I, in general, hold the Government of the day and the officers of the day in full admiration for what they had to face and put up with, in the knowledge that it was a completely unknown event. Nobody has ever, as far as I am aware, in Manx history, certainly
2970 from our small jurisdiction, ever had to face such a threat. And to react from a standing start, or on the back foot, to how we actually managed it, I think is a great credit to the Government and to the public of the Isle of Man in general.

I can say yes, sure, mistakes were made and people were not happy and I am sure the inquiry ... And I will draw the attention to one of the reports that is on a laid before item on our Order Paper with regard to a complaint to the Tynwald Ombudsman with regard to how the rules and regulations relating to COVID were put in place. I think that is where some of the issues have certainly arisen and a full understanding and the proper advice, and even conflicting advice. That has caused the underlying problems. The overall management of it, I think Government in general got it pretty right.
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2980 We are able to be in this position today to look backwards and say we want to gain the hindsight and the lessons learnt, but I do not think we should beat ourselves up too much because of the completely unprecedented situation that we actually faced. A complete set of unknowns that people were having to manage second-by-second almost and make split-second decisions on how best to go forward. I think for a small Island we did extremely well as far as that goes. So I just want to put that context in the back of it, Eaghtyrane.
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Further down if you drill deeper into the situation, yes, there was confusion at times with regard to correct and proper information going out in the press; that stands out for me. The Hon. Member for Douglas Central – West Douglas as was, even – says the inquiry should not concern itself with certain issues. Maybe if certain issues are under due process, fair enough. But I think, in the round, the inquiry, as the Chief Minister says, should be as wide ranging as it can be and the issues with hospital care homes in general and how the COVID restrictions and rules were placed on them, that should be looked at. Because even now there are conflicting theories between staff to staff on how they should manage themselves on a day-to-day, patient-to-patient interaction basis.
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2995 So I think the message there is that we need to be more clear and precise in what we are directing and what we want, certainly staff in care settings, to be doing and not doing. But we also want to make sure that the rules are across the board in care settings so that, for instance, we do not have ... and I know a lot of Members were extremely worried about elderly loved ones' contact with families. But when you have got a serious situation that we faced and are still facing, and it is still causing deaths, whereby you have a set of rules in a care setting but then someone can leave the care setting and mingle and come back into the care setting, and you are applying certain COVID rules in that care setting, it does not make any sense to me. I think the messaging to the public, to relatives and all, was not as clear as it could be and in a meaningful way; not a Big Brother
3000

3005 way, but in a reasonable, medical way that relatives and others would have got and got in a better way and not got so upset and angry at certain rules and regulations because at the end of the day it was in place for their relatives' safety. So as I said, Eaghtyrane, drilling down the actual nuts and bolts of things, I think there will be plenty of lessons learnt there anyway.

3010 The other thing that worries me: inquiries have a habit of running on and on, and we need to keep an eye on that. Justifiably, we need to have something and people need to express themselves and give their evidence to the inquiry, but I am so glad it is not a public inquiry as I have seen with, say, the Mount Murray inquiry we had about 20-odd years ago, which was just a runaway thing, which I voted against, but just to put some balance on things, Eaghtyrane.

3015 But otherwise, I fully support what the Chief Minister's aspirations are here, the terms of reference and, indeed, Vainstyr Loayreyder's input into that. It is fully supported.

The President: I call on the Hon. Member, Ms Faragher.

Ms Faragher: Gura mie eu, Eaghtyrane, and I want to thank the Chief Minister for moving this important review.

3020 I just have a couple of questions to check for inclusion in the remit of the review. Firstly, a caveat, or an observation, I suppose, that I do appreciate that lockdown was a global trial, a first, albeit based on the best scientific knowledge. It was an unprecedented situation and, as the Chief Minister has stated, our aim is not to look for blame, but to learn for the future.

3025 So firstly, can I ask if the review will look at the question of whether we focused too heavily on punishment over support, particularly with regard to people who were experiencing mental illness or other vulnerabilities? Did we encroach upon civil liberties or equality?

Secondly, will the inquiry include an investigation into occurrences around regarding the Steam Packet, in particular the isolation rules for its crew, how these were communicated and enforced?

3030 Finally, in a much broader sense in terms of lockdown overall, will we compare our response with that of other countries who took a fundamentally different approach and how that impacted upon their outcomes compared to ours?

Thank you.

The President: I call on the Hon. Member, Mr Craine.

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Mr Craine: Gura mie eu, Eaghtyrane.

3040 I, too, welcome the proposal for the review into the coronavirus problems we have faced over the last two years. I thank the Chief Minister; I thank Mr Speaker and the Public Accounts Committee for putting that forward. I have welcomed the many level-headed responses that we have had around the Chamber from Hon. Members.

3045 Perhaps the one bit that I would add is that this is the only opportunity we will have for looking forward as much as looking backward. I think looking backward and looking at how it was handled is one thing. It has been commented that we have not had anything like this perhaps for 100 years, and maybe then it was not quite the same. What I read is saying that the chances of this happening again going forwards are much greater than they were going backwards. It is uncomfortable when you read about that: 100 years ago, a population of under two billion on the planet, now we are approaching eight billion. Far more interaction with wildlife, or whatever the sources for this pandemic have been. The likelihood of facing this again in a much shorter time than 100 years is there. It would be good for us to try and pick out of this review those issues of what we might do better next time, even with hindsight and with no blame attached to it, but just how might we handle this better going forward. I think it will strengthen the review and it would be more useful to the Isle of Man in the longer term going forward if we have got some views on how we might do better, should it come our way again.

3050

Thank you, Mr President.

3055 **The President:** I call on the Hon. Member, Mr Hooper.

Mr Hooper: Thank you very much, Mr President.

3060 I fully support this. I think it is absolutely necessary that we go out and have a completely independent review of the way things have been handled, and I think the points that have been made about how this still speaks to the ongoing way we handle the pandemic are quite relevant as well.

3065 For me, I just wanted to challenge one bit of the narrative that seems to be developing, which is that the pandemic was an unknown, it has never been dealt with before. Absolutely, of course it was. (**A Member:** Hear, hear.) This was new, but actually that does not mean that the impact of it and the effects of it were completely unpredictable.

3070 I think this is typified by the way the Steam Packet response was dealt with. We know what happened, there have been a number of independent reviews that actually people were not monitoring what was going on, and that was essentially the underlying root cause of the problem. Of course it is easy to say, with hindsight, we can say maybe we should have been monitoring. But now that happened, as we know, towards the end of the year. Much earlier in the year, in April, in fact, when that regulation that was brought to this Hon. Court that allowed that blanket exemption to exist in the first place was made, I made that exact point: that if we are not monitoring the way these blanket exemptions are applied, the way compliance is being adhered to, we will have a problem because we will not have any idea what is going on if and when something goes wrong, increasing the risk of that happening.

3075 So I just wanted to make the point, really, that there is a difference between saying something as big and as vast as a global pandemic is something that has never been dealt with before – or in recent memory, at least on the Island – there is a difference between that and saying, ‘Well, actually, we could not predict the outcome of our actions.’ Because I think we very much could predict the outcome of our actions. Some of those actions had the right outcome, a positive outcome and Government handled them well. Some things, on the other hand, I think there is clear evidence where there were failings.

3080 Again, this is not about apportioning blame, this is about making sure that the inquiry is looking at these events with that open and objective mind, and not going into it with the expectation that, ‘Well, there was no crystal ball.’ Of course there was not, but actually, based on your experience and based on past events, you can predict the likelihood of things happening, and the likelihood of not monitoring compliance with the rules is that there will be non-compliance with the rules. That is quite a predictable outcome.

3090 So I think it is just a point that is well worth making that whilst we are hearing, obviously from Mr Henderson specifically, that this was unprecedented, that should not let us overshadow the fact that actually many of the unknowns were known, or were quantifiable and actually should have been quantified and should have been known –

3095 **Mr Thomas:** Well said.

Two Members: Hear, hear.

Mr Hooper: – when some of these plans were made.
Thank you, Mr President.

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The President: I call on the mover, the Chief Minister, to reply.

The Chief Minister: Thank you very much, Mr President, for that, and indeed to Hon. Members who have contributed.

3105 I think some of the Members really have picked up on the similar sorts of themes, and that is really around how the review will be conducted, the independence of the individual conducting

3110 the review and also related to the timescales. I think the Speaker initially, throughout this process,
has been very keen to emphasise the disconnect or the independence from Government, as
indeed have the Council of Ministers and Mrs Caine picked up on that point by asking for
reassurance of the individual and who is it likely to be. It is difficult to point exactly as to who that
is likely to be. It is almost certain to be someone from off Island, someone with a substantial
professional background. It tends to be easy to point to a QC-type individual in these sorts of
inquiries. I am not saying it would necessarily be a QC, but somebody with a substantial
professional background; and I think, more importantly, the public credibility to undertake a
3115 review.

In terms of timeframes, I have already indicated in my opening remarks I think there is a
willingness now just to get on with this as quickly as possible. I would certainly intend, as Chief
Minister, to ask the Chief Secretary to facilitate the relevant meetings and the appropriate
shortlisting and panel selection as quickly and as soon as possible, so that this process could
3120 indeed get under way.

Hon. Members have then specifically alluded to points, or rather events during the pandemic,
including Abbotswood and the Steam Packet. Hon. Members, it is worth pointing out, of course,
that we have set out with this independent review to draw up a scope for the chair to review
without aiming to restrict the areas or matter that the review may further consider. It is probably
3125 worth, for the purposes of *Hansard*, just confirming that the review areas advised are:

- [The] Circumstances and decisions leading to the Proclamation of Emergency, Emergency Powers and the use of legal restrictions under the Emergency Powers Act 1936, together with the Public Health Act 1990, and any restrictions in the areas listed below [such as]
- Border closures and subsequent restrictions
- Education provision as a result of school closures
- Government quarantine requirements imposed for returning residents
- Loss of life as a result of Covid-19
- Benefit provision for self-employed persons and businesses, and the broader economic recovery and support schemes provided
- Individual and household isolation in relation to positive cases and close contacts
- Testing in relation to symptomatic cases, close contacts and following travel
- Contact Tracing in relation to positive cases and how it was conducted
- Vaccination governance and roll out
- Preparedness for the outbreak of a pandemic
- Genomic sequencing for positive cases
- Communications – internally to government and Tynwald, and externally ...
- Command structures and decision making processes
- [and the] February 2021 Covid-19 Outbreak and its relation to the Isle of Man Steam Packet Company (IOMSPC), to the extent not already covered by the Public Accounts Committee's 2020-21 Annual Report ...

But, most importantly, the reviews then state:

If at any time the Chairperson conducting the review is of the view that a specific area should be subject to a more formal public inquiry, the Chair may make such a recommendation to Tynwald in their report.

But also importantly, the outline of the review areas is:

Without aiming to restrict the areas or matters which the Review may consider ...

3130 In other words, Mr President, some of the matters alluded to, such as Abbotswood and the Steam Packet, I would suggest will be at the discretion of the chair. I would also suggest that I expect, as the inquiry progresses, the chair may or may not determine that other areas need to be brought into the inquiry, I expect dependent on the evidence that is presented to him, or indeed her, as matters progress.

The issue was raised about the timescales and the concern that December 2023 was, in fact, a short time for this sort of report. I do share some concern. These inquiries – despite the fact it is

3135 not a public inquiry, it is an independent review – are notorious both for extending in cost and
indeed time. I would expect, in answer to Hon. Member, Mr Glover, that the chair would
potentially be asked to provide an interim report to Tynwald, together with either any interim
recommendations or with a request to extend the inquiry; and perhaps, I would suggest, I hope,
3140 might reference what else would need to be covered and in what timescale. But that is what I
would expect to happen if things were not completed by 2023.

The review, as the Hon. Member, Mrs Haywood, points out, does have a cut-off point in terms
of September 2021, the end of the last administration. As she rightly points out, COVID continues.
I would suggest to Hon. Members that should there be a feeling that at any time there is a need
for further scope to extend such an inquiry, that could quite easily be done. But I would suggest
3145 to Hon. Members that really the context, the essence of this report, is about what happened in
that period from December 2019 through to September 2021, and I think the report should draw
out all the relevant lessons that I hope would be applicable following through into this
administration.

Finally, Ms Faragher did ask a couple of questions about what and whether the inquiry could
3150 be slightly more focused, say, on the question of whether the Government had been too focused
on punishment rather than support. I would suggest those types of questions that she asked
would probably be outcomes from any view that the chair or the inquiry took when assessing the
Government actions.

I will therefore leave my response to the questions, and I ask Hon. Members to support the
3155 review proposals and the terms of reference that we have set, and we will get on as quickly as
possible to appoint the relevant chair and get the inquiry under way.

The President: Now, Hon. Members, we come to voting on this Item, Item 4. The motion is as
set out on the Order Paper. All those in favour, please say aye; those against, please say no. The
3160 ayes have it. The ayes have it. Motion carried.

**5. Tynwald Policy Decisions Report –
Noting and future provision –
Amended motion carried**

Mr Speaker to move:

*That Tynwald (i) notes the Tynwald Policy Decisions Report 2021 [[GD 2021/0088](#)] and; (ii)
resolves that progress reports shall continue to be provided annually until Tynwald resolves
that they have been implemented or otherwise superseded.*

The President: We now move on to Item 5 and I call on the Loayreyder.

The Speaker: Gura mie eu, Eaghtyrane.

This is a straightforward motion to deal with a straightforward issue with a straightforward
3165 solution, (*Laughter*) he says optimistically!

A Member: Oh no it isn't!

The Speaker: Currently, Tynwald resolutions are farmed out to a lead Department to
3170 implement and where this affects only one Department this is usually quite simple. However,
more frequently they impact a number of bodies. There have been a couple of instances recently
where a lead body has implemented *its* part of the recommendation and has then fed back
through the process that the recommendation has been completed. I do not want to embarrass

3175 the Department concerned, as that Department has been very helpful and co-operative in trying
to deal with the issue. However, it goes to show the lack of audit in the system, as currently no
one appears to require evidence to fact-check these updates as they head through CoMin to
Tynwald; and in fairness, ones that cut across Government Departments are a little harder for
Ministers to fact-check.

3180 It is not the purpose of this debate today to go over the progress on the recommendations in
the reports, I will leave that to the Scrutiny Committees to hold Ministers to account over
progress. Nor is it my intention to denigrate a system that generally works well. Indeed, whenever
I mention this type of report at Commonwealth conferences it is often held up as a model of best
practice for others to emulate. All I seek is that when items are removed from the list, or marked
as completed or superseded, Tynwald consent is sought in some form or another, so that those
3185 who advocated for the recommendation in the first place can put the case if they do not feel it
has been properly done. I do not seek an item-by-item debate. We need a pragmatic solution for
those occasions where things are missed.

I believe that the system we have requires a bit more political accountability for when items
are removed from the report. Ideally, this will be agreed with the Chair of the relevant Policy
Review Committee so that it can come to Tynwald as an uncontentious motion. It represents at
best a bit of good housekeeping, and I hope with the support of Tynwald this motion will ensure
3190 that spirit is adhered to.

I beg to move.

3195 **The President:** Hon. Member, Mr Mercer.

Mr Mercer: Gura mie eu, Eaghtyrane.

I think that the Report referred to in this motion from Loayreyder is useful to help us keep
focus on those things that Tynwald have requested of the Departments of Government, and as a
3200 transparent and concise account of those decisions. Public accountability is important,
Eaghtyrane. Summary documents such as this are an important part of the package of resources
that can help promote debate and engagement within these walls and, more importantly, with
the electorate we serve.

I beg to second.

3205 **The President:** I call on the Hon. Chief Minister.

The Chief Minister (Mr Cannan): Thank you, Mr President.

3210 Building on the spirit of pragmatism just mentioned by the Hon. Speaker, I am rising to move
an amendment to this motion, which I hope that my hon. friend the Speaker finds acceptable and
builds indeed upon the spirit of his motion, and the words that he has just spoken.

It is nearly 20 years ago that Tynwald resolved that the Chief Minister should come to Tynwald
each year with a report containing a list of all policy decisions agreed by Tynwald during the
preceding 12 months, including recommendations of Tynwald Committees and details of whether
3215 each decision recommendation has been fully employed and implemented and how. Finally, in
the case of decisions' recommendations not fully implemented, the proposals for such
implementation and any decisions' recommendations not fully implemented must be carried
forward to the next annual report.

3220 Since 2002, the Tynwald Policy Decisions Report has been produced annually. It requires
considerable officer effort in collation of the numerous updates from Departments, Offices and
Statutory Boards. Departments, Boards and Offices are requested to report on the status of the
Tynwald resolutions, specifically whether they are 'implemented', meaning all necessary work has
been completed; 'ongoing', which means that work has begun on complying with the Tynwald
decision; 'under consideration' – this means that the body has considered the decision, but actual
3225 work has not yet commenced; 'carried forward' – decision relating to a longstanding commitment

or the Department is waiting to proceed; or 'closed', where a decision has been taken not to implement the will of Tynwald.

3230 Departments, Boards and Offices are reminded each year not to solely rely on the report as the sole mechanism for reporting to Members that a decision has been closed and that they must separately report or make a statement to Tynwald on the reasons why the Tynwald decision is not to be implemented. But on reviewing this year's Report, I am concerned, Hon. Members, about the length of time that some of these resolutions have remained unimplemented. The first resolution listed in this year's Report dates back to 2005. So as a result, I have asked the Island Plan Delivery Committee to look at the backlog of historic resolutions and to work with
3235 Departments, Boards and Offices to see if plans for implementation and delivery can be sped up.

But turning specifically to the amendment circulated in my name, this seeks to amend part (ii) of the motion to become that Tynwald *further* notes that the Council of Ministers will bring the report for approval each year, with a motion detailing those resolutions that have been closed or implemented.

3240 I do agree with Mr Speaker that greater transparency needs to be given to Tynwald resolutions and how they are being delivered. My amendment will commit the Government to bringing the report to Tynwald for approval, thereby raising visibility. We will also clearly list out those resolutions closed or implemented, thereby giving Members the ability to amend the motion should they disagree that the Government has delivered the resolution needed and required by
3245 Tynwald.

I hope Hon. Members will agree that this is a pragmatic and sensible solution to dealing with this identified problem, and I beg leave to move the amendment standing in my name:

To leave out part (ii) and to add in its place the words:

'(ii) further notes that the Council of Ministers intends to submit the report for approval each year, with a motion detailing those resolutions that have been closed or implemented'.

The President: I call on the Hon. Member, Ms Lord-Brennan.

3250 **The Minister for the Cabinet Office (Ms Lord-Brennan):** I beg to second.
Thank you.

The President: Hon. Member, Mr Thomas.

3255 **Mr Thomas:** Just three brief points. The first one is that I think this is an excellent proposal from Government, and it was as well from the Committee, because it does give us a chance all of a sudden to actually focus on the accuracy of what is in the Report. I would just make this point briefly by one example.

3260 So for instance, Manx Radio, as the national broadcaster. It says in this Report that it is implemented. It is *not* implemented, because that part of the Communications Act 2021 is not yet brought into force and there are no immediate plans to bring it into force. So it is wrong that that is implemented. Having this debate would be a good opportunity to bring to the attention of Government some of the slight misrepresentation or the 'mistake' – in a different way of looking at it – that has been made in the Report.

3265 A second example, and again, I go back to the Fire Services legislation because it has been mentioned by Mr Glover on the radio and by the Chief Minister now. My first job was actually for Mr Speaker, coming in to look at the Fire Services legislation. I just want to raise this second point here. It could just be that the Tynwald Committee got it wrong. There is that possibility. I do not really want to go into the merits of it, but it could just be that the Tynwald Committee got it wrong.
3270 For instance, the Fire Services Act is deficient from the Fire Service's point of view, as I remember it, because it does not actually put into statute everything that firemen ever do so that they get

paid for it by Treasury. But from DEFA's point of view, it has not grown up, it does not allow for graduates coming up with risk frameworks and prioritisation and so on.

3275 So there is a fundamental clash in terms of what the Fire Services Act should be. Is it there to maximise the respect and the budget for the Fire Service? Or is it there to be absorbed into another part of Government as part of an overall risk framework? Until you have actually got the drafting instructions right, and until you have got the purpose, there is absolutely no point going to the Attorney General's Chamber to draft legislation. That is where we have been for decades with the Fire Services Act. It is worth saying that.

3280 Basically, the Tynwald Committee might well have got it wrong, as it often does; and then amplified by Tynwald Court. At the end of the day – full respect to the Tynwald staff and Tynwald Committees – we have three people looking at it with a limited number of staff compared to loads of corporate memory and loads of corporate perspectives that cannot perhaps be given justice in that time.

3285 Then finally, what is really interesting, and is going to be really interesting in these annual debates, is what the current Government is doing to Tynwald resolutions. I do not mean the current Government, this Government – although that will be very interesting – but what I mean is generally the current Government at the time. For instance, I stayed up a lot of the time in the night working with Chris Robertshaw and Clare Barber to try to pretend I came up on the spot with a resolution to do an amendment to do with the Meat Plant. My amendment actually talked about doing something *urgently* to the Meat Plant, but it has not happened as yet. Although I was up all night drafting this amendment to try and pretend it was all random and it was all thought through, working up a speech and so on, it has not happened as yet! The resolution is 'urgently' and it has not happened.

3295 What has changed in terms of rates' modernisation? We got there and now – sneakily, back in the 2014 resolution about rates – what it now says is, 'Ongoing: awaiting prioritisation by the Council of Ministers', which is not exactly what the Tynwald resolved. But it is convenient for somebody to put in the Tynwald Policy Resolutions Report in September, which tells you more about what the current Government is thinking at the time, rather than what Tynwald resolved.

3300 I am fully supportive of this and very much looking forward to what I think will become quite an aggressive debate. To me, you might even want to think about wrapping this up into the Island Plan debate every year, because that is what it is all about, really.

The President: Hon. Member, Mr Glover.

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Mr Glover: Gura mie eu, Eaghtyrane.

3310 My jaw nearly hit the floor when I opened this attachment on here and saw 2005 is the first item, as the Chief Minister alluded to. I think it is something like six pages in a very small print before you actually get to the last administration, never mind what is happening now. There are things on here – and this is the question I have got – that maybe were relevant in the year that they were passed but are probably completely irrelevant now! (*Interjection*) So there is a cleaning-up exercise to be done. And as it has been passed by Tynwald, maybe these items on here should just come back to this administration, this Tynwald Court to see whether they have any relevance or not in today's climate.

3315 Thank you.

The President: I call on the mover, Hon. Loayreyder to respond.

The Speaker: Thank you very much, Eaghtyrane.

3320 I am certainly okay with the amendment, and as the Chief Minister pointed out it brings something annually to Tynwald requiring approval. I am reassured from his comments that should a Member then feel that the decision has not been implemented, the motion can be amended, and that is certainly within the spirit of what I was seeking to do.

3325 I thank Mr Thomas for reminding me of our time together at DHA and Hon. Members will appreciate the Department meetings just flew by. *(Laughter)* He does make an important point about following up with these recommendations, a point also picked up by Mr Glover, and this motion will assist with that. I think there has been a nervousness on behalf of civil servants to say that this does not apply anymore, because there is not really a process for saying that you would have to come back to Tynwald with a new decision to say that this is not going to be required.

3330 So this will be a useful tool, hopefully, to allow as well for those that are genuinely superseded or no longer relevant to come back as part of this annual motion, subject then to the challenge of Members of the Court; but then ultimately to amendment and to the vote of this Court as to whether it wishes to stick with the decisions that it had.

3335 I do not intend to prolong the Court's agony. I am delighted to support the amendment, which I think does the same thing I wanted it to do in a different way. With that, I will conclude the Government love-in, and ask Members to support the motion as amended.

The President: Now, Hon. Members, we come to voting on this Item, Item 5, the motion as set out on the Order Paper, and to that motion you have an amendment in the name of the Chief Minister. I will put first the amendment. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it.

Having dealt with the amendment, I now put the motion as amended. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. The motion carried with amendment.

**6. Bank charges for charities –
Legislation to prohibit –
Amended motion carried**

The Hon. Member for Arbory, Malew and Castletown (Mr Glover) to move:

That Tynwald instructs the Government to bring forward legislation to prohibit banks from imposing charges on charitable or philanthropic organisations.

3345 **The President:** Hon. Members, we move to Item 6 and I call on the Hon. Member for Arbory, Castletown and Malew, Mr Glover.

Mr Glover: Gura mie eu, Eaghtyrane.

3350 A large number of the Island's charities bank with the Isle of Man Bank, which is run now from the Channel Islands with little empathy for the needs of Island customers, including charities.

Charities come in all shapes and sizes, from the likes of Hospice, branches of bigger concerns across, to small charities, such as, for example, the Friends of Castletown Railway Station, to take one from my constituency. One thing they all have to have is a bank account.

3355 Many charities have come to me, and I am sure many other Members of this Court, expressing serious concern about the intention of the Isle of Man Bank to introduce a change in their charging structure which would be applied to charity accounts.

This was announced, delayed in May last year for 12 months, following a motion from Mr Speaker calling for Treasury to consider how legislation could be introduced to make basic banking free for small charities and not-for-profit organisations. In February, Isle of Man Bank announced a further delay to changes to fees for charities, clubs and societies following customer feedback.

3360 As at the end of December 2020, there were over 1,579 charities or similar structures or over 2,332 related bank accounts with Isle of Man Bank. So you can see the scale of the issue. And

3365 the latest announcement about a delay to this potential introduction of charges is for ‘a further extended period’. In other words, how long is a piece of string?

Any business hates operating with uncertainty. Let’s not forget that charities are just coming out from two years where everything was far from certain with COVID-19 and the pandemic. Shops were closed, events were cancelled and charities were hit hard financially with fundraising severely restricted. This is not going to go away. The current situation we now find ourselves in, with a cost of living crisis, energy prices going through the roof and a war in Ukraine, well, if ever there was a time when we are going to need our third sector, it is now. We should do everything we can to look after our own – charity does begin at home after all.

3375 I am aware some of the banks are not happy about continued pressure for legislation, feeling it is ‘unhelpful’ and ‘unwelcome’. Well, I would challenge that the charities feel the continued threat of charges (**The Speaker:** Hear, hear.) on their bank accounts is ‘unhelpful’ and ‘unwelcome’.

I am also aware senior politicians are concerned about our international reputation and are reluctant to see the state interfering in the private sector, and I get that. But we have to send a message to the banking sector that any proposals to introduce changes and charges to charity accounts is not welcome here on the Isle of Man. (**A Member:** Hear, hear.) And why is the Isle of Man being used as a guinea pig for possible future changes in the UK and further afield? There is no such talk elsewhere of introducing charges on charities.

3385 I am very grateful for the time I have spent with the Treasury Minister and the Enterprise Minister who have helped me work on this motion, and I thank them very much indeed. Unless things have changed since before Easter – and I did feel a piece of paper rustling onto my desk as I was speaking – I am certain an amendment will be brought forward and I am content to support such a move. But only if a real clarion call comes from Tynwald today: we are firmly against any banking charges coming in which will affect the smooth operations of our hugely valued Manx charity sector, which we so need to function unhindered in these times of great uncertainty.

3390 So I urge each and every one of us to support our superb third sector today and I beg to move the motion standing in my name.

Gura mie eu, Eaghtyrane.

3395 **The President:** I call on the Hon. Member, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

I would like to second the motion and the bank that raised our awareness of this issue. It created a tremor that many charities and others have shared with us.

3400 I remain concerned by the lack of action of this Government. It looks ineffective or no better than the last one. The bottom line is, ‘We will continue to talk.’ Why could the Government not have been more proactive in this area? There is still time.

3405 To state that all banks operating in the Island must provide free bank accounts to charitable or philanthropic organisations with a turnover of, say, £50,000 or less, is not revolutionary, it is a basic expectation. That change will not be significantly different from anything offered in the adjacent island, no more generous at all.

I genuinely hope that this motion is supported and that the will of Tynwald is heard by the relevant Ministers. This is about doing the right thing and ensuring the Island remains as the caring place we all remember, and hopefully still is. It is a sad day when we have to say to global financiers, ‘Get your house in order’, but this is one of those occasions and we must have the confidence to say this and bring about the change. It is time that we really said, ‘This cannot go on’.

Thank you, Mr President.

The President: I call on the Hon. Member, Mr Ashford.

3415 **The Minister for the Treasury (Mr Ashford):** Thank you very much, Mr President.

Can I start by thanking the Hon. Member for Arbory, Castletown and Malew for bringing forward this important topic for debate before this Hon. Court today, and can I also thank the Hon. Member, Mr President, for his engagement with both myself and the Minister for Enterprise ahead of the debate.

3420 On our Island we are very lucky to have a vibrant third sector. In many cases, this comprises small organisations of just a few people who have banded together to address a social issue or raise money for a cause that is close to their hearts. I will never forget the year, a decade ago now, when I served as Mayor of Douglas, when I got to meet and helped support hundreds of small charitable organisations – many of whom, I have got to be honest, I had actually never heard of
3425 prior to that – who gave their time to raise money for causes and support sections of society that otherwise would likely have gone unsupported. I have always thought it is one of the great things about our society here on our Island that we have such a close-knit community that is always willing to give and raise, in some cases phenomenal amounts, across our charity sector.

It is also important to recognise what has prompted this motion to come before this Hon. Court today and that is, as the hon. mover has already alluded to, the previous proposals by Isle of Man Bank to bring in charges for charity accounts, a move the bank announced this March that it will no longer proceed with. It is important to emphasise that this was a decision by *one* bank, not the entire banking sector, nor indeed representative of the wider financial sector on the Island, with the overwhelming majority of our retail banking outlets continuing to offer free banking services
3435 to charities and whom, in conversations I have had have confirmed, have no intention of following suit, even if Isle of Man Bank had proceeded with their charges.

It does, for the record, need to be recognised, Mr President, that there are costs to banks for cash processing and account maintenance in relation to charities, and with the Isle of Man Bank holding by far the highest proportion of charity accounts, it bears the burden somewhat disproportionately of those business costs at the moment.
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It also needs to be recognised that charitable organisations come in various shapes, forms and sizes. There are charities that are part of wider international organisations and are of substantial size with substantial turnover alongside those that are small community-based organisations. It is essential that our third sector organisations and charities have access to banking services to ensure that they can continue to undertake the valuable work that they do for us as a community.
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That brings me to the motion before us today, Mr President, and my concerns with the current wording as it stands. The motion looks to use the legislative option to prevent charges being imposed on charitable or philanthropic organisations. That would make us a complete outlier in terms of other countries, and indeed what we would regard as competitor jurisdictions. Such a move, rather than providing more choice, could, my fear is, actually have the opposite effect and restrict choice for charities and make it difficult for them to obtain and maintain access to retail banking services in the first place.
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Again, I need to remind the Hon. Court, Mr President, that this has come about due to the proposed actions of *one* retail bank, yet the motion looks to intervene, as it stands, and legislate for an entire sector. Having spoken to sector representatives, there are serious concerns, including those who have no, and have never had any, intention of bringing forward charging. It would put us out of step with other jurisdictions, including our competitors. It would legislate for one particular sector, compelling them to offer free services, when we do not legislate for other economic sectors or private businesses in this way. It also sets a dangerous precedent for the future and the message it sends out not just to the banking sector, but the wider business community, is that as a jurisdiction we are willing to turn to legislation on business operational matters and business charging structures.
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Having spoken to the sector, the likely consequences are that the retail banks would simply seek to withdraw from offering banking services to the charitable sector and consider closing existing accounts. There is also the risk the banks may cease services and relocate them to other competitor jurisdictions or simply withdraw from offering retail services in general. We have to remember that the banks on Island are part of larger international groups who may well take the
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3470 decision that in fact the operations can be conducted just as well from elsewhere. At a time when we want to try to encourage more choice for residents and businesses on the Island, Mr President, any move that would result in potential reduction in offering on Island, not just to charities but to the wider community, would be a retrograde step.

3475 It is also worth reflecting for a moment, Mr President, on the fact that the banking sector on Island actually massively contributes to the charitable sector via direct contributions, fundraising and sponsorship. So ironically, any move that may decrease the banking presence on Island could well have the overall impact of actually reducing charitable income for many of those small charities, far outweighing any potential bank charges.

I therefore have an amendment to move, Mr President, and it is this:

To delete all words and replace with:

That Tynwald recognises the significant role that charities and voluntary organisations play on the Isle of Man and the contribution they make to our community and recognises that Government will continue to work with the banking sector to enable charitable or philanthropic organisations to have ongoing fair access to bank accounts and online services.

3480 Both Treasury and DfE have regular contact with the sector, and it is by Government and the sector working together that we will get the best results, not just for our charitable sector but also the best offering for our business community and our wider population. Recent experience of DfE engaging with Isle of Man Bank, for instance, Isle of Man Bank has reconsidered and I think, actually, quite rightly made the correct decision not to proceed.

3485 As the world moves on and the usage of cash declines, it is also important that we focus on the future and work with the banking *and* charitable sectors to make sure the charitable sector can continue to operate and thrive in the new environment, having easy access to online services for the future.

3490 As an aside, Mr President, I was down in London last week and basically there you cannot near enough give cash away – *everything* is card. Even the charities that are collecting have hand-held card machines. They do not want the cash and that seems to be the way society is going. So it is important that those small organisations ... we ensure they have access to the services that will allow them to be able to maintain the wonderful fundraising that they actually do in the new world.

3495 I would like to thank the hon. mover, Mr Glover, Mr President, for his very helpful and intensive engagement. I did believe he was going to indicate in his closing remarks – but he did it in his opening remarks – that he is supportive of the amendment that I have brought forward today.

3500 So in closing, Mr President, if our economy is to continue to expand and grow where charitable organisations have access to the retail banking services they need to deliver on the causes that they so passionately and vigorously support and we are to be an attractive place for people to live, then we need a vibrant banking sector with variety and choice so that we can have a vibrant charity sector as well. That is not achieved by reaching for the legislative options due to the action of one bank – who now appear to have seen sense – and dictating, Mr President. It is achieved by working with the sector to ensure that we have diversity of availability to allow all areas of our community to thrive. But equally I think it is an important message that the original wording has sent out, that this Hon. Court is willing to consider options should decisions be made that may damage our charitable sector.

3505 Thank you, Mr President.

The President: Hon. Member, Dr Allinson.

3510 **The Minister for Enterprise (Dr Allinson):** Thank you, Mr President.

I rise to second the amendment and also to reassure the original mover that the Department for Enterprise, through the Finance Agency, is in regular conversation with the entire banking

sector and that we will continue that dialogue in terms of charity banking. We will also look at the provision, if necessary, of hand-held devices so that people can take cashless payments but also
3515 look at a range of other issues that affect our residents and the charitable sector, including access for cash and the provision of credit cards.

So we are in that ongoing dialogue and we will take this matter extremely seriously as we progress over the coming years. This is not a one-off solution, this is the start actually of a clear declaration by this Court in support of the charitable sector and of the third sector, but also of our
3520 ongoing negotiations with the banking sector and the finance sector in general.

Thank you.

The President: To speak to the amendment, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President, and thank you for putting the amendment forward. Unfortunately it came after my speech so I am unable to amend it but I would be really grateful if he would actually consider putting a date on this so it could be done, for example, by the end of October 2022, just to ensure that this actually takes place –

Mr Ashford: Would the Hon. Member give way?

It is *ongoing* engagement, Mr President, it should never come to an end. DfE and Treasury should be constantly engaging (**Miss August-Hanson and two other Members:** Hear, hear.) with the banking sector to ensure that we are appraised of what they are planning and that in certain circumstances perhaps we can make them see some commercial sense.

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The President: Mr Moorhouse.

Mr Moorhouse: Thank you.

That is a good and justifiable point but I am concerned that this has gone on for several years already and we need to have a line in the sand saying, 'We have achieved this at this point. We will then go forward and perhaps achieve something else.'

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Thank you very much.

The President: I call on the Hon. Loayreyder.

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The Speaker: Gura mie eu, Eaghtyrane.

Hon. Members will recall I moved a motion on similar lines last year and the disastrous effects that were identified at that time of removing free banking from the charitable sector. Banking is now an essential in the modern world, not a luxury. The options of charities keeping their reserves in cash are just not viable from a security, never mind a fraud or even a money-laundering perspective.

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The particular challenge I have is that this is not a group-wide policy that the Isle of Man Bank has had. This has been something that has been focused on the Isle of Man and everywhere from Cornwall to Scotland you could bank with the same company for free if you were a charity, but they were going to impose charges on the Isle of Man. So that was a particular bugbear.

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But what I am a little bit concerned about are the comments from the Treasury Minister who says that some banks have given no indication that they want to charge fees, they were never even considering it, it was not even on their radar, they are never going to do it *but*, 'If you legislate for what we are doing already then we could leave the Isle of Man, we could do all sorts of terrible things. You put all these thousands of jobs at jeopardy and you are no longer competitive because we do it already.' That is the thing that I find slightly nebulous in the argument that the Treasury Minister puts forward, because if this is the action of one bank who are acting off their own bat, who are so cold and callous to want to do this just to the charities in the Isle of Man, then I do not know if I want them here anyway! There is plenty of money to be made in the banking sector on

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3565 this Island. There is billions of liquidity that goes through to the City of London, and if that is the attitude of one bank, or any bank, I do not want them here.

I am also one of the many treasurers of charities that got one of their letters and I do not think I am quite as convinced as the Treasury Minister is that this idea has gone away for good. I read the letter that I got from the Isle of Man Bank as being further deferred, it is subject to
3570 reconsideration down the line. This is not, 'We have abandoned the idea', because I think I would be sleeping a lot more soundly in my bed if I thought the idea had gone away and gone away for good, but that is most definitely *not* the message that I got when I read the letter.

The concern I have with the amendment is that it does not really do much. I am frankly not particularly impressed with what the Government has achieved or thinks it has achieved over the
3575 last year. I would love someone to stand up and say what they believe that the Government has achieved through this dialogue because all I have seen so far is that bank having deferred further its consideration.

I am very concerned that there is an unwillingness on the part of our Government to even have a negotiating stance. By not just refusing to enact or enable the legislation to have direct effect
3580 on the banks but even to have that fall-back plan – as the former Clerk of Tynwald might have said, to have that gun in the drawer, that ability to negotiate from a position of strength rather than a position of weakness – because this Government, and the one before it, has shown no willingness whatsoever to take on the banks on this issue.

The challenge I put to this Court is if we are not willing to stand up for our charitable sector in
3585 this Court and this Government, who will? I will not be supporting the amendment. I will support the motion as drafted.

The President: I call on the Hon. Member, Mr Thomas.

3590 **Mr Thomas:** Thank you, Mr President.

I rise to support Government's very sensible amendment and associate myself with the remarks of the Treasury Minister.

I just want to make some remarks in three areas. The first one is at the moment we are being presented with a picture of evil foreign bankers on the one side and on the other side wonderful
3595 local charities doing something, but there is somebody else in there who has not come up enough in this picture as yet, and they are the employees of the banks.

We have to remember that banking is one of only three sectors in the Isle of Man that actually pays corporate tax and they pay the vast majority of the corporate tax that is paid. We have to remember that 10% of the employers with more than 100 staff in the Isle of Man are banks, and
3600 I for one was furious when three Ministers were putting at risk the employment of all of those people in the last administration, because it matters; it matters to us to have good employment in the banking sector on the Isle of Man.

We have got to make sure that the language we use, talking about clarion calls against banks and so on, actually reflects the reality that banks came to us in the 1960s and now have got a huge, substantial presence here and they can afford to pay tax and then through employment they pay substantial amounts of National Insurance and VAT and all of the other tax. So therefore
3605 we have to be very careful what we say and how it comes across in Jersey and Guernsey, in London, in Dublin and in South Africa and everywhere else where we have bankers from.

The second point I wanted to make is that the motion as presented did not discriminate in terms of size but there are clearly some incredibly wealthy and incredibly big charities. The Hospice was mentioned, I think, by Mr Glover as being a large one, but the Hospice only came in
3610 in 2013-14 as around 16 or 17 of the top 20 income recipients of charities in the Isle of Man, and expenditure. St Christopher's, Autism Initiatives, Praxis, the Alzheimer's Society, the Stroke Association, Blind, RNLI, they are all massive in terms of the income and expenditure compared
3615 even to Hospice, which is a large charity. And we have to understand that some charities are huge

organisations in themselves. There are some charities that have ... King Bill's income is nearly £9 million, that is a charity, and the like. So that is the second point I wanted to make.

3620 And finally, the third point is that we are sort of picking on bankers here – and I did make a similar speech but I am going to emphasise it even more when Mr Speaker made it – but there are other people that cost charities an awful lot. You are encouraged in the Isle of Man to become a company limited by guarantee when you set up a charity and if you miss one deadline you are not going to get away with not paying a £100 fine. It costs to run a charity. It might be that you can cadge a favour from your local politician to do the accounts for a few years, but eventually you are going to have to start paying for your accounts and that adds up to actually quite a substantial amount of business for charities.

3625 When you hire premises from the Manx Museum or various other Government Departments, you have to have insurance in place for those premises, and that is quite a huge amount of money. And, my God, if you ever have to pay lawyers, which you do quite often in that whole world, it is really stacking up. So bankers – why are we just focusing on bankers? Why are we not making lawyers provide free legal services, accountants provide free legal services and Government to host all these charities without actually taking any insurance for them in terms of public liability.

3630 In closing, my clarion call out there is there are incredibly generous people in the Isle of Man and at times in your life you want to make incredibly generous donations in memory or whatever, for various reasons. Go out there and find an existing charity and give to it and in some sense associate with that charity. A charity does not have to be a brand new one (**A Member:** Hear, hear.) and it does not have to be named after the person that you are doing ... It is much more sensible to understand what it actually costs to run a charity and to be generous but do not get into the bureaucracy of running charities.

3640 I will be fully supporting Government's amendment.

Mr Crookall and another Member: Hear, hear.

The President: I call on the Hon. Member, Dr Haywood.

3645 **Dr Haywood:** Thank you, Mr President.

3650 It is not often I find myself standing up here supporting banks, but banks are businesses providing a service. The provision of that service has costs associated with it to pay for the infrastructure, the staff, the software and the security. Many decisions taken by banks are not taken locally but by their regional management and, in some cases, their international management. It has been common for charities with large annual turnovers to pay for their banking anyway, as you would expect them to pay for a service, but I appreciate that smaller charities will be hit harder by fixed fees.

3655 It is a bit of a recent thing though to expect free banking at all. It was not common until 30-or-so years ago, when banks started to compete against each other by offering free banking. And up to that point I can remember you did pay for each cheque that you wrote, you paid for each deposit and you paid for somebody to do that job to service that. But charities in some ways have been forced into using bank accounts more than the box of cash under somebody's bed because we expect better governance from them.

3660 So I think the route here really is to work with the banks to ask them to provide a certain number of charity accounts, depending on the size of the bank. If you have got a small bank asking them to do 10,000 charity accounts is obviously going to be an insane burden on them. It does have the impact of forcing a business, the bank in this case, to spend some of its profits on charitable causes, and so I think we have to work down that collegiate route of saying to the banks, 'We obviously have small charities here who do need your support, we appreciate that it is going to have some cost implications for you but we would like you to donate towards that charity by providing those services.' I think that is much better as a joined-up approach, working with the banks, than it is by imposing a restriction on them.

The President: I call on the mover to reply.

3670 **Mr Glover:** Gura mie eu, Eaghtyrane.

First of all, thank you to everyone who has spoken and thanks to my colleague in Arbory, Castletown and Malew, Mr Moorhouse, for seconding. I agree that we do have a very generous people, who in the main support charities.

3675 The Treasury Minister's, David Ashford's, amendment, he is right, there is just one bank we are talking about here and I agree. I think from the conversations that I have had with the Minister and with the banks, a lot of the banks recognise that – the other banks, that is – it has been an enormous own goal by the Isle of Man Bank to go the way they have with threatening to charge. So I get and understand his concerns over what could be deemed as state overreach in this case.

3680 The wording of the motion: well, it was deliberately provocative and it got through the Clerk of Tynwald's Office and immediately caused people to start talking and asking questions, which is precisely what I was hoping would happen. A lot has gone on away from here. So it was deliberately provocative. I am happy to give the amendment a chance as long as this amendment gets a real vote behind it.

3685 Regarding Mr Thomas's comment, just going slightly out of order, the clarion call was not against banks, it is for supporting the charities. That is the whole context that I was talking about with that.

3690 I am glad to hear that the Enterprise Minister, Dr Alex Allinson – and again I thank him for engaging on this issue – is in regular conversation with the banking sector. I think I had a missed opportunity the last time this was being discussed in Tynwald when we were talking about the carrot and stick approach, and I could have asked, 'What's up, doc?', I did not at the time, (*Laughter*) so we will get that one in now.

3695 Mr Speaker, I share your concerns regarding the Bank's approach to the Isle of Man, and as I have already said regarding the Treasury Minister's comments, it is being perceived as a huge own goal within the banking sector at the moment. But I do share concerns over the uncertain wording in the letter. I have read that as well and it does say 'deferred'. So I think the message needs to go out that this is not going to go away and if the threat comes in again, we will be back here again debating this once again as to who we are going to actually support and stick up for. So I would like to give that reassurance: I will certainly be on my feet and trying to bring that forward.

3700 I hear what Mr Thomas is saying about the employees. I just hope that Isle of Man Bank is going to have a reset, in a way, and be worthy of the name 'Isle of Man Bank' once again, with its management, I know, elsewhere. That is a message to go out. We definitely support the employees and I agree with his comments about very generous people.

3705 Dr Michelle Haywood is quite right that it would be good for the banks to support the smaller charities, because that is where I think the biggest concern is coming.

So in summary, I beg to move, but I am in support of the motion that has been put forward by the Treasury Minister.

Thank you.

3710 **The President:** Now, Hon. Members, we come to voting on this Item, Item 6. The motion is as set out on the Order Paper and to that motion you have an amendment in the name of Mr Ashford. I put first the amendment. All those in favour, please say aye; those against, please say no.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 21, Noes 2

FOR

Dr Allinson
Mr Ashford

AGAINST

Mr Moorhouse
The Speaker

Mrs Barber
Mrs Caine
Mr Callister
Mr Cannan
Mrs Christian
Mr Crookall
Ms Edge
Ms Faragher
Mr Glover
Dr Haywood
Mr Hooper
Mr Johnston
Ms Lord-Brennan
Mrs Maltby
Mr Peters
Mrs Poole-Wilson
Mr Smith
Mr Thomas
Mr Wannenburg

The Speaker: Mr President, in the Keys, 21 for, 2 against.

In the Council – Ayes 8, Noes 0

FOR	AGAINST
Miss August-Hanson	None
Mr Craine	
Mr Greenhill	
Mr Henderson	
Mrs Kelsey	
Mrs Maska	
Mr Mercer	
Mrs Sharpe	

The President: Legislative Council: 8 for, none against. Therefore, amendment carried.

3715 So having dealt with the amendment, I now put the motion as amended. All those in favour, please say aye; those against, please say no.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 22, Noes 1

FOR	AGAINST
Dr Allinson	The Speaker
Mr Ashford	
Mrs Barber	
Mrs Caine	
Mr Callister	
Mr Cannan	
Mrs Christian	
Mr Crookall	
Ms Edge	
Ms Faragher	
Mr Glover	
Dr Haywood	
Mr Hooper	
Mr Johnston	
Ms Lord-Brennan	
Mrs Maltby	
Mr Moorhouse	

Mr Peters
Mrs Poole-Wilson
Mr Smith
Mr Thomas
Mr Wannenburg

The Speaker: Mr President, in the Keys, 22 votes for, 1 against.

In the Council – Ayes 7, Noes 1

FOR

Mr Craine
Mr Greenhill
Mr Henderson
Mrs Kelsey
Mrs Maska
Mr Mercer
Mrs Sharpe

AGAINST

Miss August-Hanson

The President: Legislative Council: 7 for, 1 against. Therefore, as amended, carried.

**7. Resettlement of displaced people –
Taking refugees on Island; CoMin report –
Amended motion carried**

The Hon. Member for Douglas East (Ms Faragher) to move:

That Tynwald is of the opinion that arrangements should be put in place to enable the Island to take in refugees; that the Council of Ministers should explore how this could be achieved and should submit a report to Tynwald by the last day of July 2022; and that as part of the preparation of that report, evidence should be sought from the governments of the UK and Ireland as to what it would take to allow the Island to participate in resettlement schemes operated by those nations.

The President: Hon. Members, we now move on to Item 7, and I call on the Hon. Member for Douglas East, Ms Faragher, to move.

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Ms Faragher: Gura mie eu, Eaghtyrane.

I bring this motion before this Hon. Court in full awareness of the efforts of Members of the previous administration still here who have tried to bring or support a related motion. I want to thank those Members for doing this. I stand here today to echo many of the words of the Hon. Member for Garff, Mrs Caine, from November 2018. We *are* a generous, welcoming and compassionate place. Mrs Caine's words have been borne out over and over again by the response to the current humanitarian crisis that has arisen from Putin's invasion of Ukraine.

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We have all been moved and saddened by reports from Ukraine, and I know that we have all been heartened by the Manx public's response to this crisis, opening their doors, their homes and their hearts to displaced people. We have given sanctuary to people fleeing war, which is enough in itself, but what is more, the sense of pride, of community and togetherness that has been brought about by our Island response has been tangible.

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However, we cannot get around the fact that we were slow on the uptake. Many of my colleagues here today will have had frustrated conversations, as I have, with their constituents all over the Island who have been desperate to help people displaced by this war. But without any

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pathway in place to provide support, we were initially floundering and unable to move things on. I think we all appreciate the huge amount of work and dedication behind the scheme we now have in place for Ukrainian nationals, and I want to acknowledge and applaud that. But has this not shown us that if we had a framework in place we could have supported Ukrainian people better sooner?

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I did note at the time of the announcement of our humanitarian pathway for Ukrainian people that the UK's approach had been widely denounced as delayed and chaotic. This had a knock-on effect on our own approach. Is it possible for us to avoid this in future? Can we be quicker to respond? These are questions this motion will answer. As the Deputy Chief Minister noted in her speech to this Court, we do not want bureaucracy to get in the way of helping those in need. If this motion is passed, where it seems we can offer to rehome, having a framework will mean we can respond nimbly and constructively. I believe recent events mean I can say with some certainty that this is what the people of the Island want.

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The Ukraine situation has also shown unequivocally that there is no question of us having only a binary choice to either provide aid in the form of financial donations or in the form of rehoming people. This was a concern of many in the last debate around the issue of offering sanctuary to refugees. Many people felt we could support thousands with financial aid but a mere handful when offering to rehome, but we have done both in this most recent crisis.

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I am so happy to share our beautiful Island and I hope people are feeling welcome here so far. Differences of habits and language are nothing if our aims are similar and our hearts are open. What unites us is far greater than what divides us. And with that, Eaghtyrane, I beg to move.

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Gura mie eu.

The President: Hon. Member, Mrs Caine.

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Mrs Caine: Thank you, Mr President. I beg to second and reserve my remarks.

The President: Hon. Member, Ms Lord-Brennan.

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The Minister for the Cabinet Office (Ms Lord-Brennan): Thank you, Mr President, and I thank the Hon. Member for the chance to debate this matter.

The motion that the Hon. Member has brought says:

That Tynwald is of the opinion that arrangements should be put in place to enable the Island to take in refugees ...

I will talk about the other elements in a moment, but, Hon. Members, that has happened. I think it is a good thing already that I am able to stand up and say, not this is something that we will do and we will report on and we will review and all the rest of it, etc.

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So I think that I absolutely respect and appreciate the Hon. Member representing the concerns of the need to have this sort of thing happen, but this has already been put in place. In fact, just to pick up on the point about being slow on the uptake, I had a little look back, actually. I think it was the 1st March House of Keys sitting where the Chief Minister was giving an overall response to do with the horrific humanitarian concerns and invasion of Ukraine in a very broad way. It was the 4th March, a few days later, that the Ukraine relief group was announced as being set up, so that happened really quickly. By that Friday evening, direct financial support had been sent and also received by the Disasters Emergency Committee.

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So notwithstanding the fact that there had not been a long-standing policy in place, which is the point I will get to in a moment, that action was absolutely not slow on the uptake. In fact, I think it probably set a stark – other Members have said to me it was setting – contrast to the sort of approach that had been previously. I think the reason for that was because this was an issue, it is an issue now – and I hasten to add work is still ongoing on this – that is resonating with the

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3785 Manx community and absolutely there was no hesitation, in the Council of Ministers' point of view, in terms of taking steps and examining quickly what needed to happen.

Just to take Members back, because it does seem like a lifetime ago, straightaway there was the funding that was that made available, the donation that was made and the commitment to mirror the UK immigration pathways. We should not forget, of course, that actually people are having to travel through the UK in order to get here, so you would not want to close those off. 3790 Then very quickly discussions turned about what sort of support would be provided – is it better to have our own homes for Ukraine scheme and initiate things in that way? – and then talked about different elements to do with benefits and support and things like that.

So there has already been a quick response to the people who were fleeing Ukraine and found themselves displaced. So I would not accept the criticism that it was slow, especially in light of the fact that there was no background policy to support this. And I actually really would like to support the officers that have been involved and working across Government on this matter on top of everything else. The political Members have given their input, the third sector charities; the One World Centre has been involved from the start. There have been many others charities and individuals that have come forward and said 'We want to help'. We have had to make this somewhat of a business-as-usual approach with a Ukraine support team at an officer level that are picking up and responding to these things. 3800

So I hope people see the compassion and the response in this and I would like to thank the officers, the politicians and the members of the public and the third sector who have assisted in something which is new for the Isle of Man, taking refugees. 3805

As this work is going on, there will be things that will need to be tweaked, be improved, that we find out, that we anticipate, that are new, and actually we are doing that as we go along. Where issues are cropping up, the response has been to examine that at officer level and try and address and resolve it as quickly as we can.

But the reason why I particularly flag this as it being new is that I think overall the Hon. Member is seeking that we should have an overall policy stance, not just on refugees, but she references displaced people in the title of her motion. Actually, do you know what, those are two different things. So I think that it would be beneficial to have an overall policy on this for the longer term. I do, however, feel that it is appropriate to be able to look back and see how the initiatives under the current handling work in practice and see what we can learn from that. 3810

Also I think it is the case, although the Manx public and community have absolutely got behind here, with heartfelt warmth, supporting the welcome of Ukrainians here, having a broader policy development is something that would be quite sensible and wise to make sure that we get right over the longer term and allow that input from MHKs and perhaps also from the public if that is seen fit. 3815

3820 So that is why I have laid out the amendment which says that Tynwald:

is of the opinion that the [Isle of Man] would benefit from a transparent and updated policy regarding the acceptance of refugees that takes into account lessons learned from the process of accepting those fleeing the current conflict in Ukraine; and that the Council of Ministers –

– and it would have to be led by Cabinet Office, of course –

– should explore how this could be achieved and should submit a report to Tynwald by the last day of July 2023.

Some people might think that is a long time away. However, July, for a Tynwald set up, as we know, is really May for the Register of Business. In practice, it is about it going to Council of Ministers in April. I really do think that Members need to have input on this. I do not think it should be something that is done as a sort of diktat from one direction and of course Cabinet Office is also leading on lots of other areas. The Treasury Minister had mentioned some of the other work that is going on as a result of the conflict in Ukraine, which is about the Island's actual impact as well or things that we need to deal with. 3825

3830 So I would thank the Hon. Member for bringing this to Tynwald. I would be really interested to hear the views of other Members on this and I would say please just allow some space for some proper policy input and development, so that we can learn from the very good efforts that have gone on so far.

Thank you, Mr President. I beg to move:

To leave out all the words after 'That Tynwald' and to add in their place the words: 'is of the opinion that the Island would benefit from a transparent and updated policy regarding the acceptance of refugees that takes into account lessons learned from the process of accepting those fleeing the current conflict in Ukraine; and that the Council of Ministers should explore how this could be achieved and should submit a report to Tynwald by the last day of July 2023.'

The President: Mrs Kelsey, Hon. Member of Council.

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Mrs Kelsey: Gura mie eu, Eaghtyrane; thank you, Mr President.

I rise to second this amendment. I agree with the essence of what the original mover, Ms Faragher, is trying to achieve, but I fully support Ms Lord-Brennan's amendment because it recognises the time required to deliver well-considered policy based on our first-hand experience of the current crisis.

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We have all witnessed the arrangements have been put in place and actually continue to be put in place, as the Minister mentioned, to enable our Island to take refugees, and I believe the wider issues in the motion that was originally brought need to be considered as part of our way forward. But to do justice to such a sensitive topic, we must learn the lessons from successes and difficulties that the Isle of Man is experiencing with our current support for displaced people from Ukraine who have chosen the Isle of Man as their safe haven, far away from the horror of the unjust war and the aggressor invasion taking place in their home country.

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We are a small nation with small, dedicated teams delivering services to us all. The very people who are trying their very best to support the safe and immediate relocation of Ukrainian families to our wonderful Island would sadly be distracted from their current urgent tasks, which are critically important, if we now ask them to do this additional task, with submitting findings, recommendation to the Council of Ministers for them to report to Tynwald by the end of July this year. I cannot support that timescale. However, I do fully support the amended motion brought by the Minister for the Cabinet Office with the report to come to Tynwald by July 2023.

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We need to concentrate the efforts of the Island on the current crisis, use the experience to explore how our Island can take in refugees or displaced people from anywhere in the world in the future and deliver policy and action that can be discussed in this very Court and supported by all.

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Gura mie eu, Eaghtyrane.

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The President: I call on the Hon. Member, Mr Thomas.

Mr Thomas: Thank you, Mr President.

I am still making up my mind which way to go on this motion, whether I can support the amendment or whether I have to stick with the original motion. I will tell you why: it is because I do not think we only need to learn the lessons of how we dealt with the Ukrainian displaced people refugee situation. I also think there are some important lessons to learn about how our politics develop and how our bureaucracies worked, and all of that, in their initial response to the Ukrainian crisis.

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It was me who worked with officers, the excellent officers and the External Relations Directorate back in 2019, to go to Ballakermeen High School to have an incredible debate with the students for which an information paper was prepared, which is published still, which goes

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3875 through all the reasons why we could not participate just in the Syrian refugee scheme without
all sorts of other factors. That report is still up there published at the moment. So at the very least
I think it is only right for Government and the officers behind the current Government to actually
rewrite that information notice that is still public, to see if in any way it has changed in any sense
over the last six months. For instance, either there is advice from the Attorney General's Chambers
3880 that if the Island were to make special provisions for Ukrainian refugees it could be open to
challenge from any other refugees from different countries, who could claim they were being
discriminated against if they were not granted the same special provisions, or there is not that
advice and that is not the fact. It seems to me entirely reasonable that we actually know whether
or not that was the advice back in 2019 and whether that was the situation in 2020-21 and is still
the situation in 2022.

3885 That document is incredibly clear that we cannot actually make arrangements in respect of
social housing and benefits unless we make changes to the Isle of Man legislation. If that was the
case in 2019, it is still the case now, because I am not aware that we have made any changes to
social housing or to benefits legislation to deal with this situation. But perhaps we have, and if we
have, it needs to be captured in a very clear information notice.

3890 In terms of integration and social cohesion, although that was a bit vaguer, that is about the
spirit of the intention and that is why I have been hesitant to say this up to now, because I know
there have been some wonderful people doing wonderful things to do everything possible in the
Ukrainian situation. What they are coming up against is the law and the arrangements, which are
much harder to change than social integration and social cohesion. Likewise in this information
notice, it talks about issues with healthcare, it talks about issues with employment, it talks about
3895 issues with education, and ultimately it talks about issues with costs – which, to be fair, the Chief
Minister and the Treasury Minister and the Cabinet Office Minister always said we were going to
pay all the costs. We were not in any way going to lay off any of the bills on the United Kingdom,
or at least try to.

3900 So to me, I can vote for Government's amendment on the basis that there will be a clear
information notice published in May, June, July to update the situation. I am minded to think that
everything that was written then, back in 2019, will be repeated. But if it is not, I would like to
know why it has changed over those two years and how it has changed, and the like.

Thank you, Mr President.

3905 **The President:** I call on the Hon. Member, Mr Glover.

Mr Glover: Gura mie eu, Eaghtyrane.

I rise to support the amendment. I want first of all to just thank the Hon. Member for Douglas
East for bringing this to Tynwald Court for debate.

3910 But my real concern, and I echo Mrs Kelsey's concern, is that the very people who are trying to
help these people come to the Island are going to be side-tracked dealing with something that
they really do not need to be doing at the moment. They need to be given the flex and the time
to come forward. I agree with the fact that we do need to have something there that we can refer
to in the future, but just as I was preparing, I did ask within Cabinet Office how many Ukrainians
3915 have applied. We are not monitoring it, we are not making a big announcement about people
coming to the Island, but people have already come to the Island, and that is because they deserve
privacy, they deserve respect and they deserve the time to come to terms with what has gone on
in their lives. So there is no big media engagement on this. It is happening and people are coming
to the Island. I think the last count was that about 40 had applied through the two various routes
3920 to come here. So it is happening. Let's be proud of that: we are managing to help people.

I am just worried about the timeframe. It will be a distraction to the officers who are doing this
invaluable work to get these Ukrainians to our Island. It *is* happening, so let's give them the flex
and the time. I agree with the sentiment, but it needs a little bit more time and input from people.

So I support the amendment. Thank you.

3925 **The President:** I call on the Hon. Member, Mrs Caine.

Mrs Caine: Thank you, Mr President.

I would also like to commend the Hon. Member for Douglas East, Ms Faragher, for bringing the motion before us today. There has been a huge amount of public support and compassion to see what the Isle of Man is able to do to respond to the very real humanitarian crisis and the war in Ukraine. I have been here many times. I do not want to go over all the old arguments. I would just like to say that in response to the amendment from the Hon. Member, Ms Lord-Brennan, what a sea change, what a breath of fresh air, in terms of this administration's response (**Two Members:** Hear, hear.) compared with the previous administration.

3935 While I hear Mr Thomas's very real concerns, we have already seen demonstrated – and as Mr Glover said, in a very low-key way – that this administration is already getting on with it. They are listening, they are working with the third sector and the Ukrainian community on the Isle of Man. We know that several families have already sponsored family members and others to come to the Island.

3940 The biggest complaint I am now receiving from members of the community and constituents is, 'I have made my offer and I have got accommodation' or, 'I want to go and paint my accommodation ... Why hasn't anybody called me? Why can't I get some Ukrainians and do my bit?', because everybody is so upset about what they see on the television news daily. So I appreciate that all those offers have been logged and put in the appropriate place for action and that the team is working incredibly hard, I am sure, and is stretched dealing with the current crisis and the current applications through the visa route or through the family route.

3945 Yes, we could mirror what the UK is doing. Perhaps it was not as quickly as it could be ... Yes, the Isle of Man can act nimbly and do better. As it evolves, I am sure, I have confidence to see that the Cabinet Office will make that happen. But alongside that, broader policy development is really critical. There was no mention of that last time. Last time we came up against the brick wall of, 'No. We have given donations. We can't have any Syrian refugees here particularly, because it would open the floodgates to all kinds of refugees.' Well, actually, I think the Isle of Man is very compassionate and where there is a genuine need of a place of safety, if the Isle of Man is able to accommodate refugees, then why wouldn't we? There are still horrendous scenes – less in the news, because of the current crisis in Ukraine – Yemeni, Afghan, Syrian people are struggling and suffering huge trauma in all sorts of camps, in all sorts of countries, and a number of those no doubt are still trying to come to the UK.

3955 I remember going back to Lord Dubs' response from the House of Lords – I think it was Baroness Williams, several years ago – for the first time, the word had changed from the UK government; and the UK government, she said, would welcome all offers of capacity and support. Yet that never really figured in the Isle of Man's thinking and it never came in for consideration in our policy development. I hope that perhaps it might this time round.

3960 So I think for me, it comes back to listening to the community. Yes, the Isle of Man is a very safe place. It is also a very welcoming and multicultural place, welcoming of other people and ideas and it is increasingly, to me, a joy to hear different languages in the various establishments around the towns and villages. I suppose I did balk initially at the July 2023 deadline to come back, but I appreciate the sentiments and the willingness there to take feedback from everywhere and genuinely come up with a policy ... what is right for the Isle of Man and what the Isle of Man is going to do right by the rest of the world and by the humanitarian crisis currently, and future events.

3970 I would just say again, I am delighted that Ms Faragher brought this. I am pleased with the response so far from CoMin, and I have the confidence to see that they will carry this forward, listening to Members' input and the community. I suppose the will has been clearly expressed by this Hon. Court, and where there is a will, there is a way. I think we have seen there is a will.

3975 Thank you, Mr President.

The President: I call on the Hon. Member, Dr Haywood.

Dr Haywood: Thank you, Mr President.

3980 I think the key here to understand is that this motion originally tried to be submitted to a much
earlier Court than today's. I echo Ms Faragher's sentiments that actually, as a new Member of this
Court and having heard the previous debates on whether to accept refugees, I can see exactly why
she tried to bring this motion and why she tried to force some positive response. So it is
heartening, and it was heartening at the last sitting of this Court, to hear the moves that we have
3985 been making, and it is that big sea change in terms of attitude that is really gratifying to be part of.

I think the only thing that is missing from the amendment, for me, is that it does not actually
get to the point of mentioning resettlement necessarily. Resettlement is a durable solution to
relocate refugees from the country of their asylum, often from asylum camps that are run by the
UNHCR. Less than 1% of the world's refugees will be offered resettlement. They are prioritised by
3990 their needs and identified as having *no* prospect of a safe return to their country of origin. The
UNHCR has for years helped to identify people who are in need of resettlement.

This is not about that immediate response to that crisis, it is about a longer-term attitude that
says we recognise there are people in this world who are in genuine, dire need of our assistance.
Europe as a whole accepts very few refugees for resettlement. The UK accepts less than 800 a
3995 year from all over the world, although when a crisis hits they will admit some larger numbers. The
dearth of safe routes for refugees puts them at the mercy of people traffickers.

Let's recognise what this would mean for refugees: safety and a chance to live a life free from
threats, in a stable and caring society. Children make up about a third of the refugees over the
world and over a quarter of refugees have experienced torture. Refugees are committed to
4000 improving their lives, and as the world's most vulnerable people, isn't it only right that we should
help them? I think the urgency in Ms Faragher's original motion is probably reflected in the fact
that she did not think that those aspects would be followed. The Isle of Man is a rich country, it
has got a welcoming community. We are resourceful, we are compassionate. And despite our size,
we recognise ourselves as global citizens.

4005 The OECD has assessed the impact of refugees on communities. Nobody is denying that there
is an initial investment of public funds required to support refugees, but thereafter refugees have
been found to contribute economically as workers, innovators, taxpayers, consumers and
investors. An ageing society such as ours will benefit from that demographic dividend that
accepting refugees for resettlement can bring. Refugees can support population numbers and will
4010 help pay for our growing number of pensioners.

So we need a scheme that allows refugees the right to work as soon as they arrive, with access
to training and healthcare and to enrol their children in schools. We need to humbly recognise
that it is the luck of the draw that we have ended up in this beautiful Island in our wonderful
community, and to offer our help and support for seeking those that want a safer community to
4015 be part of.

I welcome the chance to debate this today because I think that it is actually one of those things
that we can set the tone going forward, that this is not an Island that pulls up the drawbridge and
finds reasons to say no, but this is an Island that will develop a policy that can say yes.

4020 **Several Members:** Hear, hear.

The President: I call on the Hon. Member, Mrs Sharpe.

Mrs Sharpe: Thank you, Mr President.

4025 I would like to thank Ms Faragher for bringing forward this motion. It is imperative that we
have formal arrangements put in place to enable the Island to take in refugees. I agree with
Ms Lord-Brennan that a transparent and updated policy is needed and that this is the way
forward. As Mrs Caine says, this is so refreshing compared to the response of our last Council of

4030 Ministers regarding Syria, where Mrs Caine and myself and others argued that the Island should be taking in Syrian refugees.

Back to Ms Lord-Brennan. Yes, we should look at the Ukraine, but we should also look at what happened with Syria and Afghanistan, for example. Her amendment allows for this, because if you are looking at a refugee policy in general, then it will go further than just Ukraine. I think Council of Ministers will need until July 2023 to do this, so I will be supporting the amendment.

4035 I had not thought about the difference between refugees and displaced people before today, but according to a quick Google search an internally displaced person is someone who has not yet crossed their national border. This is a different scenario, of course, but I wonder, should this perhaps form part of this work looking at an updated policy? If the Minister, Ms Lord-Brennan, could comment on this, I would be very grateful.

4040 As someone who has signed up to receive refugees, I would like to assure this Hon. Court that the system is working well. I am receiving regular emails from the Government's Ukrainian refugee office, and these former 111 staff are working very effectively and efficiently.

Thank you, Mr President.

4045 **The President:** I call on the mover to reply.

Ms Faragher: Gura mie eu, Eaghtyrane.

4050 Thank you, everybody, for those really interesting responses to my motion. I am just going to respond to a few people's comments here, I think, maybe not everybody's, but we will see how we go.

Thank you, Mrs Caine, for seconding; and I agree with you, there has been an awful lot of public support about this. In particular, I think I want to pick up on your comments about the sea change in attitude, and I know a few other people mentioned that as well. It really is welcome. But I think there is a question in there about whether our international responses are therefore coherent, and should we be more consistent. If so, then of course having a policy pathway built up would be beneficial, and that is the heart of the matter there, isn't it? I loved it when you said, 'Where there's a will, there's a way.' I fully agree with you.

4055 Ms Lord-Brennan, I just wanted to say that my comments were not a criticism of our response around Ukraine. Actually, I said that I applauded it and appreciate all the hard work that has gone into it. What it was a criticism of was the lack of a background policy, which is not anybody's fault right now. This is at the heart of this issue, the heart of this motion, really, and is what I am trying to bring to get a background policy in place. I guess we have been talking a little bit about the disparity between this situation, this humanitarian crisis and the previous one that was discussed in this Hon. Court. Having a framework in place will mean that that disparity will not be happening again.

4060 You are absolutely correct that there is a slight difference between refugees and displaced people, in that one has crossed international borders and the other one has not.

4070 Mrs Kelsey, I like the fact that you mentioned the amendment is in the spirit of what I am trying to achieve. I agree with you about that, and to do justice to this topic we must learn lessons from the Ukraine situation, and I fully agree with you about that. I am happy to support a long timescale for the reasons that you have given, very coherently, and I fully agree about discussion regarding taking displaced people from other places in the world as well.

4075 Mr Thomas, I think that when you were talking about important lessons needing to be learned about policies and bureaucracy that arose out of the Ukraine crisis, and you have some concerns over the disparity between this and the response to previous humanitarian crises, I absolutely agree with you. As I have said before, having a framework in place will address the fact that there has been a disparity in discharging our international obligations in previous humanitarian crises. So that again is at the heart of this motion.

4080 I heard your concerns that you felt that CoMin might repeat information from 2019, and I think that has probably been answered in terms of there has been a sea change in attitude. So I think

that, personally, I feel like we could have a little bit more faith in this Council of Ministers in order to bring forward what the public wants and what the Members of this Hon. Court want with this motion.

4085 Mr Glover, thank you for your contribution. Again, I appreciate your comments about concerns around limited resources. You have acknowledged that we are helping people and that is absolutely great and that is what we want to do, but you feel like we need a longer timeframe. I am supportive of that, I am happy with that.

4090 Thank you, Dr Haywood. Again, you mentioned the sea change in attitude. It was interesting that you picked up it was missing from the amendment that it did not mention resettlement. That is quite an important point, and I am going to come back to that, I think, at the end when I discuss the amendment. I also wanted to pick up on what you had said, that refugees and displaced people are workers and taxpayers and overall contributors to our society. I think that is the flipside of this conversation that we do not tend to have enough, that actually they can be very beneficial for our society. That is not to say that is the only reason that we would take people in, but it is a flipside that can be a positive to this conversation that we probably do not talk about enough. So
4095 thank you for that.

Mrs Sharpe, thank you very much for bringing into the conversation Afghanistan and Syria. Again, that is about having a consistent framework so that we can actually discharge our international obligations in a more coherent manner. Thank you for bringing in those.

4100 With regard to the amendment, in conclusion, I will accept the amendment. I think that I fully agree with the reasons that you have put a longer timeframe on it, but I do sincerely hope that the Council of Ministers ... I think that the Council of Ministers will engage with Members throughout the process over the next 15 months, and that we can talk about the integration of displaced people and the integration settlement programmes for people as well.

4105 So with that, Eaghtyrane, I beg to move. Thank you.

The President: Now, Hon. Members, we come to voting on this Item, Item 7. The motion is as set out on the Order Paper and to that motion you have before you an amendment in the name of Ms Lord-Brennan. I put first, the amendment. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it.
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Having dealt with the amendment, I now put the motion as amended. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Motion carried as amended.

**8. Built heritage –
Conservation Select Committee –
Debate commenced**

The Hon. Member for Council, Mrs Maska, to move:

That Tynwald:

(1) Recognises the importance of the Island's historic built heritage and that its role contributes positively to our UNESCO International Biosphere status;

(2) Agrees that in order to protect our historic built environment for future generations and our Biosphere status, Government should take a cross-departmental approach, to identify ways of ensuring we give appropriate financial and other support to conserve (preserve and enhance) this aspect of our built environment;

(3) Accepts that the since the withdrawal of the Historic Buildings Conservation Scheme, in 2013, the absence of any form of financial support for such properties, has put them increasingly at risk of falling into disuse, disrepair or demolition;

(4) Appoints a Select Committee of three Members:

(a) to assess options for incentives and penalties to address the challenges facing owners, local and national Government and other stakeholders;

(b) to assess what policies, schemes and measures exist elsewhere and how these should be adopted by Government; and

(c) to publish by the last day of December 2022 a report to Tynwald with recommendations.

4115 **The President:** We move, now, to Item 8, Built heritage, and I call on the Hon. Member of Council, Mrs Maska.

Mrs Maska: Gura mie eu, Eaghtyrane. I hope everyone can hear me clearly.

4120 **The President:** Yes, we can, thank you.

Mrs Maska: Thank you, Eaghtyrane.

4125 I am very pleased and proud to bring this important motion before you today, and only regret that I am not able to do so by being present in person in the Chamber, as I have looked forward to presenting this for some time. I do thank you, Eaghtyrane, for allowing me to join this Tynwald sitting virtually, and I apologise for my disembodied voice floating around the Chamber; *(Laughter)* it is usually in the stairwell that you can hear me. *(Laughter)*

I do also thank those Members who were able to attend the briefing earlier this month for the interest shown and encouragement from colleagues in bringing this matter for debate and consideration in this Hon. Court.

4130 I would like to also take the opportunity to thank my co-presenters at that briefing: Mr Charles Guard MBE, author and broadcaster, who has a vast knowledge of our built heritage and cultural history; Martyn Thomas, architect, and also John Paul Walker, architect, both of whom are members of the Historic Buildings Conservation Forum, which is a national forum, highly recognised. All of these notable people brought us their own informed and respected views on
4135 the contribution the historic built heritage can make to our environment, enriching the quality of our everyday lives, sometimes without us really being consciously aware of that contribution.

4140 Unfortunately, in the past, Government ownership of buildings has not always been sufficient to provide the necessary protection. Some buildings have been lost or damaged inappropriately. However, I am sure I speak for everyone in this Hon. Court when I say we hold this Island nation dear to our hearts. This is surely one of the main reasons why we are all here: to work for the good of our Island. This Isle of Man is a place like no other, so all the more reason why it should be valued and its assets protected.

4145 In these current very troubled times in an international context, one matter which has struck me recently is how fortunate we are to have the Isle of Man as our home when those in our world are, tragically, having their homes and motherlands destroyed and snatched away from them. We are fortunate that we have the right to call the Island our home. Furthermore, we are fortunate that we have the right to come home to this unique and very special place. This, Hon. Members, brings an even stronger message that we, as trustees of this, our inheritance, must take good and proper care of our Island.

4150 We must be mindful of the responsibilities entrusted to us all for the care of our 'gem of God's Earth'. We should be grateful for our Island home. Its protection is part of our duty of care. We need to be willing to identify exciting and new opportunities for future generations to still be able to enjoy our Island as we can and do now. Such responsibilities sit squarely with us, with Tynwald, and this is no small obligation. This, I suggest, is part of what we historically, individually and
4155 collectively, have pledged to conserve, and I will touch upon that definition of conservation shortly.

I do thank those Members who were able to come to the briefing and I hope you have all had chance to look at the slides that were circulated. My own contribution was quite wordy, but I felt

4160 I wanted to outline the background that we have signed up to in terms of the Council of Europe
Convention for the Protection of Architectural Heritage of Europe, which goes back to 1987 when
we became a signatory. Our Island Plan includes some overarching principles and visions to
provide sustainable development and build great communities. Our heritage is protected under
various pieces of legislation.

4165 Manx National Heritage provides a high level of expertise with regard to ancient monuments
and the properties within its care, but heritage also plays a vital part in our tourist offering, both
in the Manx National Heritage offering but also in our historic towns and villages, each with their
own character and identity.

4170 Another important ingredient is the UNESCO Biosphere pledge. The Isle of Man was admitted
to the World Network of Biosphere Reserves in 2016 and will undergo a periodic review – that is
reaccreditation – in 2026. This work is already under way, and at the heart of our Biosphere is
sustainability in all areas.

The Town and Country Planning legislation framework sits under the Isle of Man Strategic Plan
2016, and again the Strategic Plan does outline and underscore the importance of our rich
heritage in terms of built heritage and natural heritage.

4175 Conservation policy was introduced in 2001 and then was succeeded by an operational policy
in November 2018. There was also a Historic Buildings Conservation Grants Scheme introduced in
2000 and it went a long way, in my own experience, to support those who have the care and
trusteeship of our built heritage, whether it be from the highest-worthy registered building down
to the network of our historic towns and villages.

4180 When I became Conservation Officer in 1995, there was a total of £10,000 globally for the Isle
of Man, to help with registered buildings. This actually rose to, at its maximum, £428,631 in
2003-04. However, due to financial constraints and the impact of the VAT issues that arose, the
final year that this operated was 2013. I have provided Members with some of the data available
on the grant scheme that did exist.

4185 Hon. Members, I am not asking for money today. What I think is the most important thing
today is that we recognise the value that our built heritage has and that we elect a select
committee.

4190 Within the last 10 years, the built heritage of the Isle of Man has been the subject, on two
occasions, of Petitions of Grievance being submitted to the annual July sitting of our Tynwald
parliament, and they were accepted as being in order. A former Member of this Hon. Court,
Mr David Cretney, picked up the Petition of Charles Guard and brought it for debate to the July
sitting of Tynwald in 2017. Mr Cretney gave an impassioned and persuasive speech, which might
have found more support had the Minister for DEFA at that time, the Hon. Mr Boot, not written
at the 11th hour to all Members asking them not to vote for the motion, as the work outlined as
being required was already under way. He asked that his Department be allowed to get on with
the job. The letter would seem to have been persuasive, as the motion, sadly, failed.

4195 However, there has been some positive movement and progress on the appointment of a
highly qualified, much-needed and welcome Registered Buildings Officer, who also has an
assistant. They are making good progress in their task. This work is primarily to focus on the
proactive assessment and registration of buildings for entry on to the Protected Buildings Register.
They also offer specialist advice in this area of work.

4200 However, I know there is much more work needed in the wider context of conservation, and I
suggest there is now a real opportunity for various approaches across our Government
Departments to consider how we may work together to ensure a joined-up approach to the
conservation of our built heritage by conservation in the true sense and accepted terminology.
This means preserving and enhancing.

4205 In my own experience, the best way to ensure the future of a building is for it to remain in good
and viable use; and if its original use is no longer viable, new and exciting approaches can be found
which add to the unique quality of our Island offering. At the recent briefing we were reminded
of some notable and well-known examples which followed such principles, for example the
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conversion of the Douglas indoor market hall, which is a registered building and has been for some years – this was converted into an exciting food outlet, coffee shop and bicycle centre; and the conversion of the former Social Security office in Castletown to a coffee shop, which again has a record of success. We do need to find new ways to work and learn from others how we may best support this important sector of our built environment, be it in town or countryside, and to ensure it survives and continues to enrich this Island’s landscapes and townscapes into the future.

In these days, cost savings are uppermost in our minds, but if this motion is successful I would like to think that new ways and means can be explored and opportunities identified, learning from and taking evidence from others, which might, for example, come within some of the respective headings of climate change, particularly addressing repair and upgrading and buildings with an eye to energy conservation; potential training, reskilling and upskilling in the construction industry; consideration of the embodied carbon within the structure when considering the calculation of carbon footprint of a building; the re-use and repurposing of buildings – we cannot keep every building, but let’s give every building the best consideration we can; ways of identifying and filling gaps, which may already be being considered by the Housing and Communities Board in terms of access to appropriate housing for all those in housing need.

Hon. Members, I am aware that the Department of Environment, Food and Agriculture is proposing some amendments to this motion, and I thank them for their engagement and support. The amendments which they have proposed and will come to you today, so far as I can see, are worthy of and will gain my support.

The most important task, as I have said, is, today, to support and agree the principle of appointing a select committee as outlined in the motion, and if successful, that is when the really hard work will begin.

Hon. Members, I ask for your backing today on this very important matter, not just for our current population but for our children and future generations of Islanders who wish to call this their home. There is a saying, ‘Let every day be the one where we can do our best’, and I suggest this is one of those days where we can do *the* best.

Mr President, I beg to move the motion standing in my name. Gura mie eu.

The President: Thank you.

I call on the Hon. Member, Mrs Caine.

Mrs Caine: Thank you, Mr President.

I rise to second the motion, as, indeed, I supported Mr Cretney’s motion five years ago. I will be briefer today, as I hope Mrs Maska’s passion and knowledge on this subject have convinced Members of the need to be better custodians of our built environment, to support businesses and individuals to actively preserve our historic buildings and to establish a select committee in order to see how best to do that.

The briefing also was – the secret briefing (*Laughter*) that, actually, is so very important in ensuring that we are all better informed ... I thank Mrs Maska for arranging it and for the passion of all the various speakers and contributors to that. I think it demonstrated how interested everybody is in this subject by the very fact it overran and so many of us had to leave before the end.

Previously, in the last attempt to review this matter, I highlighted so many buildings that, bizarrely, had been omitted from the Register – so much inconsistency in the past determining what is registered and when. I am pleased to observe that the new conservation officers are increasing the number of structures registered and, indeed, I thank them for their response to a recent request I made that Laxey Glen Flour Mill be considered as a priority for assessment to go on the Register.

Government ownership, I fear, is no guarantee of protection, and buildings have been lost in the past. Looking at what has been saved and protected, and what has not, is almost like a lottery, and we should demand more consistency over the registration process.

4265 If I can reminisce just briefly, I arrived on the Island in 1989 and spent New Year's Eve with friends and around a thousand other revellers at the Palace Lido. What an amazing night: three tiers of balconies thronging over a vast sprung dance floor. It was the ultimate last-night party, the night club closing the following day for good and the building swiftly demolished later that year. I am sure everyone here is delighted with the car park that replaced it.

4270 As a journalist, I also covered the demolition of the Villiers Hotel and the neighbouring guesthouses along Loch Promenade. I remember watching from the roof while the grand staircase in the Villiers was torn down, and then exiting through the Ivanhoe, where I was given a picture from the bar, which I still have on my wall. Did we want to keep that element of our Victorian seafront? Do we appreciate what has replaced it, in terms of glass and steel and modernity? I love modern buildings, but in terms of knowing the big picture and what should be retained, whether it is a frontage, whether it is a whole building repurposed, we do need to have consistency. When it's gone, it's gone. The buildings on Loch Promenade were considered too costly to refurbish, too out of date.

4280 What amazing results can be achieved, though, with design and proper care. As well as the examples Mrs Maska raised, just look a little further along Loch Promenade. Also on Mr Cretney's watch as Minister for Fun – and Tourism – the Villa Marina was redesigned, with modern extensions such as the old Garden Room demolished to result in the superb venue we have today, another building that Douglas Council disposed of and Government took on and did the right thing with, as it has done with the Gaiety Theatre. Those could also have been lost if there had not been the political will to make them fit for modern use.

4285 I wonder, if the Lido had been retained, what it might have become. One thing I am certain of is that our streetscape – our buildings – reflects our culture and history and need careful conservation if we are to retain pride in our Island.

4290 In having the honour to become the only whole nation UNESCO Biosphere Reserve, we pledged to support and promote our cultural heritage; develop our economy in a sustainable way; make our environmental impact positive, wherever possible; and engage with the local community. Do we do enough to make good on that pledge in terms of our built heritage? Soon, those efforts will be re-evaluated, as Mrs Maska alluded to.

My hope is that a select committee will consider carefully points (a), (b) and (c) of the motion.

4295 I wonder how previous administrations managed to remove any budget for assisting owners of registered buildings to maintain their premises, often at significant cost. I now wonder whether that would stand up to any legal challenge. I am fully aware of the tough times the Island faces, the energy and cost of living crises. Imagine, on top of spiking inflation, being required to maintain your historic building, with additional costs to do so in a traditional way, now with the huge hike in construction costs too, and absolutely no assistance from Government.

4300 The ownership and enjoyment of historic buildings should not just be the preserve of the wealthy. The conferring of registered status should not be a negative, which it is perceived as by many here, resulting, as the motion states, in buildings becoming increasingly at risk of falling into disuse, disrepair or demolition. Owning a registered building or receiving that designation should not be a hammer blow but a cause for celebration and pride.

4305 I believe we, as a nation, can and must do better. It is a matter of fairness and balance with the end goal of ensuring better designed and supported conservation of our buildings, which impact on everyone and all our visitors. I strongly believe this area is overdue for a review and urge Members to support the motion.

Thank you, Mr President.

4310 **The President:** Now, Hon. Members, I think is a good time to take a tea break, so we will adjourn and resume again at 20 to six. Next up is Mrs Christian.

*The Court adjourned at 5.12 p.m.
and resumed its sitting at 5.40 p.m.*

**Built heritage –
Conservation Select Committee –
Debate concluded –
Amended motion carried –
Mr Henderson, Mrs Maska and Mr Moorhouse appointed**

The President: I call to order.

That is the allotted hour, and I call upon the Hon. Member, Mrs Christian.

4315 **Mrs Christian:** Thank you, Mr President.

Firstly, I would like to thank the Hon. Member of Legislative Council for bringing forward her motion and for the time and effort she personally has contributed to this topic now and over the past years.

4320 I rise today as a Member of the Department of Environment, Food and Agriculture with responsibility for planning to move this amendment. Before you now is a small but significant change to the motion proposed by my amendment. With my proposed amendment, item (1) of the motion will remain unchanged, and whilst I need not say a lot here, I would like to take the opportunity to vocalise my full support for this part of the motion and, indeed, the essence of the whole motion from the Hon. Member, Mrs Maska.

4325 Planning plays an important role in the protection of the Island's historic built environment, and I can assure Members that it is a matter which the Department and I continue to commit to. Our built heritage contributes significantly to the Island's sense of place in many ways. It defines our landscape, it carries the stories of our land and it embodies our local identity. Protecting and conserving it while still enabling economic progress is a key aim of the Department.

4330 The historic built heritage of the Island makes up a small but visible proportion of our building stock. There are currently 323 buildings on the Protected Building Register and 21 conservation areas. In addition, there are other older buildings on the Island which are neither registered nor within conservation areas but provide this sense of place and local identity to the Island.

4335 Thankfully the Island has a means of heritage protection in place via the planning system which makes provision for the protection of buildings and areas that are considered of special architectural and historical interest. I am pleased to add that this is further supported by the planning policies aimed at protecting these heritage assets from unsympathetic development. To reiterate today in this Court the importance of the Island's historic built heritage and to acknowledge its positive contribution to our Biosphere status would be most welcome and supportive of the Department's aims.

4340 The amendment proposed to item (2) removes the proposal to provide financial support for properties. I am suggesting this amendment as it would appear to me that point (2) is pre-emptive of point (4) and it would appear to be a little premature to commit to financial and other support when there are currently unknowns about how such financial support would work.

4345 I believe it would be important to define what is meant by 'historic built environment'. Would this mean those assets which have been designated formerly, such as a registered building and conservation areas, or would it mean all buildings before a certain time? It is also important to define the level of support that would be provided and for what purposes this could or should be used. Item (2) of the motion as it stands will bring significant financial commitment and it would
4350 be sensible to be clear about the meaning, detail and implications of appropriate financial and other support before voting upon it. It would seem appropriate therefore that the select

committee called for in item (4) considers this as part of its review and returns to this Court with a recommendation regarding financial support, rather than that decision being taken today.

4355 The amendment proposed to item (3) allows this Court to acknowledge that the Historic Building Conservation Scheme provided a level of support to assist owners of historic buildings with repairs to their buildings without supporting what currently, with respect, can be only assumptions.

4360 The Historic Building Conservation Scheme, withdrawn in 2013, provided grants for works to properties that were registered buildings or within conservation areas, or considered to make a contribution to town or landscape. It can be assumed that by withdrawing this the grant scheme may have put them increasingly at risk of falling into disuse, disrepair or demolition but there are a number of questions I would personally like to see answered before I support this statement. The Historic Building Conservation Scheme ran from 2000 to 2013 and provided grant-aid for the repair of buildings that were either registered buildings or located within conservation areas. The
4365 grant scheme provided up to 60% of the costs of approved works, excluding VAT, to registered buildings, up to 50% of the cost of approved works for buildings within conservation areas, and up to 40% of the cost of approved works for buildings that were pre-1920 that made an important contribution to a town or landscape. Based on the information known to the Department, it would appear the maximum grant awarded for works to any particular building was £20,000 and that
4370 grants were typically awarded for re-roofing, re-rendering and replacement windows and doors. Without a sufficient evidence base, it is difficult to state that this scheme would have actively stopped buildings falling into disuse, disrepair or demolition. While the scheme was likely to have been welcomed by the owners, and did provide a level of financial assistance, it is difficult to prove that the financial support for provided was sufficient to stop a building from being demolished or
4375 falling into disuse.

I believe that the select committee could investigate further how many buildings have fallen into disuse or disrepair or have been demolished and might understand more about the reasons for this. Such information would be very valuable when considering future support from Government so as to provide targeted, meaningful support.

4380 Finally, with item (4), I fully support the establishment of a select committee to address options for incentives and penalties to address the challenges facing owners and to assess what policies, schemes and measures exist elsewhere. I ask only that we sensibly amend 'should' to 'could', to allow the appropriate application of the recommendations from the select committee to be applied to our Island.

4385 I hope that Members will support my proposed amendments, which do not take away from the Hon. Member's, Mrs Maska's commitment to the historic built environment.

Mr President, I beg to move the amendment in my name:

To leave out paragraphs (2), (3) and (4) and in their place to add the words:

'(2) Agrees that in order to protect our historic built environment for future generations, and acknowledging its role within our Biosphere status, Government should take a cross-departmental approach in its aims to conserve, preserve and enhance this aspect of our built environment;

(3) Acknowledges that the Historic Buildings Conservation Scheme provided a level of support to assist owners of historic buildings with repairs to their buildings.

(4) Appoints a Select Committee of three Members:-

(a) to assess options for incentives and penalties to address the challenges facing owners, local and national Government and other stakeholders;

(b) to assess what policies, schemes and measures exist elsewhere and how these could be adopted by Government; and

(c) to publish by the last day of December 2022 a report to Tynwald with recommendations.'

The President: I call on the Hon. Member, Mrs Barber.

The Minister for Environment, Food and Agriculture (Mrs Barber): Thank you, Mr President.

4390 I wish to second the amendment to the motion in the name of Mrs Christian that I feel embraces the spirit of Mrs Maska's important motion, while ensuring that ultimate decisions lie with this Hon. Court.

4395 Some time ago, I found a painted rock on my COVID wanders and it said, 'Be a pioneer of the future, not a prisoner of the past.' However, I do not feel that the two are mutually exclusive, as we have seen with the old market hall as a bustling café, and with the Manx Development Corporation's plans for the old nurses' home and so many other beautiful and significant buildings that have modern and functional uses.

4400 We do need to strike a balance between preservation of our historic and heritage built environment with the need to advance economic progress, and I hope that the formation of this committee will serve to complement the work being undertaken by the small but committed team in DEFA.

Thank you, Mr President.

The President: I call on the Hon. Member, Mr Henderson.

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Mr Henderson: Gura mie eu, Eaghtyrane.

4410 In making my opening comments, first of all I would like to pay tribute to the Hon. Member of Council, Marlene Maska. Many Hon. Members may not realise that Mrs Maska was the former Conservation Officer for the then Department of Local Government and the Environment, and it is down to her enthusiasm, dedication and championship that we now have the conservation areas so designated in Douglas, such as Douglas Promenade, the whole bay sweep and inner aspects of Douglas, such as the likes of around Alexander Drive and Hutchinson Square, in recognition of the historic built environment and the importance to our culture and our built heritage. It is thanks to her dedication that we have many of the buildings still standing that we can enjoy today and the terraces and the sweep of Douglas Bay.

4415 I would also like to pay tribute to her co-colleague, or partner in crime, at the time, Mr Steve Moore, who was also instrumental in recognising the importance, certainly of the Douglas area built heritage. They did a fantastic job and raised an awareness that was not there before with regard to our built heritage. I am focusing on Douglas because I am Douglas born and bred and my former constituency is Douglas, but having said that I also worked side-by-side with Mrs Maska and Mr Moore in the early 2000s as Planning Chairman. So I am well qualified to say to the Court that she is one of the most dedicated people I know with an interest in our historical built heritage.

4425 I am also qualified to say that when Hon. Member, Mrs Maska, says we need to do something about our built heritage and how important it is to our culture, then I fully recommend, Eaghtyrane, to the Court that we should listen intently on what the Hon. Member is saying, because there is no one better to give us the advice we need to move any particular policy or select committee. If she is successful with this then the advice from this particular Hon. Member is she did a tremendous job in DoLGE, as did her co-colleague, Steve Moore.

4430 Eaghtyrane, with regard to the original historic building grant, of which I signed off many in my tenure at DoLGE, I can say to the commentary with regard to its effectiveness or otherwise that it was very effective. In fact, it was extremely effective and worked quite well. It was a broad-brush approach, granted, and it had its faults. It was not perfect. But what it did manage to achieve was to keep a consistency within the built environment, certainly within the Douglas area, with repairs, alterations, refurbishment and so on, so that the likes of window replacements were like-for-like or indeed encouraged the use of wooden double-glazed units or, at a push, double-glazed sliding sash windows to keep the facades and frontages, especially of terraces, so that you still had what was unique or a pretty good representation of what was there.

4440 Yes, certainly I agree that property owners would have been grateful for the grant, but I can assure Hon. Members, Eaghtyrane, that if the grant was not there what you might have now is

quite considerably different and you would have undoubtedly had a mishmash of all sorts of refurbishments and alterations and so on that were not consistent with the built heritage or in the context of the area that those repairs were going on. A cheaper option may well have been chosen and the effect would have been quite devastating from a built heritage point of view, and the same with the reroofs and so on, to try and keep slate where possible and like-for-like or very similar to what was there before.

I think I am right in saying that it probably did protect some buildings from full demolition so, on the contrary, it was successful. You can argue it two ways but from my personal experience it worked fairly well and certainly has helped to the position we are today. And it is certainly worth re-exploring some sort of financial assistance because it does not half help, certainly in the pursuit of conserving our built heritage.

I can also answer the point about the Villa Marina. It was not given over by Douglas Corporation, it was taken over, Eaghtryrane, by the Villa Marina Act in the House of Keys, for which this particular Hon. Member, along with others, voted in favour, because if we did not take it over and compulsorily grab it, a major icon for the Isle of Man would have been lost forever. It was falling to bits, rotting, an absolute desperate state and it needed an emergency Act. Hon. Member, Mr Cretney, good enough, launched that Bill through the House of Keys, so all credit to him, and that is why we have still got the Villa Marina in the way it is.

Moving on, Eaghtryrane, I could go on and on because I am quite passionate about our built heritage, per se. I just happened to be walking down the promenade of Llandudno the other day and I had to stop myself halfway down the prom. I was thinking, 'Hang on, Henderson, something's wrong here.' *(Laughter)*

The Speaker: 'You're lost!' *(Laughter)*

Mr Henderson: Quite the contrary, Vainstyr Loayreyder. It dawned on me that the whole place – which is not much bigger than Douglas, if not a bit smaller on the frontage side of it, the promenade side – is complete Victorian buildings, the side streets and almost everywhere else round Llandudno in the promenade area, and I could not believe it. I have never been there before, only heard about it, and I was looking for the new builds and the things that we see round Douglas, and the holes where stuff has been demolished and all the ... and there wasn't. It was all Victoriana.

All the facades have been preserved, everything. Sliding sash windows still in place or replacement ones, every shop was in use, streets with old-fashioned boarding houses still there, still advertising. I was astonished. I did not think anywhere like that still existed. Especially growing up in Douglas and watching through the 1960s and 1970s the transformation the town went through, when there was a real push to get rid of the old and get the new built, pull stuff down. Hotels were junking out all the interiors onto the foreshore, onto Douglas Beach, bonfires, all sorts of stuff just trashed. And I thought we did not have the foresight then, as the council in Llandudno, and other areas, I have to say – I just picked on Llandudno because I happened to be there – to actually up our game on our USP.

It saddens me greatly to see how Douglas has developed – and I will just pick on Douglas as one example – things like the Castle Mona lying there, rotting away, and I am thinking, 'Well, yes, there are buildings that we are going to actually lose; important historical landmarks.' Something like the Castle Mona, for instance, a *major* historical landmark in many ways, with a history that is rich in our culture, going back to the early 1800s and possibly a bit more besides.

So Hon. Members, what Mrs Maska is trying to achieve here I think should be absolutely, 100% supported. To keep our cultural identity and the feel of areas such as Douglas and other areas throughout the Isle of Man is such an attractive point, not just for our culture and our history, but for our visitors, business and so on. I have seen what it can do in other areas and it certainly does attract business and visitors if nothing else. And certainly, as the Hon. Member has mentioned,

for our Biosphere status, we need to up our game quite considerably in what we are doing with regard to our built heritage.

4495 It was shocking, really, in a way, to hear Charles Guard, in his briefing to us with regard to the background information to this, just what has been lost. We have grown up with all this around us and gone through various different development phases, finance centres and the development of our financial institutions with the holiday business going down and the holiday trade waning and all the rest of it, and we have just accepted a lot of these changes without thinking about things or a deeper meaning as to what is happening and the change to the whole Island's feel and identity. So what is being proposed here is absolutely spot on, Eaghtyrane.

4500 I have got several other points but I will leave it there. I think I have made my point that we really do need to support this and get on with it.

4505 **The President:** I call on the Hon. Member, Mr Thomas.

Mr Thomas: Thank you, Mr President.

I fully support the Government's amendment moved by Mrs Christian because it has got one ingredient that I think is incredibly important in baking this cake, and that is the ingredient of actually having something very specific to look at. I just want to make three points about giving the committee some other things very specific to look at, three other things.

4510 The first one: existing Tynwald policy was decided in June 2016. Alongside welcoming the formation of the Building Conservation Forum, that Mrs Maska currently chairs, the launch of the Isle of Architecture by Culture Vannin and Manx National Heritage, noting Mr Charles Guard's Petition, Tynwald settled then that Government should:

... review ... Government strategies, plans and policies to raise the quality of the Island's architecture and built environment, including those aimed to conserve its built heritage.

4515 That was back in June 2016. The beautiful thing about this is it links very nicely with Mr Speaker's motion earlier on because this motion does not appear in the Tynwald Policy Decisions Report of Government anymore, so it must have been decided that it was completed. I think a very helpful, useful first step for the Committee would be to get out Government's review of Government strategies, plans and policies to raise the quality of the Island's architecture and built environment, including those aimed to conserve its built heritage, to find out how Government reviewed its own investigation from June 2016 through the next five or six years or so.

4520 The second point is that Mr Boot also undertook during 2020, as part of the Government Planning Action Plan, to carry out an audit of the Island's built heritage assets to ensure we conserve and celebrate the Island's best and unique architecture. Well, that must have happened. That was mentioned when Mr Cretney's motion to form a select committee, in the past, was ongoing, so I do think it would be very helpful for the Committee to get out the work that must have been done in 2020 by Mr Boot and the Department of Environment about undertaking that assessment of the historic and heritage architecture.

4530 Finally, the third point is we cannot imagine that the law is different from what it is. The law is very precise about historic buildings, conservation schemes and grants. Essentially, in section 6 of the Housing (Miscellaneous Provisions) Act 2011:

(1) With the concurrence of the Treasury, the Department of Environment, Food and Agriculture may make schemes to provide funding for—

(a) the maintenance of registered buildings;

(b) the maintenance of buildings not ... [registered] but ... [within] conservation area[s];

(c) [or] works to repair, restore or improve buildings not falling within paragraph (a) or (b) where such works would in the opinion of the Department of Environment, Food and Agriculture make an important contribution to an historic townscape or to the rural landscape.

4535 It seems to me very early on that this Committee needs to call out Treasury and to call out the Department of Environment, Food and Agriculture because they have had that law. They have closed down the previous scheme, so they are either serious about this, they have either got money, or they have not got money.

I am worried that given that it is existing settled Tynwald policy since 2016, and we were having an audit in 2020 and the law is already clear, that there might be some people around who are just thinking, 'Well, let's set up a Committee, lure this idea into this Committee and once the Committee has reported, we can then have a consultant's report to see how we take forward the findings of the Committee, a bit like how we had with the Manx Development Corporation. And then once we have that consultancy report, we can then put together a Government paper as to how we take forward the consultant's report, which is based on the Committee.' And before we know it these five years will have gone. Mrs Maska will have finished her work, and her work was wonderful, but somehow nothing has happened, like nothing has happened since 2011.

4545 So that is my challenge to this Committee. This needs to be done and settled Tynwald policy since 2016 is for this to be done. In 2020, according to Government's Planning Action Plan, it was supposed to be done and the law is already there. So Treasury needs to be called out and put behind, in the next Budget, some money for this scheme, which can then be made by the Department of Environment, Food and Agriculture at the Budget with Tynwald support in February 2023. Then we are genuinely in a better place, and we are not just talking and talking and talking about this wonderful Island of ours.

The President: I call on the Hon. Member, Mr Craine.

4555 **Mr Craine:** Gura mie eu, Eaghtyrane.

Don't it always seem to go. That you don't know what you've got till it's gone.

(Laughter) And I am quoting Joni Mitchell, not many other artists you may have heard sing that that since.

I am enormously grateful to the disembodied voice of my colleague in Council *(Laughter)* for raising this motion and for her commitment to this. We have heard glowing reports of the work she has done and the commitment that has been there a *long* time. I know how much she has put into it. I cannot believe this motion can possibly fail this afternoon, but we will have to see. It is exciting, it is long overdue and it is sorely needed.

4565 We are the guardians of the heritage, culture and history of the Isle of Man and this Island is extraordinary in so many ways. We have such a range of built heritage: from burial mounds and field systems and street plans, through to castles, homes and water wheels. An enormous mixture in there.

In that 'secret briefing' that was referred to before, Charles Guard mentioned some of the examples and showed us some examples of features of our built heritage that we have lost just in recent years. Some aspects of our built heritage are being looked after very well and will be, it seems, forever. Harry Kelly's cottage – where my great-great-great-grandmother was born – is in good hands and will be for a long time to come. The Gaiety Theatre: back in the 1960s and 1970s I remember all the worries over it when I was a young man. So many of these buildings when they reach a certain age, they have passed looking modern and they are not yet looking heritage and they fall into an at-risk period, really, and it is amazing that the Gaiety was saved and became a jewel in the crown; and the Villa Marina like it, we have heard.

4575 But it is the places we take for *granted* that are most at risk. When the Historical Buildings Conservation Scheme was removed in 2013, access to grants in conservation areas were lost, and that was true in old Peel. I do not know how many times you have walked through Peel with your eyes open but the street pattern and the 17th century housing, and even the links that are there with smuggling and, dare I say it, with slavery. It is an extraordinary community of old housing but

things like the roofs in there, most of them are wooden trusses in the roofs and they are at risk, they really are at risk, if the people in them cannot afford to replace roofs when they go. Once we begin to lose the old street pattern it will be gone. And the thought of Peel without that old Peel core to it is unthinkable. We must never discover that we have lost things and then realise that we did not know what we had, and that is the issue to it.

4585

I am grateful for the comments that have been made from people about realism, our Members for South Douglas and East Douglas there talking about what is needed, and I am happy to go along with the amendment provided, but I urge us all to give full support to this motion.

Gura mie eu.

4590

The President: I call on the mover, Mrs Maska, to reply.

Mrs Maska: Gura mie eu, Eaghtyrane.

I really do appreciate so many of the comments put forward by Members this afternoon. I find it astonishing, some of the comments about me in my professional contribution, but I am also grateful that Members have taken such an interest in what is being acknowledged as a very important matter for us all. I will not comment on every single point that has been made.

4595

First of all, I would like to thank my seconder, Mrs Caine. Over the years she has had such a commitment and an enthusiasm and, as she said, was the seconder when Mr Cretney brought forward his motion which, sadly, was unsuccessful. But she brings again that passion and that experience and I do welcome the support that she offers.

4600

As has been said, Government ownership is a bit of a lottery and in the past we have lost important buildings. It may surprise you, Hon. Members, that the building that you are sitting in today, the Tynwald Court, has been treated with great respect but is *not* a registered building, so it has no legal protection to preserve and enhance. It has had the modern extension that we all enjoy the facilities ... When I was Conservation Officer I was really enthusiastic to help take the use and the future life of the Tynwald Court, but to provide modern accommodation that was suitable and appropriate, and it provides up-to-date accommodation for us all. I am sure we are grateful for that, but it is surprising that it is not a registered building.

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I do agree with Mrs Caine, we have lost some important buildings along the stretch of the Douglas Promenade. I can remember the old Palace Theatre which then was relabelled the Lido, and I also worked for Ellis Brown when the Villa Marina redevelopment was being finalised, and I am so glad that the politicians at that time had the vision that this could be a real centre of excellence and a facility for the whole Island. So yes, we have lost some buildings, but there have been some successes as well.

4610

The Select Committee, if this motion is approved, will be tasked with some important work, and I do appreciate the input from Hon. Members.

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Mrs Christian's amendments, brought forward on behalf of DEFA, I do thank her personally and the Department. It dilutes a little bit what I had hoped to achieve today but I think the main work that we should take from today, if this motion is successful, is the setting up of a Select Committee.

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The amendments do not come as a great surprise to me, in terms of they acknowledge the worth of the built heritage. In item (3), the evidence that has been requested, in my own heart I know that without the Historic Building Conservation Scheme, as Mr Henderson, my hon. colleague in LegCo recalls, we would have seen the erosion of so much of the quality, especially around the very tightly packed conservation areas in Douglas. But I am prepared to be content with the amendments as offered by Mrs Christian, and I do think that there is a line that we can go forward, and if Members support those amendments, we can still do such a great deal of important work.

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She is correct in that the planning system and the legislation that is already in place does supposedly support the right way to deal with registered buildings and conservation areas but we have inherited maybe some vacancies in terms of the work that was supposedly going to be

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4635 undertaken in the last administration, and that is regrettable. But I do support and I am content with the amendments as offered by Mrs Christian. I also appreciate the Minister for DEFA supporting those amendments and being prepared for her Department to engage and work with me in trying to bring this important motion forward.

4640 I thank Mr Henderson for his, for me, quite surprising words, but I do admit that when I do something I try and bring my best and my passion to the work that I do. I do recall how supportive he was when he was Chairman of Planning when we would have I think met monthly to look at grant applications. We did assist so many people, from major undertakings such as roof replacement, re-rendering and major window replacements, not just in registered buildings and conservation areas, but those discrete works in buildings pre-1920 where the grant made a difference and was persuasive in helping people look after their buildings and their *homes*. They would not have been able to achieve the sensitive work that was achieved in so many cases. Again, 4645 I do recall Mr Henderson being very dedicated in the support that he offered and, as he said, it was broad brush, but nothing really had existed before that and it was a case of dipping your toe in the water and seeing what a difference you could make. And, as I have illustrated, to go from £10,000 a year for registered buildings up to approaching £500,000 in its lifetime made a significant difference to, I suggest, those owners of our built heritage who needed assistance.

4650 I am just going through the comments by Members. Mr Henderson was very supportive and yes, the Villa Marina, Mr Cretney, he led that pioneering work to take on the Villa Marina and the Villa Marina Act, and thank goodness he did.

4655 Llandudno is very similar to Douglas. I remember seeing an aerial shot of the town and mistaking it for Douglas at one point. It has that tightly knit footprint of Victorian terraces and, yes, the foresight has protected those Victorian buildings and it is a really great comparison. I do thank him for his 100% support for this motion today.

4660 Mr Thomas, I do thank him as well. The sifting out of some of the work that this Committee, if it is formed, should be able to address as it goes forward, I agree with him in the last administration there was an undertaking to carry out an audit of our built heritage. I think the deadline was December 2020 but by then it had not even started. I did ask one or two questions in Tynwald about that and was very saddened that that work was not undertaken. And it is a major piece of work, so it is not a small undertaking. But I would like to think that it is not forgotten. There will be challenges, as Mr Thomas has outlined; what were the policies settled in 2016 and what happened to them?

4665 As Mr Craine has so aptly pointed out, we are the guardians of our built environment and our heritage is so important for our own Island resident population, but also for businesses and the tourist offering and, as Mrs Caine said, once it's gone, it's gone.

4670 So I do thank all Hon. Members for their encouragement today. I am prepared to accept the amendments as offered by DEFA under the auspices of Mrs Christian and I hope that we can, if this motion is successful, actually have a really good select committee that will go forward with this matter in a very positive and in-depth manner.

Thank you, Eaghtyrane. I would like to move the motion standing in my name. Gura mie eu.

4675 **The President:** Now, Hon. Members, we come to voting on this Item, Item 8. The motion is as set out on the Order Paper and to that motion you have before you an amendment in the name of Mrs Christian. I put first the amendment. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it.

4680 Having dealt with the amendment, I now put the motion as amended. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Motion carried, as amended.

Hon. Members, you have decided to appoint a Select Committee of three Members. I will now call for nominations.

Mrs Caine.

4685 **Mrs Caine:** I nominate Mrs Maska.

The President: Mrs Maska has been nominated, (*Interjection*) and seconded.
Miss August-Hanson.

4690 **Miss August-Hanson:** Nominating Mrs Caine.

The President: Nominating Mrs Caine. I have a nomination for Mrs Caine.

Mr Thomas: I second.

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The President: Seconded, Mr Thomas.

Mrs Barber: I nominate Mr Moorhouse.

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The President: I have a nomination for Mr Moorhouse.

Mrs Christian: I would like to nominate Mr Callister.

The President: Nomination for Mr Callister.

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Mr Ashford: Happy to second Mr Moorhouse.

The President: Loayreyder.

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The Speaker: I would like to propose Mr Henderson.

The President: I have a proposal for Mr Henderson.

The President: Mr Greenhill.

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Mr Greenhill: I second.

The President: You second Mr Henderson.
Mr Wannenburgh.

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Mr Wannenburgh: I second Mr Callister.

The President: You are seconding Mr Callister.
Mrs Maltby.

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Mrs Maltby: Can I propose Mr Craine?

The President: Ms Faragher, did you ...?

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Ms Faragher: I would like to nominate Mrs Maltby. (*Laughter*)

The President: Mr Glover.

Mr Glover: Can I second Mr Craine?

4735 **The President:** Right, I think nominations will close at this stage. We were looking for three Members. I think we have quite a quite a roll call there.

Mrs Christian: We need a seconder for Mrs Maltby.

4740 **The President:** Apologies.

Ms Edge: I was going to second Mrs Maltby. (*Interjection*)

The President: Sorry, was there a seconder for Mrs Maltby?

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Ms Edge: That is what I wanted to do.

The President: Okay, we will take that, then.

4750 Now nominations have closed, I will ask the Clerk to read out the names of the Members who have been proposed and seconded.

The Clerk: Mr President, the Members who have been proposed and seconded are: Mrs Caine; Mr Callister, Mr Craine, Mr Henderson, Mrs Maltby, Mrs Maska and Mr Moorhouse.

4755 **The President:** I will now ask the Clerk to run the vote. Please remember you must vote 'yes' to three candidates and 'no' to the rest. If you do not vote yes to exactly three candidates it will be a spoiled paper and none of your votes will count. So please vote yes to three candidates.

A first ballot took place and electronic voting resulted as follows:

Vote Results	
Mrs Maska	31
Mr Henderson	15
Mrs Caine	13
Mr Moorhouse	13
Mr Craine	12
Mr Callister	6
Mrs Maltby	6

The President: We have only one candidate who has been elected, Mrs Maska, with 31 votes. (**A Member:** Well done.) Therefore we still need two more Members for this Committee.

4760 At this stage, I think we will drop both Mrs Maltby and Mr Callister, (*Laughter*) and run the vote again for Mr Henderson, Mrs Caine, Mr Moorhouse and Mr Craine. You will be voting for two Members.

A second ballot took place and electronic voting resulted as follows:

Vote results	
Mr Henderson	20
Mr Moorhouse	16
Mrs Caine	15
Mr Craine	11
Number of spoilt papers	1

The President: This time Mr Henderson has successfully been elected, with 20 votes.

4765 Therefore we need one more Member and this time we will drop Mr Craine. Therefore Mr Moorhouse and Mrs Caine –

The Speaker: Head to head in the final ...

The President: – will be voted upon. (*Interjection and laughter*)

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The Speaker: It is not paper, scissors yet!

A third ballot took place and electronic voting resulted as follows:

Vote Results	
Mr Moorhouse	18
Mrs Caine	14

The President: The result is Mr Moorhouse has been elected. (*Laughter*)
So, Mr Moorhouse, Mr Henderson and Mrs Maska are elected to the Select Committee.
Congratulations.

9. Road Traffic Act 1985 – Driving Licences and Tests (Amendment) Regulations 2022 approved

The Minister for Infrastructure to move:

That the Driving Licences and Tests (Amendment) Regulations [[SD 2022/0011](#)] [[MEMO](#)] be approved.

4775 **The President:** Hon. Members, we now move on to Item 9, the Road Traffic Act 1985, and I call on the Minister for Infrastructure to move.

The Minister for Infrastructure (Mr Crookall): Thank you, Mr President.

4780 The Driving Licences and Tests (Amendment) Regulations 2022 amend the Driving Licences and Tests Regulations 2007, in order to resolve an issue with vehicle sourcing. This primarily relates to the availability of suitable vehicles for learning to drive and taking a competency test in a goods vehicle or bus that complies with the existing provisions.

4785 The Regulations also make changes to correct an anomaly relating to driving licence entitlement having passed a driving test in a car fitted with an automatic transmission. Existing provisions require that a driver taking a category C, which is a goods vehicle, or C+E – a goods vehicle with a trailer – competency test must provide a vehicle that is fitted with a manual transmission.

4790 Modern HGVs and buses are primarily constructed with automatic transmission systems due to emission regulations. As a result, it is now very difficult to buy a category C or D, which is a bus or coach vehicle, with a manual transmission. Therefore, it is proposed to delete regulation 27(10) of the Driving Licences and Tests Regulations 2007, removing the requirement for a vehicle fitted with eight forward gears to be used for category C or C+E tests of competency. This also removes the need to use a vehicle for a test of competency that is fitted with manual transmission.

4795 The UK introduced changes in line with the EU provisions in 2014 for category C and D vehicles and their trailer equivalents, category C+E or D+E. The changes allow drivers passing a driving test for a goods vehicle or a bus that is fitted with automatic transmission to also gain a manual entitlement for that vehicle category if the candidate already holds a manual entitlement in another category, except category A, which is a motorcycle entitlement. For example, if a candidate was to pass a driving test in a bus fitted with automatic transmission and already holds
4800 a car driving licence with a manual entitlement, then the candidate will also receive the manual

4805 entitlement for the bus. Therefore, the amendment being proposed will in essence replicate the UK's provisions within our Regulations by inserting a new regulation 24A into the Driving Licences and Tests Regulations 2007, which changes the driving licence entitlements so that (a) candidate who pass a driving test using a vehicle fitted with automatic transmission will also gain the equivalent manual entitlement as long as they already hold a full manual entitlement in another category other than a motorcycle; and (b) candidates who pass a driving test using a vehicle fitted with a manual transmission will also gain a manual entitlement for any other category for which they already hold an automatic entitlement.

4810 Furthermore, the Regulations before you today will also insert a new regulation 11A(1) into the Driving Licences and Tests Regulations 2007 that authorises the holder of a category B, which is a car licence, with an automatic or manual transmission, to drive an HGV or bus with a manual or automatic transmission on a provisional licence. This is to say they can drive these vehicles displaying L-plates and accompanied by a qualified driving instructor.

4815 A new regulation 11A(2) will authorise the holder of a category B driving licence with the automatic entitlement to drive vehicles in category B with a manual transmission as if the holder were authorised by a provisional licence.

I beg to move the motion standing in my name, Mr President.

4820 **The President:** Mr Glover.

Mr Glover: Gura mie eu, Eaghtyrane. I beg to second and reserve my remarks.

The President: Now, Hon. Members, we come to vote on Item 9. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Motion carried.

10. Customs and Excise Act 1993 – Customs and Excise Acts (Application) (Amendment) Order 2022 approved

The Minister for the Treasury to move:

That the Customs and Excise Acts (Application) (Amendment) Order 2022 [[SD 2022/0030](#)] [[MEMO](#)] be approved.

4825 **The President:** We now move on to Item 10, Customs and Excise Act 1993. I call on the Minister for Treasury.

4830 **The Minister for the Treasury (Mr Ashford):** Mr President, this Order amends section 30 of the Finance Act 1994 of Parliament as it is applied to the Island to substitute new rates of Air Passenger Duty for flights to destinations in Band B where those journeys are made on or after 1st April 2022. There are two bands that determine the amount of Air Passenger Duty that is due and the vast majority of flights liable to duty in the Island fall within Band A, which would cover flights to the UK and Western Europe for example. The rates for Band A journeys are unaffected.

4835 Band B involves destinations where the main or capital city is over 2,000 miles from London and here the duty rate for flights in the reduced class of travel is increased by £2 to £84 and by £5 to £185 if in the standard class of travel.

Mr President, I beg to move that the Customs and Excise Acts (Application) (Amendment) Order 2022 be approved.

4840 **The President:** Mr Smith.

Mr Smith: Mr President, I beg to second.

4845 **The President:** Hon. Members, we are voting on Item 10, Customs and Excise Act 1993. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Item carried.

**11. European Union and Trade Act 2019 –
Afghanistan Sanctions (Application) Regulations 2022 approved**

The Minister for the Treasury to move:

That the Afghanistan Sanctions (Application) Regulations 2022 [[SD 2022/0033](#)] [[MEMO](#)] be approved.

The President: Moving on to Item 11, European Union and Trade Act 2019, I call upon the Treasury Minister.

4850 **The Minister for the Treasury (Mr Ashford):** Thank you, Mr President.

These Regulations made using powers contained in section 19 of the European Union and Trade Act 2019 apply one United Kingdom statutory instrument to the Island concerning financial sanctions against Afghanistan. In December 2021, the United Nations Security Council issued Resolution 2615 which declared that the provision of humanitarian assistance and other activities that support basic human needs in Afghanistan should be an exception to the asset freeze rules. The Security Council therefore permit the processing and payment of funds and provision of goods and services necessary to ensure the delivery of humanitarian assistance. These Regulations give effect to the UN Security Council Resolution through application to the Island of the Afghanistan (Sanctions) (EU Exit) (Amendment) Regulations 2022, which inserts a new regulation 25A.

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4860 In practical terms, this means that anyone on the Island who has previously frozen funds because they have identified those funds as belonging to a person or entity on the Afghanistan sanctions list may be able to release those funds where they consider that it is necessary for the delivery of humanitarian assistance or the support of basic human needs in Afghanistan.

4865 Mr President, I beg to move that the Afghanistan Sanctions (Application) (Regulations) 2022 be approved.

The President: Mr Henderson.

4870 **Mr Henderson:** Gura mie eu, Eaghtyrane. I beg to second, sir, and reserve my remarks.

The President: Hon. Members, this is Item 11 that is before you. I call upon the vote. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Item carried.

**12. Social Security Act 2000 –
Social Security Contributions and Benefits Act 1992 (Application)
(Amendment) Order 2022 approved**

The Minister for the Treasury to move:

That the Social Security Contributions and Benefits Act 1992 (Application) (Amendment) Order 2022 [[SD 2022/0043](#)] [[MEMO](#)] be approved.

4875 **The President:** Moving on to Item 12, Social Security Act 2000, I call upon the Treasury Minister.

4880 **The Minister for the Treasury (Mr Ashford):** Mr President, in this Hon. Court on 15th February, when answering a Question from the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse, I announced that an additional winter bonus worth £100 would be paid automatically during March to all recipients of Income Support, Employed Person's Allowance, and income-based Jobseeker's Allowance who qualified for a winter bonus in January and that people who qualify for a variable rate winter bonus would be paid an additional winter bonus in March of the same amount as the variable rate winter bonus they were entitled to.

4885 Mr President, this Order, which I made on 18th February, amends the Social Security Contributions and Benefits Act 1992 as it is applied in the Island in order to give legal effect to the payments I have just mentioned. Specifically, it provides for an additional winter bonus of £100 to be payable in March to people who qualified for either an Income Support winter bonus, an income-based Jobseeker's Allowance winter bonus or an Employed Person's Allowance winter bonus in January; and people who did not qualify for one of those winter bonuses in January but
4890 who are entitled to either Income Support, income-based Jobseeker's Allowance or Employed Person's Allowance for any day in the week commencing with the first Monday in March and who are responsible for the payment of housing costs or can be treated as such; and for an additional Winter Bonus to be paid in March to persons who qualified for a variable rate winter bonus in January of an amount equivalent to the amount of the variable rate winter bonus which was
4895 awarded to them.

Mr President, further information has been provided in the memorandum which has been circulated to Hon. Members and I beg to move that the Social Security Contributions and Benefits Act 1992 (Application) (Amendment) Order 2022 be approved.

4900 **The President:** Mrs Maltby.

Mrs Maltby: Mr President, I beg to second and reserve my remarks.

4905 **The President:** Hon. Members, this is Item 12, the Social Security Act 2000. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Motion carried.

**13. Value Added Tax Act 1996 –
Value Added Tax Act 1996 (Amendment) Order 2022 approved**

The Minister for the Treasury to move:

That the Value Added Tax Act 1996 (Amendment) Order 2022 [[SD 2022/0044](#)] [[MEMO](#)] be approved.

The President: Moving on to Item 13, Value Added Tax Act 1996. I call on the Treasury Minister.

The Minister for the Treasury (Mr Ashford): Thank you, Mr President.

4910 This Order amends the Value Added Tax Act 1996 in line with the United Kingdom's VAT law, as required under the Customs and Excise Agreement 1979. The Order inserts into the Act new section 57A to maintain a level playing field by ensuring goods that benefit from a zero-rated supply in a free zone are subject to VAT if they are not sold on to a customer outside the free zone within a time limit, or if the rules relating to the free zone procedure are breached.

4915 It also amends historic free zone legislation in sections 6, 7, 7A, 17 and 18, which are incompatible with the new VAT rules for free zones, and to ensure the warehousing regime rules and the free zone rules are mutually exclusive. The Order also inserts a new Group 22 into Schedule 9 to the Act to provide for a zero rate for specified supplies of goods and services in a free zone.

4920 The main VAT benefit from this Order is that businesses selling goods within free zones will be able to zero rate their supplies and services carried out on goods in those zones may also be zero rated subject to conditions. This provides a cash flow advantage to businesses.

The introduction of VAT charges in section 57A will prevent businesses which might otherwise seek to locate in a free zone solely to avoid irrecoverable VAT from gaining an unintended tax advantage, and so helps maintain a level playing field for all.

4925 Mr President, I beg to move that the Value Added Tax Act 1996 (Amendment) Order 2022 be approved.

The President: Mr Smith.

4930 **Mr Smith:** Thank you, Mr President. I beg to second.

The President: Hon. Members, this is Item 13, Value Added Tax Act 1996. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Order carried.

14. Customs and Excise Act 1993 – Plastic Packaging Tax (Application) (Amendment) Order 2022 approved

The Minister for the Treasury to move:

That the Plastic Packaging Tax (Application) (Amendment) Order 2022 [[SD 2022/0093](#)] [[MEMO](#)] be approved.

4935 **The President:** Moving on to Item 14, Customs and Excise Act 1993. I call on the Treasury Minister.

The Minister for the Treasury (Mr Ashford): Thank you, Mr President.

4940 This Order applies Schedule 12 to the Finance Act 2022 to the Island, which makes amendments to the plastic packaging tax. The amendments are relatively minor in nature, ensuring plastic packaging tax works as intended. The amendments clarify rules regarding requirement to be registered for the tax; allows the Treasury to make further amendments by regulations in relation to when plastic packaging is deemed to be imported for the purposes of the tax, which will allow the legislation to be flexible if there are changes to other customs legislation; clarify the record-keeping requirements for the purpose of the tax; make minor changes in relation to the treatment of 'Group' for the purposes of the tax; and updates certain definitions.

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Mr President, I beg to move that the Plastic Packaging Tax (Application) (Amendment) Order 2022 be approved.

4950 **The President:** Mr Smith.

Mr Smith: Thank you, Mr President. I beg to second.

4955 **The President:** Hon. Members, this is Item 14, Customs and Excise Act 1993. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Order carried.

**15. Customs and Excise Act 1993 –
Taxation (Cross-Border Trade) Act 2018 (Application) (Amendment) Order 2022 approved**

The Minister for the Treasury to move:

That the Taxation (Cross-Border Trade) Act 2018 (Application) (Amendment) Order 2022 [SD 2022/0094] [MEMO] be approved.

The President: Moving on to Item 15, Customs and Excise Act 1993, I call on the Treasury Minister.

The Minister for the Treasury (Mr Ashford): Thank you, Mr President.

4960 This Order applies to section 98 of the Finance Act 2021 and section 75 of the Finance Act 2022 to the Island, which makes amendments to the Taxation (Cross-Border Trade) Act 2018 as that Act has effect in the Island.

4965 The amendments are relatively minor in nature, ensuring Island customs law corresponds to United Kingdom law as required under the terms of the Customs and Excise Agreement. The amendments insert a new section 32A into the Act which makes provisions in relation to reference documents referred to in certain regulations made or deemed to be extended to the Island under the Act in relation to the customs tariff. The amendment will permit updates to tariff legislation which do not alter the rate of an import duty to be made by public notice instead of regulations, and provide that the principle of European Union VAT law preventing the abuse of the VAT system may continue to be relied upon in determining any matter relating to Value Added Tax.

4970 Schedule 3 to the Taxation (Cross-Border Trade) Act 2018 is also amended so that the list of countries defined as ‘eligible developing country’ or ‘least developed country’ is the list provided for in the United Kingdom Act of the same name, as it is amended from time to time. This ensures that updates to such lists in the UK which are used to calculate import duty will happen automatically.

4975 Mr President, I beg to move that the Taxation (Cross-Border Trade Act) 2018 (Application) (Amendment) Order 2022 be approved.

The President: Mr Smith.

4980 **Mr Smith:** Thank you, Mr President. I beg to second.

The President: Hon. Members, this is Item 15, Customs and Excise Act 1993. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Order approved.

**16. Hydrocarbon Oil Duties Act 1986 –
Hydrocarbon Oils Duties Act 1986 (Amendment) Order 2022 approved**

The Minister for the Treasury to move:

That the Hydrocarbon Oils Duties Act 1986 (Amendment) Order 2022 [[SD 2022/0095](#)] [[MEMO](#)] be approved.

4985 **The President:** Moving on to Item 16, Hydrocarbon Oil Duties Act 1986, I call on the Treasury Minister.

The Minister for the Treasury (Mr Ashford): Mr President, this Order amends the Hydrocarbon Oils Duties Act 1986 to restrict the use of red diesel. Red diesel attracts a lower rate of excise duty, 4990 currently 11.14 pence per litre, compared to white diesel, which is currently 57.95 pence per litre.

The use of red diesel would be restricted to vehicles and machinery used in agriculture, horticulture, fish farming and forestry; for heating and electricity generation in non-commercial premises – this includes the heating of homes and buildings such as places of worship, hospitals and town halls, and off-grid power generation; for maintaining community amateur sports clubs 4995 as well as golf courses; and as fuel for all marine craft refuelling and operating in the Island.

This measure will also extend fuel duty to biodiesel, bioblends and fuel substitutes used in heating. The low-rebated duty rate will be applied to non-commercial heating and the full rate of duty to commercial heating.

Sectors that have previously been able to use red diesel but do not fall into these categories 5000 will be required to use white diesel. This will include sectors, for example, such as construction, mining and quarrying, ports, manufacturing, haulage, for transport refrigeration units on lorries, road maintenance, airport operations, plant hire, logistics and waste management.

These amendments reflect the changes being made in the United Kingdom in line with our reciprocal agreement with the UK and will come into effect in line with those changes.

5005 Mr President, I beg to move.

The President: Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane. I beg to second, sir, and reserve my remarks. 5010

The President: Mr Johnston.

Mr Johnston: Mr President, may I thank the Treasury Minister for his confirmation to my recent query on whether agricultural machines using ploughing matches and charity tractor runs should 5015 continue to use red diesel, and that they could. This is very welcome as originally this was not to be the case, which would have been very detrimental to charity runs in particular that, as we all know, raise many thousands for charities with our local young farmers at the Christmas tractor runs a shining example, literally.

Also, Mr President, whilst acknowledging that the changes made are within the terms of the 5020 Customs and Excise Agreement with the United Kingdom, which we mirror, does the Treasury Minister acknowledge that these changes will have a negative financial impact on many Island businesses in the likes of construction, manufacturing and haulage, as well, of course, for Government and many of its operations? This comes at an increasingly challenging time for our economy. Can the Treasury Minister please ensure that the Treasury works with all relevant 5025 Departments to engage with the sectors affected and does all it can to understand the challenges and provide help where appropriate?

Thank you.

The President: Minister to reply.

5030

The Minister: Thank you, Mr President; and can I thank Mr Johnston for his engagement with Treasury and myself around this.

Yes, HMRC originally ... there was not clear guidance around things like ploughing matches and so on, and quite naturally that caused a lot of consternation out there. HMRC in the UK, as you can imagine, was flooded with queries around this as well and subsequently updated guidance was issued, very welcome guidance that actually states that it can continue to be used in that way.

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There will indeed be an impact and I do appreciate that this is probably not the best of timings to say the least, for many of these sectors to have this change coming in. It is part of our reciprocal Customs Agreement with the UK, so we are required to follow suit in line with that agreement, and most definitely Treasury is open to working with the sectors. Obviously, we have to maintain what is being put through today, but we will work with the sectors to understand the challenges that they face, most definitely.

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The President: Hon. Members, this is Item 16, as on the Order Paper. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it.

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**17. Customs and Excise Act 1993 –
Customs (Miscellaneous Provisions) (Amendment) (EU Exit) Regulations 2021
(Application) Order 2022 approved**

The Minister for the Treasury to move:

That the Customs (Miscellaneous Provisions) (Amendment) (EU Exit) Regulations 2021 (Application) Order 2022 [[SD 2022/0096](#)] [[MEMO](#)] be approved.

The President: Item 17, Treasury Minister.

The Minister for the Treasury (Mr Ashford): Thank you, Mr President.

This Order applies Part 3 of the Customs (Miscellaneous Provisions) (Amendment) (EU Exit) Regulations 2021 to the Island. This provides for the continued application of an additional duty on certain goods originating in the United States of America by revoking the Import Duty Variation Regulations and re-enacting the Regulations with modifications. These modifications reflect changes to the commodity codes used to identify categories of goods for import and export purposes. These changes would come into effect in line with the changes in the United Kingdom.

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Mr President, I beg to move that the Customs (Miscellaneous Provisions) (Amendment) (EU Exit) Regulations 2021 (Application) Order 2022 be approved.

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The President: Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane. I beg to second, sir, and reserve my remarks.

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The President: That is Item 17, Hon. Members. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it.

**18. Airports and Civil Aviation Act 1987 –
Civil Aviation (Aircraft Registration and Marking) Order 2022 approved**

The Minister for Enterprise to move:

That the Civil Aviation (Aircraft Registration and Marking) Order 2022 [[SD 2022/0073](#)] [[MEMO](#)] be approved.

The President: Item 18, I call on the Minister for Enterprise.

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The Minister for Enterprise (Dr Allinson): Thank you very much, Mr President.

I have got a trilogy of Civil Aviation Orders. The first one is under Item 18, and this is the Civil Aviation (Aircraft Registration and Marking) Order.

5070 The Isle of Man Civil Aviation Administration, part of the Department for Enterprise, administers the Isle of Man Aircraft Registry and is responsible for ensuring aviation legislation on the Isle of Man meets International Civil Aviation Organization standards and recommended practices and other relevant European aviation standards.

5075 The Isle of Man Aircraft Registry is currently the second largest private business jet register in Europe and the sixth largest in the world. The Civil Aviation Administration is continually looking at ways to raise standards of safety in regulations while allowing the Registry to provide the best possible support and excellent customer service to their clients.

5080 The Civil Aviation (Aircraft Registration and Marking) Order applies to all those wishing to make an application to register an aircraft on the Isle of Man Aircraft Registry and those with aircraft already so registered. The Department has taken the opportunity to modernise the existing provisions and to add new provisions which strengthen the service provided by the Aircraft Registry. The Order will also ensure that the Island continues to comply with its international obligations under the Convention on International Civil Aviation.

5085 The Department have included transitional provisions in the Order to provide for owners and operators of aircraft to have plenty of time for appropriate planning and transition to the new provisions.

Mr President, I beg to move the motion standing in my name.

The President: Mr Callister.

5090 **Mr Callister:** Thank you, Mr President. I beg to second.

The President: Item 18, Hon. Members. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. The Order is approved.

**19. Airports and Civil Aviation Act 1987 –
Civil Aviation (Aerodromes) Order 2022 approved**

The Minister for Enterprise to move:

That the Civil Aviation (Aerodromes) Order 2022 [[SD 2022/0074](#)] [[MEMO](#)] be approved.

The President: Moving on to Item 19, I call on the Minister for Enterprise.

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The Minister for Enterprise (Dr Allinson): Thank you, Mr President.

5100 The Civil Aviation Administration, part of the Department for Enterprise, is responsible for regulating aviation safety and security in the Isle of Man and regulating the Isle of Man Airport. The Civil Aviation Administration is also responsible for ensuring aviation legislation in the Isle of Man meets international and European aviation standards. The Civil Aviation (Aerodromes) Order 2022 introduces aerodrome rules to the Island and applies EU safety regulations for aerodromes. The Order applies to aerodromes on the Island that are open to public use, serve commercial air transport and have a paved runway of 800 metres or above. Currently, the Isle of Man Airport is the only aerodrome that falls within the scope of the provisions.

5105 The provisions will take effect on 1st April 2023 to give sufficient time for the Isle of Man Airport to adapt to the new regulatory framework. Consultation was conducted with the Isle of Man Airport with regard to the Order, which led to the Department of Infrastructure concurrence with the contents of the Order and the timescales for its effective date of implementation.

5110 Mr President, I beg to move the motion standing in my name.

The President: Mr Callister.

Mr Callister: Thank you, Mr President. I beg to second.

5115 **The President:** Hon. Members, this is Item 19. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Order approved.

**20. Airports and Civil Aviation Act 1987 –
Civil Aviation (Miscellaneous Amendments) Order 2022 approved**

The Minister for Enterprise to move:

That the Civil Aviation (Miscellaneous Amendments) Order 2022 [[SD 2022/0075](#)] [[MEMO](#)] be approved.

The President: Moving on to Item 20, I call on the Minister for Enterprise.

The Minister for Enterprise (Dr Allinson): Thank you, Mr President.

5120 The Civil Aviation (Miscellaneous Amendments) Order 2022 amends a number of Civil Aviation Orders as a consequence of the Civil Aviation (Aircraft Registration and Marking) Order and the Civil Aviation (Aerodromes) Order, which are before the Court for approval at this sitting.

5125 This Order will amend the Civil Aviation (Miscellaneous Provisions) Order 2020, which provides for common administration provisions for civil aviation legislation by replacing the interpretation article in its entirety to incorporate a sizeable number of definitions applicable to the two Orders. The Order will also include two new provisions which were previously established in policy. Those being the requirement that documents submitted to the Department must be in English or, where a foreign language document is requested by the Registry, that a certified translation of that document is submitted and the provision for the Department to withhold services from
5130 outstanding debtors in line with the requirements of financial regulations.

Mr President, I beg to move the motion standing in my name.

The President: Mr Callister.

5135 **Mr Callister:** Thank you, Mr President. I beg to second.

The President: Item 20, Hon. Members. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Order approved.

**21. Financial Provisions and Currency Act 2011 –
Douglas Promenade Support (No.2) (Amendment) Scheme 2022 approved**

The Minister for Enterprise to move:

That the Douglas Promenade Support (No.2) (Amendment) Scheme 2022 [[SD 2022/0099](#)] [[MEMO](#)] be approved.

The President: Moving on to Item 21, I call on the Minister for Enterprise.

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The Minister for Enterprise (Dr Allinson): Thank you, Mr President.

We now have a twin set of motions which are designed to end and amend various schemes. The first one is the Douglas Promenade Support (Amendment) Scheme.

5145 The Douglas Promenade Support Scheme itself was established in January 2020 to offer financial support to businesses situated along Douglas Promenade and its immediate vicinity, which had been financially affected due to the refurbishment scheme.

The financial support comprised an interest-free unsecured loan of up to £50,000 repayable over a 10-year period. The scheme was created and structured in a way to support businesses throughout the duration of the major Promenade Refurbishment Scheme.

5150 As the completion of the Refurbishment Scheme has been delayed due to a number of technical and logistical factors and the coronavirus pandemic, the Department is seeking to amend the Scheme to adjust its ... eligil ...

5155 **The Speaker:** Go on, third time lucky! (*Laughter*) (**The Minister:** No pressure!) I think we will go with eligibility!

The Minister: Its application criteria (*Laughter*) and to add an amount of flexibility which will potentially allow additional businesses to be supported.

5160 The proposed changes to the Scheme include a change to the date that the business must have commenced trading within the promenade area in order to be eligible, allowing loan recipients to amend their loan agreement repayment terms so that the loan must be repaid within 10 years from June 2022. This will enable loan recipients to restructure their loan arrangements and repayment terms in order to assist their cash flow as their businesses recover from the disruption and the pandemic, and allowing seasonal businesses to be supported.

5165 The Scheme does not currently have a closing date. It is proposed that the Scheme will close for new applications on 31st May 2022 and any remaining issues with open applications will need to be resolved by 31st July 2022.

5170 It is hoped that these changes will have two positive outcomes for businesses along Douglas prom: they will allow additional businesses to be supported and allow existing loan recipients to restructure their loan repayments if they wish to do so.

Mr President, I beg to move the motion in my name.

The President: Mr Callister.

5175 **Mr Callister:** Thank you, Mr President. I beg to second.

The President: Ms Faragher.

Ms Faragher: Gura mie eu, Eaghtyrane.

5180 The prom has been a great example of how *not* to run a capital project. The people whose livelihoods this has impacted deserve recognition of what they have experienced and we need to hold our hands up here and acknowledge the impact that this had on their lives and the impact it is still having on their lives. I have concerns that there is still a considerable amount of disruption and work to be carried out in the area: tram track work; sea wall works; and eventually walkway works all still needing to be carried out.

5185 Eaghtyrane, it is positive that we have provided loans to businesses to support them but I believe we should be offering further support. I wanted to propose to convert part of these loans to a grant. However, given that my amendment was not allowed, I rise only to make these points on behalf of the businesses affected by this. It is my opinion that more needs to be done to (1) support local businesses and (2) acknowledge the experiences of people whose businesses have been impacted.

5190 Eaghtyrane, Tynwald Members have not long ago been given a presentation detailing our target of half a million visitors per year, whilst the hospitality sector is experiencing significant challenges. Some in my constituency have even represented to me as being on their knees. I would request for the Minister to consider supporting them better by considering, firstly, holding all repayments until after full completion of the works, including snagging and/or, secondly, to consider converting part of the loans into a grant. I think that these proposals are only fair to the businesses affected.

Gura mie eu.

5200 **A Member:** Hear, hear.

The President: Minister to reply.

5205 **The Minister:** Thank you very much, Mr President, and I would like to thank Ms Faragher for her conversations around this.

I actually completely agree with her about the disruption that this scheme has caused, both to those businesses along the prom itself but also the wider Douglas area and those people who supply those businesses. It has had a significant knock-on effect.

5210 Earlier in this sitting, Mr President, the Minister for Infrastructure talked about some of that disruption and talked about some of the efforts he is making with his Department to try to end this scheme in the right way and at the right time, but I do accept that businesses have been damaged due to the long-term effects of the scheme.

5215 I also completely accept that while the scheme has certainly produced quite a good result to the roadway itself, there is ongoing work, both to the tram tracks, as we have heard, but also in terms of Douglas Corporation, to the sunken gardens as well.

5220 In terms of the motion that is before you at the moment, it is wrapping up the existing Scheme, which is a loan scheme. There was right at the start of this work a grant of £6,000 that went out to businesses but the previous administration and Tynwald decided to go for a loan scheme instead. I will certainly take on board her suggestions of further support for those businesses that are struggling.

5225 What the Department is trying to do with this motion is actually have far more flexibility in terms of the repayment of those loans, and we will be working with all those businesses involved to help them as much as possible, perhaps delay repayments, even though those are over a 10-year term. A lot of the loans were taken out to help with that cash flow, to actually get rid of historical debts, but on the closure of this Scheme the Department will be working with Treasury and with all those local businesses to see how we can further support them recover and hopefully then regenerate their business opportunities on full completion of the scheme.

Thank you, Mr President. I beg to move.

5230 **The President:** Hon. Members, this is voting on Item 21, Financial Provisions and Currency Act 2011. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Approved.

**22. Financial Provisions and Currency Act 2011 –
Enterprise Development (Amendment) Scheme 2022 approved**

The Minister for Enterprise to move:

That the Enterprise Development (Amendment) Scheme 2022 [SD 2022/0100] [MEMO] be approved.

The President: Item 22, final Item. I call on the Minister for Enterprise.

5235 **The Minister for Enterprise (Dr Allinson):** Thank you, Mr President.
I would like to move that the Enterprise Development (Amendment) Scheme 2022 be approved.

By way of background, this Scheme was approved by Tynwald in October 2015 and provided both equity and loan support to eligible businesses. The original scheme was revoked and replaced by the Enterprise Development Scheme 2018. Various changes in the way in which the schemes operated were made at this time, including the administration being transferred from SPARK Impact, the private sector fund manager, to the Department for Enterprise. The management and decision making was undertaken by a new committee, which consisted of an independent chair, together with officers of both Treasury and Enterprise.

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5250 Subject to the approval of Tynwald, this 2022 Scheme amends the 2018 Scheme in order to close it to new applicants. Existing loans and investments will, however, continue to be managed by the Department, and this will be the case for a number of years until loans are repaid or investments exited. Treasury concurrence will be required for the sale of any investment. The reason for the closure of the Scheme to new applicants is purely down to the inactivity of the Scheme. There has been limited enquiries into it for some time and the few that have been received have been unsuitable. Overall, the Scheme has been underutilised, with just over £5 million being distributed through investments and loans out of the original fund of £50 million.

5255 Latterly, the Scheme offered support through a loan arrangement only and it should be borne in mind that financial support through the Department's other schemes can fill this gap to any businesses requiring this option. Most notably, the Financial Assistance Scheme can provide funding through both grant and loan support. It is therefore felt the right time to close the Enterprise Development Scheme.

5260 Looking ahead to the needs of financial support to businesses in the future, the Department is due to review *all* its financial support schemes this year, linking these with the Economic Strategy and the Island Plan.

Mr President, I beg to move the motion in my name.

The President: Mr Callister.

5265 **Mr Callister:** Thank you, Mr President. I beg to second.

The President: Mr Thomas.

Mr Thomas: Thank you very much, Mr President.

5270 October 2015: I just want to go back to that debate before the end of my speech, but my initial two questions for the Minister are as follows.

Firstly, it just seems like quite an excessive piece of legislation just to take away the investment management committee and remove the position of chair for the committee. Was there not an easier way that could have been found to achieve this purpose?

5275 The second point is, as was mentioned back in October 2015, this fund, as it was called then – although legally it was called a scheme – was made under the Financial Provisions and Currency Act, rather than the Enterprise Act. So what assurance can the Minister give to this Court today and the public that that £5 million of investment wind-down will be properly reported? I am mindful obviously that the Media Development Fund got into a bit of difficulty after 2007 and the
5280 film fund that came from it was still being wound down in 2020-21 with Treasury concurrence, and there were lots of little incidents along the way that I vaguely remember as being a bit uncomfortable for various people. So therefore, we need to make sure that we have got the transparency that the Department for Enterprise asserts in respect to the use of this 10% of the £50 million that was launched with great fanfare back in October 2015.

5285 See, I care about this particularly because, in fact, I was the only person in this Hon. Court today to vote against the Scheme then, because it was obviously fatally flawed right from that first go. I was delighted that the current Chief Minister thanked me that day for being ‘careful Chris’ and for having actually spotted loads and loads of flaws and Mrs Beecroft, who actually also joined in and voted against, pointed out that it seemed like I was the only person who had actually read the
5290 documents for the 2015 Scheme, because they were only put on people’s desks at one o’clock, as we were going off for lunch, and we were being invited to vote on it at 2.30 at the end of lunchtime, and I actually put together quite a compendium.

So what is the lesson of that? Well, there are two lessons. Firstly, as Mr Hooper is often pointing out, it is actually worth listening to Chris, even though he does go on some time, because he is usually right in the end, (*Laughter*) though he loses the vote quite often. And the second point is we have to go back and work out what the provenance of this Scheme is, and this is the bit I am going to enjoy particularly, because this whole Scheme, or fund as it was called then, was the brainchild of Mr Howard Quayle, God rest him. He said so in the debate (*Laughter and interjection*):

If I could give a little history of how I initially came up with the idea, so Members can understand some of the concepts – because failure seems to be a little bit of a hot topic [at the moment].

5300 At the end of his speech, he did acknowledge that Mr President had had a little bit to do with it right at the end, (*Laughter*) and he did thank that a few officers worked up the detail and all of that sort of stuff. But I do like to think that we can learn some lessons from this, because it is not right to come up and spend £50 million with a document that is actually drawn up and presented to Members at one o’clock with a vote on it at 2.30 (**Two Members:** Hear, hear.) and there are
5305 some fundamental lessons that need to be learnt.

I would like assurance from the Minister for Enterprise that all that happened is not just going to disappear and it is going to be very hard for the Public Accounts Committee to actually uncover what happened with this fund along that way.

5310 **Miss August-Hanson:** Hear, hear.

The President: Minister to reply.

The Minister: Thank you very much, Mr President, and thank you very much, Hon. Member,
5315 for your comment.

In terms of the changes that are being taken place, it was felt that changes to the legislation were important. There are five key areas. One is obviously closing the Scheme to new applicant

5320 businesses. The second, as the Hon. Member has pointed out, is the removal of the committee function from the Scheme. The third is the replacement of the application process with a process for determinations, given the fact that there will be no new applications. The fourth is the removal of declarations and probity requirements, because there will be no new applications. And the fifth is the amendment to the terms and conditions in line with the new process.

5325 In terms of ongoing governance of the Scheme, I can commit to this Hon. Court that there will be quarterly reports, both to my Department and to Treasury, about the ongoing Scheme and also the liabilities to it, and we will be working closely with Treasury in terms of this, to wrap up this Scheme, but also look at new ways of incentivising businesses to relocate to the Island or to grow here.

With that, I beg to move.

5330 **The President:** Now, Hon. Members, this Item 22, our final Item, Financial Provisions and Currency Act 2011. All those in favour, please say aye; those against, please say no. The ayes have it. The ayes have it. Motion approved.

Happy birthday to the Seneschal, Mr Steve Wright

5335 **The President:** So that concludes the business of Tynwald Court this month. That leaves one last item for me and that is to wish our Seneschal a very happy birthday! (**Members:** Hear, hear.) Happy birthday, Steve, on behalf of Tynwald Court.

Gura mie eu. Council will now withdraw and leave Keys in the hands of Loayreyder.

The Council withdrew.

House of Keys

The Speaker: Gura mie eu, Eaghtyrane.

There being no business to put before the House of Keys, we are adjourned until next Tuesday, 3rd May, 10 o'clock in our own Chamber.

5340 Thank you.

The House adjourned at 7.08 p.m.