

## ISLAND OF SARK

EXTRAORDINARY (EMERGENCY) MEETING of the CHIEF PLEAS to be held on WEDNESDAY 28<sup>th</sup> NOVEMBER 2018 at 7.00 PM in the MAIN ISLAND HALL

**Please note change of venue**

### AGENDA

1. MATTERS ARISING from the Michaelmas Meeting of the Chief Pleas held on Wednesday the 3<sup>rd</sup> October 2018.
2. MATTERS ARISING from the Extraordinary Meeting of the Chief Pleas held on Wednesday the 10<sup>th</sup> October 2018.
3. To CONSIDER a Report with Propositions from the POLICY & FINANCE COMMITTEE entitled "**Electricity Issues**".
4. To CONSIDER a Report with Propositions from the POLICY & FINANCE COMMITTEE entitled "**Major Incident Command Structure**".

26<sup>th</sup> November 2018

Arthur Rolfe  
Speaker of Chief Pleas

#### NOTES:

This meeting has been called under The Reform (Sark) Law, 2008, Section 32 (2) (b) "by the Speaker, with the consent of the Seigneur."

Anyone wishing to see any of the Reports and Supporting Papers may do so at the Committee Offices, Monday – Thursday, between 2.30pm and 5.00pm and at other times when the offices are open; copies may be obtained from the Committee Office. The Agenda, Reports and Supporting Papers may also be seen on the Sark Government Website at [www.gov.sark.gg](http://www.gov.sark.gg)

**POLICY & FINANCE COMMITTEE**

**Report with proposition to Emergency Chief Pleas, 28<sup>th</sup> November 2018**

**ELECTRICITY ISSUES**

**Background**

Sark Electricity informed us of its intention to stop generating electricity at the end of this month only 3 weeks ago on the 7th November. Since then we have been working with our colleagues in Guernsey and the UK to respond to this statement. We have developed plans which have been shared with the Civil Contingencies Authority which firmly supports our endeavour to end the dispute via negotiation but is also firmly in support of our contingency plans should our endeavours prove fruitless. The Civil Contingencies Authority fully supports our contention that a loss of power to the Island would constitute an emergency, it noted that this is exacerbated by having a notification that this could be caused by a deliberate act. We have been in contact with the Ministry of Justice which has in turn indicated its agreement that loss of power constitutes an emergency, whilst expressing its preference for a negotiated solution. The Ministry of Justice has also discussed options for assistance with the Ministry of Defence on our behalf should we find ourselves in a position where they may be needed.

To summarise this, we are fortunate to be surrounded by friends who are prepared to help in any way they can. It is clear their advice is to negotiate but should this fail they unequivocally support the use of emergency powers to guarantee the supply of electricity to the Island.

**Negotiated solution**

We remain absolutely committed to finding a negotiated solution and to avoid a shutdown. The prospect of purchase would provide Sark Electricity with a reasonable expectation of avoiding insolvency and would avoid need to cease supply at the end of the month. Negotiations could only take place against the backdrop of interim compliance with the control order and requesting an adjournment of Sark Electricity's appeal thus avoiding significant legal costs. Chief Pleas commits to negotiate in good faith, to arrive at a present-day value for both the group companies and their underlying assets tangible and intangible. We have already made approaches to Guernsey Electricity to see if they would be able to help with this issue. We understand that this process must be completed in a timely manner. We suggest a timeframe of three months to reach a heads of terms<sup>1</sup> agreement with the intention to bring a finalised agreed proposal for purchase to Easter 2019 Chief Pleas.

**Propositions:**

**1. That Chief Pleas instructs the Policy & Finance Committee to engage reporting accountants and specialist valuers to conduct due diligence on Sark Electricity Holdings Limited and its subsidiary company and/or any other relevant person with a view to a negotiation for the acquisition of the company and/or any assets which are needed to ensure continuity of the supply of electricity to the people of Sark. The due diligence to include the preparation of a current statement of affairs including the up to date valuation**

---

<sup>1</sup> Heads of terms is a non-binding document that outlines the basic terms of a tentative partnership agreement or transaction. It represents the first step on the path to a full legally binding agreement or contract and a guideline for the roles and responsibilities of the parties involved in a potential partnership before any binding documents are drawn up.

of all assets and details of all outstanding liabilities including those relating to any pension fund.

2. That the Policy & Finance Committee reports back to Chief Pleas at as early a date as possible but no later than the Easter Meeting 2019, with a recommendation that, following agreement with the shareholders of Sark Electricity Holdings Limited and/or any other relevant person, a purchase of the Company and/or any assets as described in Proposition 1 should be made by Chief Pleas.

3. That the Policy & Finance Committee, in due course, confirm to Chief Pleas the details of the financial arrangements necessary to enable the purchase to be completed.

**Conseiller William Raymond**  
**Deputy Chairman, Policy & Finance Committee**

**POLICY & FINANCE COMMITTEE**

**Report with proposition to Extraordinary (Emergency) Chief Pleas,  
28<sup>th</sup> November 2018**

**MAJOR INCIDENT COMMAND STRUCTURE**

In contemplation of the disconnection to the electricity supply it is necessary to set up certain command structures for the management of the major incident. Chief Pleas is therefore asked to resolve the following appointments:

**Gold Command – (Strategic)**

Conseillers Reg Guille MBE (P&F), Helen Plummer (M&ES), William Raymond (P&F)

**Silver Command – (Tactical)**

Mrs A Sturman, Maj CM Beaumont, KN Adams

Gold Command will declare the major incident.

Gold Command will be authorised to expend sums from Island resources as deemed necessary for the management of the major incident, the relief of suffering, and the maintenance of necessary supplies.

Gold Command will also be empowered to engage such necessary major incident support services from Guernsey and elsewhere that are deemed necessary.

Silver Command will work in line with Gold's strategy and will be in operational command of tactical decisions and operation of the island's response ensuring all requests for assistance are dealt with in as appropriate and timely a manner as possible.

Silver Command will deploy one of 6 Bronze led teams to deal with any given incident.

**Proposition:**

**That Chief Pleas approve the Command Structure and other measures given in this Report.**

**Conseiller Reginald Guille  
Chairman, Policy & Finance Committee**