



TYNWALD COURT OFFICIAL REPORT

RECORTYS OIKOIL
QUAIYL TINVAAL

PROCEEDINGS

DAALTYN

HANSARD

Douglas, Wednesday, 20th July 2016

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Present:

The President of Tynwald (Hon. S C Rodan)

In the Council:

The Acting Attorney General (Mr J L M Quinn),
Mr D M Anderson, Mr M R Coleman, Mr C G Corkish MBE, Mr D C Cretny,
Hon. T M Crookall, Mr R W Henderson and Mr J R Turner,
with Mr J D C King, Deputy Clerk of Tynwald.

In the Keys:

The Deputy Speaker Mr L I Singer (Ramsey);
The Chief Minister (Hon. A R Bell CBE) (Ramsey);
Mr G G Boot (Glenfaba);
Hon. W E Teare (Ayre); Mr A L Cannan (Michael); Mr R K Harmer (Peel);
Mr P Karran, Mr Z Hall and Mr D J Quirk (Onchan);
Hon. R H Quayle (Middle); Mr G R Peake (Douglas North);
Mrs K J Beecroft and Mr W M Malarkey (Douglas South);
Mr C R Robertshaw and Mr J Joughin (Douglas East);
Hon. J P Shimmin and Mr C C Thomas (Douglas West);
Hon. R A Ronan (Castletown); Mr G D Cregeen (Malew and Santon);
Hon. J P Watterson, Hon. L D Skelly and Hon. P A Gawne (Rushen);
with Mr R I S Phillips, 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 rise for the President of Tynwald.

The President: Moghrey mie, Hon. Members.

5 **Members:** Moghrey mie, Mr President.

The President: The Chaplain will lead us in prayer.

PRAYERS

The Chaplain of the House of Keys

Supplementary Order Paper No. 2

1. Suspension of Standing Orders to take the business on Supplementary Order Paper No. 2

A Member of the Treasury (Mr Henderson) to move:

That Standing Orders be suspended to the extent necessary to allow the business on the Supplementary Order Paper to be taken.

The President: Please be seated, Hon. Members.

10 We made reasonable progress yesterday and, having completed Item 8, I think it would be most convenient if we start this morning's session with Supplementary Order Paper No. 2.

I propose, therefore, with the leave of the Court, to take the Items on Supplementary Order Paper No. 2, and in order to do this I shall call Mr Henderson to move that Standing Orders be waived to permit the business to be taken. Then, if the Court agrees, I shall call the Minister.

15 I call Mr Henderson to move the first Item on the Supplementary Order Paper.

A Member of the Treasury (Mr Henderson): Gura mie eu, Eaghtyrane, and I thank the Court for its indulgence in this matter.

20 All of the Items on this Supplementary Order Paper relate to the coming into operation of the Marriage and Civil Partnership (Amendment) Act 2016, the proper functioning of the Act and how it relates to other legislation.

As usual with Appointed Day Orders, the Order that brings the Act into operation and which makes consequential and incidental amendments to other legislation does not require Tynwald

approval, nor do the Regulations that allow for civil partnerships to be converted into marriages. As a result, from Friday, same-sex couples will be able to apply to get married, opposite-sex couples will be able to apply to form civil partnerships, and couples who are already in civil partnerships will be able to apply to convert their partnership into a marriage.

However, the purpose of the four remaining Items, which do require the approval of this Court, is to ensure that the Act works properly with the Island's Social Security and pension schemes legislation and that there is a power to change the appropriate fees in certain cases. It is therefore highly desirable for these items of secondary legislation to be moved for approval and come into operation at the same time as the Act.

And so, Eaghtryane, I beg to move that Standing Orders be suspended to the extent necessary to allow the business on the Supplementary Order Paper to be taken.

The President: Mr Teare.

The Minister for the Treasury (Mr Teare): Thank you, Mr President.
I beg to second the suspension of Standing Orders, sir.

The President: A motion has been made to suspend Standing Orders. Is that agreed, Hon. Members?

Members: Agreed.

2. Papers laid before the Court

The President: I call on the Clerk to lay papers.

The Clerk: I lay before the Court the papers listed on the Supplementary Order Paper No. 2.

Social Security Act 2000

Social Security (Marriage and Civil Partnership (Amendment) Act 2016) Order 2016
[SD No 2016/0198]

Pension Schemes Act 1995

Pension Schemes (Marriage and Civil Partnership (Amendment) Act 2016) Order 2016
[SD No 2016/0199]

Marriage and Civil Partnership (Amendment) Act 2016

Marriage and Civil Partnership (Amendment) Act 2016 (Contrary Provisions) Order 2016
[SD No 2016/0224]

Civil Partnership Act 2011

Civil Partnership (Conversion to Marriage) Fees Order 2016 [SD No 2016/0208]

These documents will be made and circulated when Royal Assent to the Marriage and Civil Partnership (Amendment) Act 2016 has been announced.

The remaining items are not the subject of motions on the Order Paper

Civil Partnership Act 2011

Civil Partnership (Conversion to Marriage) Regulations 2016 [SD No 2016/0207]

This document will be made and circulated when Royal Assent to the Marriage and Civil Partnership (Amendment) Act 2016 has been announced.

Appointed Day Order

Marriage and Civil Partnership (Amendment) Act 2016

Marriage and Civil Partnership (Amendment) Act 2016 (Appointed Day, Etc) Order 2016
[SD No 2016/0193]

This document will be made and circulated when Royal Assent to the Marriage and Civil Partnership (Amendment) Act 2016 has been announced.

**3-6. Social Security Act 2000 – Social Security
(Marriage and Civil Partnership (Amendment) Act 2016) Order 2016 approved;
Pension Schemes Act 1995 – Pension Schemes
(Marriage and Civil Partnership (Amendment) Act 2016) Order 2016 approved;
Marriage and Civil Partnership (Amendment) Act 2016 – Marriage and Civil Partnership
(Amendment) Act 2016 (Contrary Provisions) Order 2016 approved;
Civil Partnership Act 2000 –
Civil Partnership (Conversion to Marriage) Fees Order 2016 approved**

A Member of the Treasury (Mr Henderson) to move:

3. That the Social Security (Marriage and Civil Partnership (Amendment) Act 2016) Order 2016 [SD No 2016/0198] be approved.

4. That the Pension Schemes (Marriage and Civil Partnership (Amendment) Act 2016) Order 2016 [SD No 2016/0199] be approved.

5. That the Marriage and Civil Partnership (Amendment) Act 2016 (Contrary Provisions) Order 2016 [SD No 2016/0224] be approved.

6. That the Civil Partnership (Conversion to Marriage) Fees Order 2016 [SD No 2016/0208] be approved.

50 **The President:** Mr Henderson has indicated that he would like to move the next four motions together, Items 3 to 6, but have them voted on separately. Is the Court content for this to be done? (**Members:** Agreed.) Thank you.

Mr Henderson.

55 **A Member of the Treasury (Mr Henderson):** Gura mie eu, Eaghtyrane, and again I thank the Hon. Court for its indulgence in this matter.

As you have indicated, I would like to move the four Orders on this Supplementary Order Paper that require the approval of this Hon. Court as a package, but have them voted upon separately. These four Orders all make provision further to the new Marriage and Civil
60 Partnership (Amendment) Act 2016 which will come into operation on Friday. They are necessary to ensure that the Act operates properly with the Island's Social Security and pension schemes legislation. They also prescribe the fees payable in relation to the conversion of an existing civil partnership into a marriage in certain cases and for related matters.

65 The first Order gives further legal effect to the extension of marriage to same-sex couples under the Act in relation to certain state pension matters. In particular, it provides that entitlement to category B retirement pensions for same-sex married persons will be on the same

terms and subject to the same conditions as for opposite-sex married persons and civil partners. A person's entitlement to a category B retirement pension is based on the current or deceased spouse's or civil partner's National Insurance record, as appropriate.

70 The second Order gives further legal effect to the extension of marriage to same-sex couples under the Act in relation to contracted out occupational pension schemes and the requirement to provide survivor benefits to widows or widowers. It provides that the requirements on occupational pension schemes to provide survivor benefits apply to same-sex married partners, as they do for civil partners.

75 The third Order provides that the provision made by the Act that marriage has the same effect in law for a same-sex couple as it does for an opposite-sex couple and related provisions do not apply to certain provisions of the Occupational Pension Schemes (Contracting-Out) Regulations 1996 and the Social Security Pensions Act 1975 as they have effect in the Island. The Order makes provision to ensure that married same-sex couples are generally treated in the
80 same way as civil partners rather than as married opposite-sex couples in relation to certain occupational pensions matters. It also makes provision to ensure that women formerly married to men are treated differently to other couples in relation to certain public sector pension scheme matters. Consequential amendments are also made by this Order.

85 The final Order prescribes the fees payable for converting a civil partnership into a marriage and makes provision for related matters. Those couples in an existing civil partnership who wish to do so may convert their partnership into a marriage, free of charge, in a registrar's office up to 1st November.

Further information is provided about each of the Orders in the memoranda which have been circulated to Hon. Members.

90 Eaghtryrane, I beg to move that the Items on the Supplementary Order Paper be so moved.

The President: I call on the Chief Minister, Mr Bell.

The Chief Minister (Mr Bell): I beg to second and reserve my remarks.

95

The President: If no one wishes to speak, we shall proceed to a vote.

The Item before us is, firstly, Item 3 on the Supplementary Order Paper in relation to the Social Security Act 2000. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

100 Next, the Pension Schemes Act, as set out in Item 4. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Under Item 5, in relation to the Marriage and Civil Partnership (Amendment) Act, those in favour, please say aye; against, no. The ayes have it. The ayes have it.

105 Lastly, Item 6, in relation to the Civil Partnership Act 2000, those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Thank you, Hon. Members.

Main Order Paper

9. Douglas Bay Horse Tramway – Proposals regarding future operation – Amended motion carried

The Minister for Infrastructure to move:

That Tynwald receives the Report 'Proposals Regarding the Future Operation of Douglas Bay Horse Tramway' [GD No 2016/0046] and that the Report's recommendations are approved as follows:

(1) That Tynwald supports the Public Transport Division of the Department of Infrastructure operating the Douglas Bay Horse Tramway for 2017 and 2018.

(2) That the Department of Infrastructure progresses discussions with Douglas Borough Council regarding the transfer of ownership of Strathallan tram depot to the Department, in its current state, for a nominal amount.

(3) That the Department of Infrastructure works with Douglas Borough Council to facilitate the transfer of ownership of trams and horses initially to the Department of Infrastructure, prior to transfer to the new governance vehicle.

(4) That following transfer of ownership the Department should undertake limited minor capital works to address urgent repairs to Strathallan tram depot to provide a temporary combined stables and tram depot.

(5) That the business case for continuation of the Tramway and a new combined facility on the site of either the Strathallan tram depot or Derby Castle should continue to be evaluated during 2017 and 2018 Tramway operations.

(6) That the new single line Tramway track should be laid from Derby Castle to the War Memorial as part of a Douglas Promenade highway scheme.

(7) That a legal body should be established to provide a suitable vehicle to receive charitable donations to the Douglas Bay Horse Tramway.

(8) That further investigation should be undertaken regarding the governance of the Douglas Bay Horse Tramway by a new arm's length governance vehicle.

The President: We now revert to our main Order Paper and we start with Item 9, Douglas Bay Horse Tramway.

I call on the Minister for Infrastructure to move.

110 **The Minister for Infrastructure (Mr Gawne):** Gura mie eu, Eaghtyrane.

The Douglas Bay Horse Tramway has operated on Douglas Promenade for almost 140 years and until January of this year there was no reason to believe that it would not continue to do so long into the future.

115 I know that some Hon. Members, together with a large number of supporters of the horse trams both on and off the Island, shared my shock at the sudden announcement by Douglas Borough Council that it would no longer operate the service and that the Tramway assets would be permanently disposed of.

120 This concern, debated in a Motion of Urgent Public Importance in the House of Keys, resulted in the Department establishing a working group to assess the impact of the closure and consider future options. The working group quickly recognised that even a temporary closure of the Tramway would effectively become a permanent one because the loss of custom would be so great, so my Department undertook to run the Tramway for the 2016 season.

The working group, which comprised of the MHKs for the area, political and officer representation from DoI, Treasury, DED, MNH, Culture Vannin and Douglas Borough Council has

125 now finished its investigations and has identified a set of recommendations which I hope Hon. Members will be able to support today.

The horse trams are one of the key components of the Island's visitor offering and an essential part of our cultural heritage. An iconic aspect of the Douglas waterfront, and the last original horse tramway to have operated continuously since 1876, the Horse Tramway is the most historically significant aspect of our heritage railways.

130 Although competitive railway destinations have similar narrow gauge steam railways, the Isle of Man is unique in offering a range of Victorian railway experiences. For many visiting transport enthusiasts, the Tramway is the most important aspect of our heritage railways and it is considered to be one of the most historically important transport systems to be found anywhere in the world.

135 This interest in our heritage railways translates into real economic value for the Isle of Man. In 2011, the economic impact of the railways was assessed as being a contribution to GDP of £11 million per annum. At that time, the contribution by the overall heritage sector was assessed as being £38 million per annum.

140 With the efforts of my Department, Manx National Heritage and the Department of Economic Development, this contribution to GDP has grown considerably. Income on the heritage railways has almost doubled since 2011, a result of an increase in group bookings and an extended operating season. During 2015, 55 transport-related groups visited the Island, providing approximately 8,800 bed nights.

145 I am pleased to be able to advise Hon. Members that the indications for the operation of the 2016 Tramway season are very encouraging. For the period ended 10th July 2016, the Tramway has carried a total of 24,511 passengers, an increase of almost 40% when compared against the same number of days in 2015. The increase in passengers has resulted in cash revenue for the season to date of £31,360, again an increase of almost 50% when compared against the same number of days in 2015.

150 Management of the Tramway by the MER has helped to contain costs, but the Department has been able to benefit from the knowledge of key staff previously employed by Douglas Borough Council who are now employed on seasonal contracts.

155 Should Hon. Members agree that the horse trams should continue, there are a number of significant issues which would need to be addressed, including stables, a tram depot and the tram track.

My Department and heritage organisations both on and off the Island strongly believe that the value of the Tramway to the Island's tourism offering far exceeds the estimated cost of operation. However, I am conscious that, despite our initial success for 2016, this will not necessarily be enough to convince all Hon. Members.

160 By accepting the recommendations before us today and extending the operation for a further two years, we can gather enough data to properly consider the business case for the investment required to continue the Tramway. I am not asking for any additional money to achieve this; it can be done within our existing budgets.

165 Douglas Borough Council has agreed in principle to transfer ownership of the Strathallan building to the Department. This will allow us to provide a combined short-term stables and tram depot within that building.

170 The Douglas Promenade Highway Scheme will start when planning consent and Tynwald approval have both been obtained. The current proposals for the Scheme are for the work to first start on Loch Promenade, between the Sea Terminal and the War Memorial. It is the Department's *firm* intention to complete this work within the next two years.

175 Only when the work at Loch Promenade has been completed would we start work on the area of the promenade towards Strathallan. With this proposal, it would be possible to operate the Tramway between the Strathallan building and the War Memorial for two further years without impacting upon the work at Loch Promenade.

A corridor for the Tramway along Loch Promenade will be provided to ensure that the Tramway could, if required, be reinstated at a later date between the War Memorial and the Sea Terminal. Indeed, I know that there are a number of Hon. Members who believe that that tram track should go in straightaway and, quite frankly, that would be my preferred option, but I am reporting what the finding of the working group was and it will be down to Members to see whether they agree or wish to change.

It was determined by the working group that, with limited funds available, it would be better not to include tram tracks on Loch Promenade at this stage. The cost of including a tram track, if we do it in conjunction with the works that are due to take place on Loch Promenade, would be £750,000, which other Hon. Members might prefer to see used to support other services.

Should Tynwald agree to extend the track to the Sea Terminal to preserve parking in the town, which we have been told by the retail and hotel sectors is vitally important, the new track could be laid on the chevron parking on Loch Promenade. The Tramway could then run to the Sea Terminal on days where there is lower demand for parking in the town. I should advise Hon. Members that laying the tram track on Loch Promenade would extend the contract period of the works due to the need to provide construction areas and maintain two-way traffic at all times, though.

There are no detailed designs at this stage for any future location of the Tramway track between the War Memorial and Strathallan. These will be developed with the proposals for that section of the promenade, depending on whether Tynwald supports recommendation 6.

I would also add that, as an interim measure, the Department will do some essential repairs at the Strathallan building end of the promenade to address concerns about the current poor condition of the highway. Around about £100,000 worth of works will be undertaken to deal with what is clearly no longer just a temporary problem. We thought that we would have started the work this autumn to refurbish the whole promenade. Obviously, that is no longer going to be possible, so £100,000 has been allocated to improve the ride quality of that end of the promenade, effectively from the War Memorial through to the Strathallan building.

To conclude, after the gradual decline of the Island's tourism in the 1970s and 1980s, the industry has now rebranded itself. By combining the Island's rich heritage and culture with its natural resources, a distinct offer has emerged which differentiates the Isle of Man from other destinations. However, for this success to continue, all the elements of the visitor experience need to be in place and need to continue to be supported and fostered.

Hon. Members, as someone who cares passionately about the cultural heritage of the Isle of Man, I would have loved to come to Tynwald with a proposal to permanently save the horse trams, all the buildings, rolling stock, horses and track associated with it. However, we have to remember that we live in straightened financial times and, while I am confident a strong financial case can be made for the future of the horse trams, in the relatively short time we have had since Douglas Borough Council announced its intention to cease operations it has been impossible to gather all the information needed to draft a robust business case. As our licence with Douglas Borough Council ends before our next sitting, it was essential for this matter to be brought to Tynwald for consideration today if the Tramway is to have any future. By giving ourselves a few more years' breathing space, as suggested in the motion, we can, I am sure, demonstrate whether or not the Tramway can become a more viable prospect, as well as developing a stronger case for the Tramway's long-term future.

By default, our Island is the guardian of an extraordinary array of unique objects: the greatest water wheel in the world, the oldest commercial operating electric tramway; a unique camera obscura; the world's oldest continuous parliament; Britain's finest Victorian theatre and, of course, our Horse Tramway. To lose any one of those would diminish our identity, our national integrity, our cultural heritage, and, just as importantly, the unique selling points for visitors and residents alike.

Eaghtyrane, I beg to move the motion standing in my name.

The President: The Hon. Member for Douglas South, Mrs Beecroft.

230 **Mrs Beecroft:** Thank you, Mr President.
I beg to second and reserve my remarks.

The President: I call on the Hon. Member for Douglas South, Mr Malarkey.

235 **Mr Malarkey:** Thank you, Mr President.

I rise to congratulate the Minister on bringing this motion forward today to, at least for the time being, save our heritage and our horse trams. I think the Department and the working group should be congratulated for the work they have done in the past six months, when we were shocked to find out that Douglas Town Council were pulling out from operating the horse trams.

I would also like to congratulate the Department for how they managed to get the running costs down on operating them, and it is great seeing full trams up and down the Promenade, as we have been noticing in the last few weeks and which I have observed quite a lot.

245 Mr President, I can understand, from the Minister's points of view, this is to give us two years' breathing space to find out what is wanted moving forward for the future. We do not know what our finances are going to be, but what I do know – and I keep saying this, Mr President – is that tourism is a thing that we must push for the future for the Isle of Man economy. We have opportunities to grab more and more in tourism to help our economy. It has grown 1% in the last year or so; there is a lot further for it to go. I believe the horse trams, the Electric Railway, the Steam Railway and all the other items that we have that make this Island unique have to be maintained, and obviously there has to be some cost to this.

250 Mr President, I have got a very small amendment circulating at the moment. I listened with interest to what the Minister said at several presentations and here today with regard to how far the horse trams should run across the promenade. I am a 100% firm believer that it should not terminate at the War Memorial. If we are going to have it at all, it has to be the full length of the promenade.

260 Mr President, I also understand the dilemma that the Minister and several other Ministers have been in for the last five years at least: the promenade is in a terrible, terrible state, and every time the horse trams are mentioned and we go to Planning it seems to hold up the work going forward on the promenade. So, I can understand, at this stage, that a spade has to be put into Loch Promenade and we need to get on with some work. For that to happen, the horse trams will have to terminate at the War Memorial for the immediate future, for the time being, for that to happen, so at least we can get on with some of the work.

265 I am also heartened to hear the Minister saying that there will be facilities laid in future if we want to lay those tramlines from the War Memorial to the Sea Terminal.

What I am a little bit distressed on in the motion is at (6), where it is asking us today to approve:

That the new single line Tramway track should be laid from Derby Castle to the War Memorial as part of a Douglas Promenade highway scheme.

270 I think that really holds the hands of any Minister moving forward in the future, that this Hon. Court has said they have only to run from Derby Castle to the War Memorial, and any hope of it ever getting reinstated from the War Memorial to the Sea Terminal will really tie up the Minister's hands moving forward for the future.

275 So my very short amendment, Mr President, purely sees to remove the word 'War Memorial' and reinstate 'Sea Terminal', because at least, going forward to the next Minister, or this Minister, the option will be there to lay the lines. We have had the reassurance from the Minister that the facilities will be there for that to happen, but I believe it has to be put into this

motion going forward today. That is the reason for my very slight amendment. It would now read: 'That the new single line Tramway track should be laid from Derby Castle to the Sea Terminal as part of a Douglas Promenade highway scheme.'

Again, I understand what the hold-up is from being involved in the Douglas Council. I have
 280 probably seen more presentations on this promenade than most people sitting here, because we were getting them on a monthly basis in the Council every time the plans changed and every time the Minister changed in the Department – a new Minister would come in with a different idea and a different plan. At one stage, there was a plan ... I think it was maybe Minister Ronan at the time who said, 'We are starting and we are putting the lines down between the Sea
 285 Terminal and the War Memorial on the pavement side' – (**A Member:** The sea side.) 'on the sea side, pavement side,' – which everybody seemed to agree with, and then that was changed because Minister Gawne came in and then found out that that was okay but there was nowhere else to take them after that because nothing had been planned.

Then there have been up-cries between hoteliers with regard to parking and coach stops.
 290 There is an issue with parking on Loch Promenade, and that too I can understand, but there are schemes in the pipeline, from what I understand, and there have been for development, again, of the bus station site or Walpole Avenue, which will involve car parking. If, in the near future, that goes ahead, I see absolutely no reason whatsoever why the tramlines cannot then be laid and horizontal parking be taken off the promenade, because there is sufficient parking on Loch
 295 Promenade to cope with these vehicles that will keep the hoteliers and everyone else happy. But we must make sure that there is facility for that to happen in the future – and I hope it is in the near future, not the long future.

So I am asking you today to support my amendment that at least allows the next Minister, or this Minister if he is the next Minister, to have the right to come back to Tynwald – he will have
 300 to come back for the money – to lay those lines from the Sea Terminal to the War Memorial.

We heard in the great debate yesterday over the future of our sea ports, etc. that the way forward is for more cruise liners coming to the Island. We heard about deepwater berths. If we have a deepwater berth for them to get off the cruise liner and they walk up the jetty by the Sea Terminal, wouldn't they like to jump onto a horse tram at that stage and do the length of the
 305 promenade to see what Douglas is all about? They are not really going to walk for half a mile up the promenade, looking to see where the horse trams start. They will want the whole adventure of the whole promenade.

This is all keyed into where we go forward for the future. I just do not want us today to block that off by saying we are only going reinstate it in the future from Derby Castle to the War
 310 Memorial. I want us, today, to leave the options open and hopefully they will be options that we will take up: that the line will be maintained; the future of our horse trams will be maintained for the sake of Douglas Promenade; and, at the same time, this will not hold up the development moving forward to get the road sorted out in the near future, instead of having to go back for more planning applications, more delays, which we just cannot afford, Mr President.

315 I beg to move:

In recommendation 6, to remove the words: 'War Memorial' and to insert the words: 'Sea Terminal'.

The President: Hon. Member for Douglas East, Mr Robertshaw.

Mr Robertshaw: Thank you, Mr President.

I will try not to repeat anything that has already been said, because it has been said loudly
 320 and clearly and I am very pleased to support the amendment. But I would like to reiterate the Member for Douglas South's congratulations and thanks to the Department of Infrastructure and to the Chief Executive, who is with us today, to MNH, and particularly as well the Transport Division, who have all worked exceedingly hard in a very short period of time to produce some

really good numbers. Those numbers show an increase in business, a reduction of cost, an
325 integration of the tourism product – which I am obviously passionate about, considering my
history. So I am very pleased to support this amendment.

Let's, for a moment, just remember the inheritance which the Minister has just been talking
about, that heritage. My great grandfather was the last Chairman of Great Laxey Mines, for his
330 sins. These things are extremely important, but they occurred on the basis of a great sense of
vision, and what I would ask Members to do today is, realising all the tensions and stresses and
pressures that we have got – and they are very real, in terms of cost – let's not let go of this
vision thing: what our future will look like, what our capital will look like. It is absolutely sensible
and appropriate that the tram track runs right down through to the Sea Terminal.

With that, Mr President, I will return to my seat.

335 **The President:** Hon. Member for Glenfaba, Mr Boot.

Mr Boot: Thank you, Mr President.

I have proposed an amendment that is very similar to Mr Malarkey's amendment and, as he
340 has proposed it and it has been seconded, I will withdraw my amendment, Mr President, if that
is acceptable. In the meantime, I would speak to the motion and the amendment, if I may. I will
endeavour to be brief, as indeed other Members are after last night's marathon.

I would like to welcome the Minister's very comprehensive overview and I believe all the
recommendations, with the exception of (6), are very acceptable. The Douglas Bay Horse Trams
345 are a unique part of our heritage and an integral part of our transport offering when it comes to
the growing tourism that we have been informed of. There will be challenges ahead, since the
crisis provoked by the Douglas Corporation when they withdrew funding, but there is now a
sensible raft of recommendations to move forward.

I hope the Court will support the Department operating the trams from 2017 to 2018. It is
350 essential that they remain operational during this period whilst discussions on the future and
transfer of ownership of depot, trams and horses are being explored.

It is common practice nowadays for many heritage railways in the UK to be operated by
volunteers on a charitable basis, so I recommend the idea of a new vehicle and I am sure that
there will be many interested parties who will participate in operating the horse trams in the
355 future at significantly lower cost, perhaps on a voluntary basis. After all, this is the only
functional horse tramway with transport significance that is still operating in the world, all the
others are basically amusements, and so I think it is well worth preserving and a very marketable
commodity.

I welcome Mr Malarkey's amendment. I think it is absolutely crucial, if they are going to
360 retain any transport significance, that they run along the whole promenade and link with the Sea
Terminal. As alluded to, this is a developing destination for cruises and it would seem absolutely
counterproductive to cut the trams off from a potential source of revenue. I think if we do cut
the track short it will fail to offer any form of heritage transport link and, in essence, it will set
the trams up for failure. It is a bit like the tracks on the Mountain Railway starting at Laxey and
365 finishing at the base of Snaefell, and telling people they need to walk to the summit – I do not
think that will work very well. There are going to be financial implications, but with the two-year
grace period I think we can look at the other options and they may well be solvable.

So I would support the main motion, with the exception of recommendation (6), and I am
happy to support Mr Malarkey's recommendation and amendment.

370 **The President:** Hon. Member for Douglas North, Mr Peake.

Mr Peake: Thank you very much, Mr President.

I would just like to send round a slight amendment. It is to recommendation (6) again, but it
375 is just to give everybody a choice.

I am happy to support the rest of the motion. I do think it is important, though, that we separate out what is a large argument about the horse trams in the future and where they should be. It is important that we support the Dol with their resurfacing work, and great to hear that the Minister is going to put funds aside to repair some of the dreadful road conditions from the War Memorial to Derby Castle, and I think we need to support them now. The Treasury has provided the money for the Loch Promenade resurfacing work, so that is great.

My concern is that if we argue now about the length of the horse trams, we may well hold this work up – we may well start a debate which we do not need. We need to get on with the work now, and we can then have two years ... The horse trams are going to stop at the War Memorial for two years – we all agree that because the Loch Promenade work has to happen – so for two years the horse trams will be operating from Derby Castle to the War Memorial, quite clear. So let's get the information, let's get the facts from that period, and we can reach an informed decision on that over that period. The Department and anybody else can have ideas and have input and we can reach an informed decision in a sensible manner.

So my amendment is just to change the wording so that a single line tramway track should be laid ... No, it shouldn't – apologies, that is Mr Malarkey's amendment!

Mr Quirk: Should be incorporated. *(Laughter)*

Mr Peake: Thank you! So it is to include a design process in that promenade scheme. Thank you very much, Mrs Beecroft. Yes, to leave out the words, so that a design for a single line tram track should be incorporated in any future promenade highway scheme.

I am fully supportive of tramways, I am fully supportive of getting the road into a good state. I would just like us to separate out those two things and work on any designs that people want to put forward, and let's crack on with the maintenance that the Minister has agreed to and any work on Loch Promenade, and keep that design separate.

Thank you very much, Mr President. I beg to move:

To leave out the words in recommendation 6 and in their place to insert the words: 'That a design for a single line Tramway track should be incorporated in any future Douglas Promenade highway scheme'.

The President: The Hon. Member of Council, Mr Turner.

Mr Turner: Thank you, Mr President.

I think if I was a Douglas ratepayer I would be thinking the Corporation have played an absolute blinder here (**Several Members:** Hear, hear.) and would be absolutely delighted.

Quite a bit of the motion I do not have a problem with at all, and with regard to the amendment that is before us I am quite happy to support that.

What I would like to know from the Department ... I am fully supportive of them operating them for 2017-18; it gives time to assess exactly where things are going and to see whether a better model can be achieved. There is no doubt about it: since the railways themselves were modernised and investment put in, there has been quite a success story with many of their services. I was involved in the DCCL – well, the DTL before that – and we saw some investment in the railways, which were heading in a direction where we thought possibly there would come a time when they were going to close, and it was either invest in them, grow them, or see them decline. We have seen some great success stories there, so there is no reason why this could not build on it. But what I would like to know from the Department – because I think it is very important we are clear – is where the extra funding is going to come from internally. The Minister might have gone into the detail, but I was still a bit glazed over from the hour wrap-up on the debate last night from the Department of Infrastructure. Where is the extra budget coming from to operate these? Is it coming from the Dol slush fund, or are they going to maybe

hammer motorists a bit more? Where is it coming from? I think we need to be clear where it is coming from.

425 If we look at the other items on this motion: recommendation (2), yes, that is fine. Recommendation (3), the transfer of ownership – that all has to happen. The same with recommendation (4). Again, it is to do with transfer of ownership, limited minor capital works, because yes, if we are taking them on there is going to have to be money spent – there is no doubt about that – and, of course, the business case then worked up.

430 Then we get into recommendations (6), (7) and (8), which is where I have a few points to make.

First of all, the laying of the tramway on the promenade. You will be pleased to know, Mr President, I am not going to widen this out into a debate on the promenade. However, just to touch on that a little bit, there was a perfectly adequate scheme that the Department of
435 Transport had produced, which I was involved with under Minister Anderson at the time. It had widespread public support, it was consulted upon, it incorporated ... I think it was a single track that was the option that was decided upon. All of that was thrown out and we had some whizzy new scheme based on Poynton in Cheshire, that nobody had asked for, that had just come out of the blue. We have lost five years messing around with that. We would have had it done by
440 now, because it was a five-year scheme and I think that was in 2010 when the Department of Transport was coming towards being abolished. We would have finished it by now and we would have it. So I think we need to knuckle down and get this sorted out, instead of having a scheme that is going to work and then coming back and changing it because some consultant has come up with a great idea. Again, that is comment on the track. I hope we will actually get on with it. I
445 think it is pretty pointless, as the Hon. Member, Mr Boot, has said, to lay the thing to the War Memorial. We can argue about the bits and pieces of it all, but we are either committed to doing this or we are not. Let's not mess about with it. And if we are going to do it, it needs to be the full length. It is quite straight forward, as far as I am concerned.

I have concerns with the next two, and I will explain why.

(7) That a legal body should be established to provide a suitable vehicle to receive charitable donations to the Douglas Bay Horse Tramway.

450 We already have one, Hon. Members. We have a body set up in statute: Manx National Heritage. It has charity status. It is the body that we have set up and established to run our heritage assets. I spent five years on the board of Manx National Heritage along with, at the time Mr Speaker, and other Hon. Members. Manx National Heritage were very keen on these assets
455 but were not very keen on taking them on when we suggested the railways. In fact, they looked in horror when it was suggested we were going to take on the railways when it was going to be its period of decline. But of course we have had a change in management both at the railways and at Manx National Heritage. We have two very able officers there who have been working together to grow that market. The officers have not always found favour with the politicians but
460 it is about the achievements they have made. I really think that if we are looking at smaller, smarter Government – Manx National Heritage have been lobbying to keep this facility going – that is the vehicle. Why are we setting up another vehicle? It has already got the Trust side of the operation, which can receive donations, has substantial donations. People are very comfortable giving to that body and it supports a wide range of heritage infrastructure that we
465 have on the Island, so I do not see why we have to be looking at setting up a whole new system.

That links into recommendation (8): further investigation undertaken regarding the governance of the Tramway. Well, let's have a bit of joined-up Government here. I think MNH is the right place for it to sit. It might be that there is an element of central Government funding directed to it. Whether that is right, whether that is going to continue, that really is for another
470 day. We are looking at the policy and the strategy here of it.

So I most probably will vote against (7) and (8) on the basis that we have that vehicle already and I feel strongly that that should be where it goes. I think we should be making those decisions. We set out the stall to reduce the size of Government; setting up another body is not the answer. I think it will be a success under MNH. They have the resources, they have the marketing, they have the staffing and they have maintenance people. Rather than setting up a whole new body, I think that would be the right way to go.

I will listen to the debate to see if other Hon. Members think there is a reason why that is not the right way to go, but at the moment I will support all the other items, but not (7) and (8) at this stage unless I am persuaded otherwise. That is not to say I disagree with the principle; what I am saying – again, I will reiterate – is I believe we already have a suitable vehicle, ready established, that can take it on. They might not be very keen, but I think we should try and persuade them.

Thank you, Mr President.

The President: Can I just clarify, Mr Turner, you did say early in your presentation that you were supporting the amendment that is before us. Do you mean, by that, supporting Mr Malarkey's amendment, or that you are seconding Mr Peake's amendment?

Mr Turner: Mr President, for clarity, I will be supporting Mr Malarkey's amendment. I did not speak to Mr Peake's because I do not think it has been seconded.

The President: You are not seconding Mr Peake?

Mr Turner: No, I do not think it has been seconded.

The President: That is fine. Just avoiding misunderstanding. Thank you.
Hon. Member for Malew and Santon, Mr Cregeen.

Mr Cregeen: I thought I had not indicated yet, Mr President. (*Interjections*) I am waiting for the Department to –

The President: In that case I will call Mr Thomas, Hon. Member.

Mr Thomas: Thank you very much, Mr President.

I would like to second the amendment by Mr Peake, and I will speak to that in a moment. First of all, I just wanted to respond positively to a large extent to the remarks of the hon. colleague from Council, Mr Turner, and address some of the questions he effectively asked in his words.

Essentially, it is obvious that we need to be looking for synergies and we need to be making sure that Government is joined up in all of this, but I wanted to bring to Mr Turner's attention the fact that Manx National Heritage itself has a body outside Manx National Heritage, called the Friends of Manx National Heritage, for the very purpose described in (7), as I understand it, which is to receive charitable donations and to engage people outside the legal structure of Manx National Heritage. So it is a good idea to involve Manx National Heritage, it is a good idea to make sure that there is a vehicle set up; but it seems to me helpful to actually learn the lessons of Manx National Heritage and realise that 20 or 30 years ago they seemed to want to set up a Friends. Perhaps I am wrong, but that is, I think, a description of where they are.

But the most important point on that is that it seems to me there are likely to be synergies between the operations of the Horse Tramway, the electric tramway and the Steam Railway, and I would like to think that as part of (8) the Department, and Government more generally, intends to investigate to what extent we are talking about just the horse trams going outside

Government to the body as described, or whether all of the vintage heritage transport bodies can take that structure.

I would like to argue that I think it was probably two years ago now a working group was set up to investigate just that possibility across the different heritage transport organisations, along the lines that that had proved the success of the North Wales railways, the Ffestiniog Railway network. The crucial thing is that what the Department, and Government more generally, is investigating is whether or not there are possibilities to produce a cost-effective solution to the management and operation of all of the heritage transport infrastructure through the medium of an independent organisation within a trust structure established to conserve what is wonderful in our Island, namely the heritage railways. In other words, it is not just about charitable donation. It could be that Government can create an opportunity to use the assets of the vintage transport to raise money in itself, following the successful model employed by the North Wales railways, namely the Ffestiniog Railway and other examples, I understand.

Speaking to Mr Peake's amendment, I think Mr Peake's concerns are that this could all go wrong again, in the same way that Mr Turner described it going wrong three years ago and perhaps even five years ago. It could all get lost again in trying to draw up a massive promenade scheme, the way Mr Malarkey's amendment is worded, and what we want to make absolutely sure of is that tarmac is laid this summer between the War Memorial and Strathallan, and that Loch Promenade is dug up this summer so the footings can actually be put in place, whatever is going to happen, two metres above them, or whatever it is, on the rest of Loch Promenade. So I think my understanding of Mr Peake's amendment is to make absolutely certain that we get things going and we actually keep it available, the route, but also we allow the work to start now. So I would like the Department to comment on the relative merits of Mr Malarkey's and Mr Peake's amendments, because I understand that is the spirit in which it is being offered. Mr Peake's is a more defensive amendment, rather than Mr Malarkey's, because it is not talking about a definite promenade scheme; it is talking about starting the whole work and getting it going.

I just wanted to take people back a couple of years, because it is worth listening to new people – Mr Peake is not that new, he has been here over a year now, but in my second Tynwald I did suggest, three years ago, that we should adjourn for a few months to work up a whole promenade scheme. And if we had done at that stage, perhaps we would have been in a lot better place now, because three years on we have not actually started. (*Interjections*) What I said was were we really right, by doing phase 1 – go back and read the *Hansard* – and I did say no decision had been made on the horse trams and might that not be a cause that would delay it for years and years. And that is exactly what has happened.

In October 2013 I did ask the Infrastructure Minister at the time, Mr Cretney, was this the beginning of games between the council and the Council of Ministers about who was responsible for closing the horse trams; and, looking back at Mr Cretney's answer, he assured me that the Council of Ministers would not play games. What a sad series of events over three years, because conceivably that is what the population will perceive has happened.

So I think Mr Peake's amendment seems to be a very conservative amendment to make sure something happens, so we finally make progress, and I look forward to the Department addressing its preference so it is quite clear which one they support, if they do support either.

The President: Mr Malarkey to speak to the amendment.

Mr Malarkey: Thank you, Mr President.

Speaking to the amendment brought back from the Hon. Member for North Douglas, I fail to see what this brings to the motion, (**Several Members:** Hear, hear.) to be perfectly honest.

I did actually give Mr Peake a copy of my amendment yesterday in the hope that maybe if he wanted to improve on it, or whatever, he could have done, and he gave it back and said he did not agree with it.

575 What Mr Peake does not do is save the tramline between the War Memorial and the Sea Terminal, which is exactly what my motion does today. Quite clearly, reading them out, my motion says that the new single-line tramway should be laid from Derby Castle to the Sea Terminal as part of the promenade highway scheme. It is like a directive to the Department. What more does Mr Peake want?

580 This is a bit wishy-washy: that a design for a single line track should be incorporated in any future Douglas highway scheme. Where do you want it running: round Onchan before it gets to Sea Terminal? There is no direction to it.

The motion, I believe, is very clear. All my amendment does is make it clear that in the future it will run all the way to the Sea Terminal from Derby Castle.

585 I am afraid Mr Peake's motion ... I do wish he had come and spoken to me yesterday when I gave him my copy, and then maybe we could have elaborated a little bit to try and help yours along.

I would suggest that we support the amendment put down by me, and not the one by Mr Peake.

590 **Two Members:** Hear, hear.

The President: Mr Cregeen.

Mr Cregeen: Thank you, Mr President. (**A Member:** Vote!)

595 I think we have all been lobbied by numerous people regarding how we should keep the horse trams. Most of the ones who have lobbied me have said that what we should do is ensure that we have got a single track in its current position down the centre of the roadway, and that is the heritage part of what the horse trams are.

600 There are a number of concerns that people have expressed about which side and how much it is going to cost. And it includes if we do the Loch Promenade side first and then you do not have any tracking; then, if you have to dig it up and reinstate it, is that additional cost; or would you be just as well, when are doing the Loch Promenade side, having the base put in suitable for installation of the new track?

605 It is a very detailed document that you have got down through here, and one of my concerns is that the Report does go on to state that the Strathallan building is in a very dilapidated state. It is in a conservation area, there is the possibility of if being registered: is it actually in the right place for future use? Would the ideal place be on the Derby Castle site, where you are going to go straight through, rather than all the track work that you have got in place?

610 If the photocopier is working a bit quicker (**Mr Quirk:** Than yesterday.) again, I have an amendment to come through, which goes on to say 'but should return to Tynwald for approval before signing off any agreement'. The reason I am moving that is because I would hate for future governments to be stuck with another registered building which they cannot afford to keep or are not going to be able to use to the maximum benefit of the economy. That is one of the concerns that I have: that we could have another issue like Queen's Pier, like we have had on
615 the Nunnery, and any of the registered buildings across the Isle of Man that Government has owned that we have not been able to maintain. So there is that concern.

Yes, Douglas Corporation have pulled a real flanker: after years and years of saying they want to work with Government, right at the last minute there you go. As we have said before, they did exactly the same on the Bowl prior to the Commonwealth Youth Games: 'We are going to go
620 and work with Government, we are going to do all these things,' and we commit that we are going to work with them and they pass it out over to us and say, 'Well, you can pick up all the costs.'

625 I think we have to ensure that any future development, whether it is for tourism, is the appropriate building that we have, and whether it should be a short lease that we have with Douglas Corporation until we can get a final facility that is fit for purpose, rather than

transferring ownership of what is in this document said as a liability. I think we should be very careful when we are accepting another liability.

As most Members have now got the amendment, I beg to move the amendment standing in my name as part of recommendation (2) on the Order Paper:

To add at the end of paragraph 2 the words: ‘; but should return to Tynwald for approval before signing any agreement’.

630 **The President:** Hon. Member for Onchan, Mr Quirk.

Mr Quirk: Thank you, Mr President.

635 I will be seconding Mr Cregeen’s amendment. I think it is very vital for us to have this particular amendment included in the motion, because at the end of the day there are still some people who have been lobbying us, the pros and cons, on it; and when we are in times when money is tight and issues and problems have to be addressed, we have to make sure, as a parliament, that we do have scrutiny. This would give us the scrutiny for the next House.

640 It would also give us an opportunity, because the Minister did say regarding the business case. I have been trying to champion some of this for some time in this Court, to say that ... to give Departments ... to those individuals who are in the Court asking for a copy of the business cases, because if your project stands up financially, stands up to planning, stands up to the test of what we require in the Court and what the population require, I do not see why the business case, suitably retracted if it was sensitive information for tender processes, should not be give out. It is the pros and cons to it. I would ask Hon. Members here today from both Houses, really
645 ... because at the end of the day we can guarantee that there will be certain Members, on the top table anyway, in the Court, and they will be the custodians of this for the future, for the next generation.

650 If I could move on slightly now to the actual debate itself, I am happy to put on record to support Mr Malarkey’s amendment. I cannot support Mr Peake’s because I feel quite uncomfortable with it. I would look to seek an assurance from the Minister, from the Department, to clarify to me that we are talking about the roadway, because my little ... You learn a lot as you go on and it is all in what is said in the motion, what is said on the paper, and it is not actually what we say. I am looking forward to some response from the Minister to say to us that he is, for the rest of ... well, his term and the future of this House, I suppose, and the next
655 House, really, that we will walk away from the walkway.

660 Like Mr Turner said, there were perfectly good plans consulted on and we were going down the right road. *(Interjection by the Minister)* Whether you believe it or not, Minister, we were going down the right road. We were carrying everybody with us. *(Interjection)* But then suddenly we changed track, didn’t we? **(A Member: Yes.)** We went down onto the walkway into a conservation area. We walked into a massive nightmare. And I can say, hand on heart, to anybody ... anybody who went to the public inquiry that happened over three or four days, the amount of money that cost ... That is a criticism to you as well regarding the public test that was actually done on that. It proved the point that at the end of the day it should be retained in the roadway. So I am looking for that, and it gives me that from Mr Malarkey’s amendment, saying
665 we are coming from Strathallan on the roadway down to the Sea Terminal. It can be encompassed. It is not a big issue, as far as I am concerned, because we have got the tracks. We bought the tracks some time ago, so it is not a problem putting a track in, and we were told at the time we bought the tracks they can be used for both. I remember people saying that to us, so I cannot see why, when we are doing the roadway – the operation while the work is
670 happening, say, at the Loch Promenade side – the tram could not terminate at the Villa Marina side, outside the Sefton, for a short time while the work goes on. When that is connected back up, we are back into it and we move on.

My other little concern is ... Oh, before I go somewhere else, I wanted to say, too, I do support Mr Turner's view regarding (7) and (8). Why do we want to, when we have got something like MNH ...? There is an arm that is the charitable side of that which is covered by trusts and can be used for another vehicle to bring in funding for that. The services could be provided by the DoI and the expertise comes from the DoI to that particular organisation. I would like to see that explored. I would not like to see it just dropped altogether. I would like to see that expanded a little bit.

The Minister probably would say that it explores all the avenues on it, but it does not do it with everything, which is the trams, Steam Railway and the electric cars, which is the heritage side of it. It is specific, Members. It does say, in recommendation (8), a reference to the 'Douglas Bay Horse Tramway be at arms' length' – it does not expand it up. So, I am happy to go with Mr Turner's thoughts on that, although we have not got an amendment to it. We would either have to vote it down, which –

A Member: Well, let's discuss that.

Mr Quirk: – I would have to consider. At the end of the day, that would be the response coming back from the Minister and the Department.

It would be helpful for the future, because we were trapped into a corner. We were actually like a rabbit in a set of headlights after the inquiry. The Corporation did pull the rabbit out of the hat and forced us down a particular road, which was uncomfortable. (*Interjection*)

I am not a Douglas ratepayer, but I know people who are Douglas ratepayers who were asking me, 'All of a sudden, Government can do this at £56,000,' and we are going to extend it now to 2017, maybe a little bit longer, I am not quite sure, to test it even more, but those ratepayers who were expending £240,000 in their rate fund to it obviously this year have never received any reduction back in their rates, but that may be something that the ratepayers ... There is no Ratepayers' Association in Douglas anymore. That may be a hint for somebody who is canvassing in the Douglas area. I think there is a cry out for that, to make local authorities accountable for certain elements, and if they are not providing that element and if they have funded for it, there should be a reduction. What do the Douglas ratepayers get for their rates? Not a lot. They get their bins emptied and some street lights – and that is the commercial side.

A Member: Just a little bit more than that!

Mr Quirk: No, the commercial side do not get much at all. You look at the businesses and you ask the businesses what they get out of the rates around the whole of the Island: not a lot. We cannot even afford to trim hedges at the minute, properly.

There are a couple of other issues that I wanted to bring up. Why I wanted the business case and have that business case put before us is that on number (2) on the recommendations it says about the Strathallan depot, which we know the Report ... We have never seen the surveyor's report or the consultant's report on it, but as far as the wording that was said, and the Minister said it in his presentation to us too, it is past its best; and if it is to be registered, it is going to cost us a fortune to do something. Certain Members want the conservation officer back and I know from some time ago – it was not in Onchan; it was outside, another particular area – where the conservation officer insisted, and I have said it before ... an old cottage, where he insisted that the roof truss, which you could not even see from the outside, the rot had to be cut out and then they had to put new pieces in to it, two-foot-six long, and he would not let the person put in brand new tanalised timber underneath the roof, to put the slates back and the ceiling back, which you could not see for the rest of their life.

I look forward to the debate on planning, because, Mr President, you are going to have to control some of us in the Court, because we will be wandering all over the place. (*Laughter and interjections*) There is a concern out there.

725 Regarding the stables, the stables are actually gone. They are awful!

Mrs Beecroft: No, they are not!

Mr Quirk: They are; they are awful, if you go and look at them.

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Mrs Beecroft: I did, and they are fine.

Mr Quirk: And the Corporation believe they are worth a substantial amount of money. So the concern I have, Minister ... I am not getting at you or the Department. I want to make sure, for the future of us all, that when statements are made in here, they are cast in concrete, not in tarmac, something that we can chisel up or melt again.

735

The 'nominal amount': I would like to find out what the nominal amount is. The nominal amount, to me, is what the compulsory purchase issue is: 50p or 25p.

Somebody mentioned here today about the Bowl, when Tony Brown was the Chief Minister. I remember him talking to Members on this thing when the Corporation ... They had spoken to them. It was not DCCL at the time; it was Tourism, or whatever, DTL. (**A Member:** Tourism and Leisure.) They were talking to them about the Bowl. We wanted to expand that as a national stadium for sport added on to the NSC, which is great for the whole population. They were restrictive, they were negative. At the end of the day, the Chief Minister at the time said to some of the Members, 'Would you support us on going for it?' and the majority in this Court said yes and we bought it, I think it was for 50p. I am sure somebody offered it up at the time. It could have been myself or Mr Cregeen –

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The President: Hon. Member, can we stray not too much from the Item before us. (*Interjections*)

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Mr Quirk: I am just flavouring those issues that we have got to have cast in concrete. *Hansard* is wonderful. I know my colleague keeps saying '*Hansard*'. *Hansard* is nothing compared to what the motion said, because ... I would love to find out what is written on the Steam Packet one, because towards the end of the night –

755

The Minister: Yes, I would too! (*Interjection*)

Mr Quirk: – I was slightly confused.

760

The President: We are not talking about the Steam Packet, Hon. Members.

Mr Quirk: There were a couple of other ones regarding how much money do we put into stabilise something.

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A Member: Stable-ise! (*Interjection*)

Mr Cregeen: We don't want to be saddled with their debt!

770

Mr Quirk: Taxpayers' money – no.
What was the other one I was going to ...?

Mr Henderson: Come on, David, trot on!

775

The Minister: He's got the bit between his teeth now!

Mr Quirk: All I would say to Hon. Members is please support Mr Malarkey's. Have a thought about Mr Turner's one, because I think there are merits in that.

780 Mr Cregeen's one, which I have seconded, is vital to us all, because it gives us that clarity, Members, and then we can move forward to the next item.

I must say, there are still people out there who are concerned about using legitimate taxpayers' money on issues which should be spent elsewhere for the nation. I do have thoughts with them – because I have had a few emails regarding that as well.

I will sit down.

785

The President: Hon. Member for Douglas East, Mr Joughin.

Mr Joughin: I rise to speak to the motion and the two amendments, Mr Malarkey's and Mr Cregeen's – I support both of them.

790 I think it is important that we maintain the track to the Sea Terminal. I do not know how many times I have taken my dogs along the track to Peel and people have said, 'Oh, it's a shame it's gone.' I walk up to Kirk Michael and they say, 'Oh, what a shame!' It would be a shame if that went, it really would, and a real asset would be lost.

795 The Hon. Member for Onchan, Mr Quirk, is 'stabilising' the end of the promenade. We have all been lobbied and I have been lobbied by groups about the stables where they are now. I think you are getting a bit mixed up which stables we are talking about. The stables at the bottom of Summerhill are in extremely good condition. (*Interjection*) They are in very good condition. The properties at the front are not so good, but the stables are in very good condition. But they could not be retained there, because of the promenade development, the roundabout; it would be totally unsuitable.

800 At the beginning of our talks, which the Minister gladly invited me and Mr Robertshaw to, they were not prepared, the Douglas Corporation, to give us the terminus. They wanted to retain it and for us to build our own. Since the talks, they have decided to give it to us for a nominal amount, as yet to be disclosed. What I would say to the Member for Onchan is, you do not look a gift horse in the mouth. (*Laughter*) It is a plot of land being given to you by the ratepayers of Douglas and you are going to build a new stable on it anyway – a brand new, purpose-built, modern stable. (**A Member:** For £3 million.) Let's get to that. You are given a piece of land for nothing, just like the bus station.

805 What I would like to do is, just for *Hansard* ... that the stables will not be able to be used at the end of the promenade, and for the Minister to confirm that.

810 Thank you.

The President: Hon. Member for Douglas South, Mrs Beecroft.

815 **Mrs Beecroft:** Thank you, Mr President.

I will be brief, I am sure everybody will be glad to know. I do not intend to go on like some other people.

820 I would like, first of all, to put on record my thanks to everybody who has been involved in getting it to the position where it is today. There has been such a huge amount of work, blood, sweat and tears gone into getting it to this point so it could come before you before parliament went into recess. I think everybody involved really does deserve congratulations on that. (**A Member:** Hear, hear.)

825 I think that shows the commitment to trying to save what is a really iconic heritage feature of the Isle of Man. They have put in the work, and the comments this morning ... I know Members have agreed with little bits of it, like recommendation (6) and things like that, but the general feeling has been one of such positivity of trying to save the horse trams, trying to find a long-term solution, that it really does gladden you. It seems to be, with one voice, we want to save

them, but we have got reservations about some of the other things, which is absolutely fine because the main point is to try and find a long-term solution so that we do not lose them.

830 Everybody who sees the horse trams knows it is the Isle of Man. It would be awful if we lost them and, with the feeling in here today, I do not think that this going to happen at all, because it just seems to be such a feeling of positivity towards keeping them for generations to come, which is actually really the right thing.

835 The Minister, obviously, will be answering the individual questions and things that have been brought up in the debate, but the only thing I would add is about recommendation (8). I think it was Mr Quirk who brought that up, saying we should be looking at the whole heritage transport system, etc. But it says for 'further investigation'. I think we have to have a bit of a reality check here. We have only had a matter of months to get it to this state. How much longer would it have taken to bring a proper proposal forward for anything other than what is on the paper today? It would have been impossible for us to bring something forward saying 'This is what we think we should be doing for the whole of the heritage transport system.' That cannot happen in that length of time, which is why it is under 'further investigation'.

840 There is no commitment today in recommendation (8). It is just saying 'investigate further'. It will have to come back, it will have to have further debate, but for me the main thing is the will in here to vote through on all the other parts of it at least that save the horse trams for the future.

Thank you, Mr President.

The President: Hon. Member for Douglas South, Mr Malarkey.

850

Mr Malarkey: Mr President, to the latest amendment coming forward, which I think is trying to derail the situation this morning, (**A Member:** Hear, hear.) does the Member who proposed this not listen to why the Minister is here today? The present arrangements and agreement with Douglas Town Council run out in September. That is why he has had to come today to get agreement on a way forward. If you agree to the amendment coming forward today, before the Minister can sign anything he has to come back to Tynwald.

855

Mr Cregeen: Only on Strathallan.

860 **Mr Malarkey:** When is the next Tynwald? October! So what do we do between September and October and coming back? Does everything fold up because we cannot sign a new agreement, we cannot move forward? This is nothing more than a bit of a delaying tactic, to be perfectly honest. (*Interjections*)

865 Mr President, believe me, Douglas Town Council give nothing away for nothing, if they can avoid it.

Mr Quirk: Are you sure of that?

870 **Mr Malarkey:** They are still seething over the bus station site, believe me, because it gets brought up nearly every month in the Council (*Interjection*) about Government getting it back.

If there is an agreement coming forward where we can take over the terminus building ... Yes, it might be in a state. Mr Cregeen has suggested, maybe in the future we could look at combining with the MEA –

875 **Mr Cregeen:** No, I didn't!

Mr Malarkey: – or the MER section, or combining them together? (*Interjection*) There are lots of options moving forward, but at least we would actually own the building moving forward. (*Interjection by Mr Cregeen*)

880 Basically, Mr President, to ask this to come back to Tynwald again before we actually start giving the Minister permission to sign off, I think is a bit of a nonsense. I think we are here today to decide: do we want to keep the horse trams; how far do we want them to run; do we want this Minister or the next Minister to carry on negotiations and keep going? We cannot be running back to Tynwald every five minutes, every time a Minister wants to make a decision, so I
885 believe that the amendment by Mr Cregeen, I am afraid, does not warrant being supported, sir.

The President: Hon. Member for Ramsey, Deputy Speaker.

The Deputy Speaker: Thank you, Mr President.

890 I do not quite take the view of the last speaker on Mr Cregeen's amendment. I think he has thought it through, I think it is sensible and I will be supporting it.

The future success of our horse tram service is reliant on it running the full length of the promenade. A short track, as in the proposal, is not viable, so I think we certainly have to go for the full track.

895 What we say and mean has to be clear, and therefore of the two other amendments I support the amendment from Mr Malarkey because he is actually specifying the whole route and where it goes to, which is not clear in Mr Peake's.

It was mentioned about tourism and promoting tourism. I think tourism – I stand open to correction – has been increasing at about 3% per annum on the Isle of Man. At this time, we
900 have a marvellous opportunity to promote the Isle of Man as a hospital ... As a hospital! *(Laughter and interjection)* As a holiday destination.

If you look at the effect of Brexit, the downward slide of the pound, the reluctance of people from the United Kingdom and other areas to go abroad, now is the time that we can promote the Isle of Man. So we have to, for every reason, keep our attractions, give people every reason
905 to come and visit the Isle of Man – and the horse trams, as far as I am concerned, are part of that offer.

In the debate last March, I said I saw no problem myself in reconstructing the promenade roadway with the tracks remaining as they have been for the last 140 years. It has been quite safe, the double track in the centre of the road, with no serious accident record. We seemed to
910 have to this fancy Cheshire plan which, for me, had no reason at all. Why not keep the promenade exactly as it is, but reconstruct it? I did hear the Minister say at that time that it was unlikely that approval would now be given for rail track replacement where it is now. That seemed to be his opinion without proffering expert advice. Certainly, if not a double track and, if we were saving money, a single track, but I believe that should be down the centre of the road,
915 as it is now. That would also then save the parking.

One more item that I wish to refer to is the fact that I received a copy of an email that went to Mr Gawne, and in his reply he said:

Nobody would be happier than me if Tynwald decides to support a tramway on Loch Promenade, if that is proposed.

I think that is what is happening today and I will certainly be supporting the amendment, because I want to make the Minister happy.

920

The President: Hon. Member for Douglas North, Mr Peake.

Mr Peake: Thank you very much, Mr President.

I will be talking to Mr Malarkey's amendment. Thank you very much. *(Interjection by Mr Malarkey)*
925

The Minister: You can speak to Mr Cregeen's.

Mr Malarkey: Mr Cregeen's; you cannot speak to mine, I'm afraid.

930 **Mr Peake:** Yes. It is about us getting bogged down in detail. I think we are actually here for policy and strategy; it is not getting involved in detail. That is just going to distract us again.

I approached Minister Gawne yesterday and he helped me word my amendment, and that is all I did. So it is there to separate out the design from policy and strategy.

Thank you very much.

935

The President: I call on the Minister to reply.

Mr Cretney: Hear, hear.

940

The Minister: Gura mie eu, Eaghtyrane.

The President: I beg your pardon, I did not catch your ... Mr Coleman.

Mr Coleman: Thank you, Mr President.

945

We seem to be being a bit distracted here with assertions that we will get the tramway between the War Memorial and the Sea Terminal, but actually when you read recommendation (5), what recommendation (5) actually says is that the business case for retaining the Tramway and the new combined facility of the site of either Strathallan tram depot or Derby Castle should continue to be evaluated during the operations in 2017 and 2018. What the result of that could be is a business case which says we are not going to keep it. Okay? That is what that says, and you know it says that, Minister.

950

The Minister: That is not what the business case will say. *(Laughter)*

955

Mr Coleman: Okay! So really, whether we vote now for extending from the War Memorial to the Sea Terminal is a bit moot, isn't it? Because the 2017-18 business case decision could probably override the lot. I just put that in for your consideration, gentlemen.

Thank you, Mr President.

960

The President: Hon. Member for Council, Mr Anderson.

Mr Anderson: Thank you, Mr President.

I wonder, when the mover is summing up, if he could clarify the helpful information that was provided at the presentation to Tynwald Members about the usage from the War Memorial to the Sea Terminal, because I believe that was part of the reasoning in the length of the track going as far as the War Memorial and not going as far as the Sea Terminal. I understand from the officers who made that presentation that there were not significant numbers of people using that part of the promenade, and that, I presume, is one of the reasons why the proposal is as it is on the Order Paper.

965

I would like to congratulate the Department in turning the efficiency of the Tramway around in such a short time, **(Several Members:** Hear, hear.) but we must realise that, once the general public realised that it was under threat, it was going to be used very heavily this summer, and I think the proposal to analyse it over the next two years will be very important, seeing if those figures stack up and continue.

970

If the Minister could, when he sums up this afternoon, maybe just make sure that he does have the information about the usage from the War Memorial to the Sea Terminal.

975

Thank you.

The President: I call the Minister to reply. Mr Gawne.

980 **The Minister:** Are you absolutely sure, this time? Good.

Gura mie eu, Eaghtyrane, and can I thank all Members for their contributions. I think it has been a very good debate and perhaps a little bit clearer than the one that we had last night. It was particularly helpful to have clear amendments that everyone really understands, as opposed to the somewhat bizarre one that we had in the previous debate.

985 I thank Mrs Beecroft, the Hon. Member for Douglas South, for her seconding and indeed further helpful remarks during the debate.

I thank all the speakers who have congratulated the Department for coming forward in a relatively short period of time, and indeed the working group and all the other parties across Government who have come together to try to make this happen.

990 Actually, I will do a reverse order; I will swap around a little bit on this. I think it was Mr Coleman, the Hon. Member of Council, who mentioned the point about the business case needing to be made and how that could potentially conflict with Mr Malarkey's amendment. I am absolutely confident that a very, very strong business case for the continuation of the horse trams can be made and will be made. I am absolutely confident of that. All I am really saying is, at this stage, we have not had enough time to build that case.

995 I am actually very supportive of Mr Malarkey's amendment. I was quite supportive of Mr Peake's amendment, as he came to me and I worked with him on it yesterday, but I believe Mr Malarkey's amendment will give greater clarity and make it clearer what we are about here and what we are actually supporting. There is a danger sometimes in politics – and some people
1000 snigger when I say this – that we are a little bit vague perhaps and try to be all things to all people. I think Mr Malarkey's amendment gives much greater clarity as to what we are about in Tynwald, in that we are basically saying we do want the continuation of the trams.

Mr Malarkey pointed out: running costs down and income up. Others, during the debate, have laid into – a little bit anyway – Douglas Borough Council. Douglas Borough Council really
1005 should have given up the Tramway 20 years ago. I do not think it is fair to criticise Douglas Borough Council for, at this very last minute, deciding that perhaps it is not for them to carry on running this. It is a national asset; it is not really a local authority issue. So I think it is a little unfair to have a go at Douglas on that. It was costing Douglas about £260,000. There are various reasons why that was the case, not least because Douglas Borough Council or local authorities'
1010 accounting methods are different to central Government's accounting methods. There are issues where they have to add in the cost of every single element that may have a vague involvement with the Tramway, added to which they did not also operate a heritage railway, so they did not have the economies of scale that we have that we can then incorporate into our heritage railway system. So I think it is a little unfair to have a go at Douglas Borough Council, added to which
1015 they were waiting to find out what we were going to do with the promenade scheme. I am pleased to have been able to work with Douglas Borough Council. I think they are not the villains here. Their contribution over the years should be thanked, and they have kept this going for a good period of time.

There has been a lot of talk – and maybe I will not name every single Member on this
1020 occasion – about routes changing. I will pick on Mr Turner, because he likes that. (*Interjection*) In relation to this mythical design that everyone talks about, I had heard there was a design that Minister Cretney had and I had seen a line on a piece of paper from Minister Cretney's time, but the first I heard of Minister Anderson having a design ... I only wish that, when Minister Anderson left the DoT and I inherited the DoI, that plan had been made available to us, because
1025 that would have been fantastic if we had had that one.

Mr Turner: Your officers knew about it.

The Minister: Well, it has never been presented to me in the four years I have been a
1030 Minister in DoI. Sometimes I feel, and this is a mild criticism of Mr Turner, if he would actually listen to what people were saying to him, rather than just giving his opinions all the time, he

might actually learn a little bit more and be in a better position to make authoritative statements.

1035 In terms of the location of the tram track, it is pretty much exactly the same as it has always been in terms of the design that we came forward with. The only difference is we did not like the idea of restricting the size of the walkway, so we decided to extend the walkway out over the tram track. We lost – fine, okay, end of story, we move on.

As for Mr Quirk, absolutely, it is going on the roadway. That is clear now (*Interjection by Mr Quirk*) from the planning inspector, who appears also to be a railway safety expert. That 1040 decision has been taken, okay, so it is not going on the walkway; it will be on the roadway.

We have also then heard of this kamikaze idea of having a single track down the middle of the promenade. How many Hon. Members have actually driven horses? I think possibly the Hon. Member for Douglas East, Mr Joughin has, maybe one or two others. You do not drive horses directly into oncoming traffic. That would be a mad thing to do; it would be crazy! If you talk to 1045 the operators, the people who actually drive the horses for the Tramway, they will tell you that. They will also tell you that they want the tram track to be at the side of the road because they are confident that they will pick up more passengers as a result of it being by the side of the road. So can we please knock on the head, once and for all, any suggestions about sticking the tram track in the middle of the road, because it really would not work.

1050 I detected from Mr Robertshaw that he was a little bit better pleased with me today, which is encouraging! (*Laughter*) But the important thing was talking about the vision, and that really is so important. We can pick away at our heritage, and it is arguable that perhaps we have been doing. We can say economy first, heritage second, but actually heritage is an essential part of our economy, as I said in my introductory remarks. I listed all those fantastic features of our 1055 heritage that we have. It does make us unique in the world, the huge amount of really fantastic, high-quality, valuable heritage attractions that we have. This month, with Culture Vannin and Manx National Heritage, we have launched the Isle of Architecture year, which is all about promoting the importance of our historical architecture.

So it is about a vision, and actually, you go to parts of the world that have that historical 1060 protection, that have promoted the historical and cultural integrity of their countries, and they are popular places. Heritage and culture can work in tandem with economic growth and, in fact, is often a great advantage to it. I think Mr Boot made similar comments.

Mr Peake, I think I have mentioned about your amendment.

Yes, I spent some time too on the trust of MNH with Mr Turner; they were an excellent five 1065 years. But why did MNH at that time say they did not want to take on the horse trams? Because it was making a loss of £260,000 a year. What we have been able to do is turn it round a bit.

I think they are good points from the Hon. Member of Council, about (7) and (8) I think it was, the final two parts of the recommendations. What they do not say is that they automatically preclude MNH being that body that we establish to run the Tramway. It *could* be 1070 MNH; whether it will be is something that we would all have to determine. But if you vote against those two recommendations, effectively you are saying leave the Tramway with the Department in its heritage railways. My ultimate goal would be that the whole of the heritage railway gets transferred into some special body. It could be MNH or it could be under the wing of MNH, perhaps; that is something that we would have to determine. But if you vote against 1075 those recommendations, effectively we are saying no to anything other than carrying on in the Public Transport Division.

There is then another question, really, about all this: is the Tramway a public transport system or is it a heritage attraction? Of course, the answer is it is both, but it is possible that one of the reasons – in fact we would argue quite strongly that this is the case – Douglas Borough 1080 Council has struggled to get costs down and increase income is because it has been focusing on both aspects, the public transport system as strongly as a heritage railway, and because it is trying to be all things to all people it is not getting either of them right.

Since we have taken it on, we have decided we will operate the trams when it is most likely to be popular for visitors as opposed to having a regular public transport system. That has allowed us to significantly reduce the costs and, it would appear, certainly so far, anyway, significantly increase footfall. I think we have to remember that what we are talking about is a heritage attraction, primarily, which has a bit of public transport value.

There are those – and two of them came to speak to me only earlier this week, actually – who believe that that rail along the promenade could be extended along the MER track to Onchan and then maybe extended back through Douglas out towards Quarterbridge, and could be used for a modern tramway system to significantly reduce the number of cars in Douglas. Again, as an environmental campaigner, it broke my heart to have to put the car first when it came –

A Member: The car before horse!

The Minister: Yes, the car before the horse! *(Laughter)* Absolutely brilliant! I like that one ... when it came to the design for the promenade scheme. I really did not want to have to do that, but as a Minister you do not do what you personally want, you do what is in the best interests of all the different lobby groups, the different people and the different interests. That is why, with regard to Loch Promenade, our view was we have to keep the parking there, because it is in the best interest, in the short-term, of the businesses in that area. But, as has been mentioned by others, there is going to be ... or there certainly are continual plans – and let's hope one day one of these multi-storey car parks actually gets built – to allow for easing of the parking situation down there.

Mr Thomas did not have 'And my second point ...'; it was fairly concise this time. He did ask the question as to whether we were right to proceed with various phases of the promenade scheme. We did phase 1; I think that was fair enough. My view, when we got to phase 2, even though we had Tynwald permission for it, was we would be mad to try and build a small bit of tram track to Regent Street, which is what effectively phase 2 was, and then throw ourselves on the mercy of Tynwald, the planning system and all the various vested interests and lobby groups in the hope that the design that Minister Cretney, and it now appears Minister Anderson, had brought forward would in some way be given approval and built. But all we had was a very vague ... well, not vague, that is probably ... a rough design. We did not have it all measured out and worked out exactly where all the different bits were going. That is obvious because the Minister himself, Minister Cretney, said, 'Well, that's not what I thought we had agreed,' when eventually the designers, who thought they had agreed something else, put it down in more detail on a piece of paper.

I think I will probably try, to my grave, to valiantly defend the Department's position and explain that we were just trying to get the detail sorted. Everyone else had come up with the concept and the principle, and yes, everyone could agree to it at that level, but when it came to the detailed design, that is where problems started to come in. I am confident, absolutely confident, that that will continue to be the case until finally we get planning permission; and when we build it, everyone will think, 'What was all the fuss about?' And no, we are not building some bizarre Cheshire thing that has been set up by some consultant from across. What we are trying to do is build something that works in the best interests of the people of the Isle of Man, and particularly of Douglas. I think I have answered Mr Thomas's point.

I will be supporting Mr Malarkey's amendment, because I think that is a stronger amendment.

Mr Cregeen, ably supported by the Hon. Member for Onchan, Mr Quirk, made some very important points in relation to the Strathallan building. The Strathallan building is in a poor condition; I have mentioned that it is in a poor condition.

The first point I would make in relation to the amendment which I do not support is the Department buys and sells property on a regular basis. We recently bought a very large tract of

1135 land in the soon to be launched new Airport Gateway Industrial Park down at Ronaldsway. I did
not come to Tynwald and ask for that. The amounts of money involved are substantially greater,
the risk to Government, you could argue, is substantially greater as well, but that is what we do
on a daily basis in the Department of Infrastructure. I am happy to talk about the figures. What
we are talking about with the Strathallan building is a building which has been valued at
1140 £250,000. It is not registered, but there is an argument that perhaps it should be. The repairs
that we are looking to do to that building are in the region of £150,000. That is the estimate at
moment, but it may vary. We are looking for an agreement from Douglas Borough Council for a
peppercorn transfer cost of that building. If we end up selling the building again, we will take the
maintenance costs that we have incurred away from any eventual selling price, and then split
1145 the selling price 50/50 with Douglas Borough Council. That is the deal, so taxpayers are
completely covered by that deal and there is no significant risk to the taxpayer that I can see.

I think it was Mr Malarkey, the Hon. Member for Douglas South who said if we wait and say
we support that amendment, effectively what you are saying is, probably October at a push but
more likely November or December time, we come back to Tynwald and ask for Tynwald's
1150 permission. If Tynwald gives its permission at that stage, Douglas Borough Council might well by
that stage have sold its trams and horses. It may actually have said, 'Well, actually, we thought
we had a deal here.' Then, assuming that we got this through Tynwald in November, we would
have to begin the works that are required on the building. The works need to take place before
there are horses and people in the building. The chances of us getting all that done in time for
1155 the start of the summer season, I would say, would be nil.

I am not sure whether this is giving the Hon. Member, Mr Cregeen, credit or not, but I believe
that his amendment was very cunning, because in effect the amendment would spell the end of
the horse trams.

1160 **A Member:** No, it wouldn't!

The Minister: I am not so sure that that is what his attention was, but that is absolutely what
his amendment would deliver, so I would strongly urge people not to support that.

I have mentioned the costs. I do not think there is an awful lot more that you would get from
1165 business cases and what have you. If any Member wants to come down and have a look around
the building, I am more than happy for them to do that, but I just firmly reject Mr Cregeen's
amendment.

Yes, it was Mr Singer who talked about the 'fancy Cheshire plans'. We have moved on from
that point. Actually, it was Mr Butt, the former Hon. Member of Council, who suggested we look
1170 at those sorts of ideas. We did have a look at them and we moved on. The design we have was
influenced by some of that, but it is certainly not the bizarre shared space concepts that had
been talked about in the past. And I am glad that Mr Singer, the Deputy Speaker, wants to make
me happy. It is a rare occurrence these days that anyone wants to make me happy, but hey-ho!
(**Mr Singer:** Pleasure.)

1175 Just very much summing now, it is a complex issue. The design of any scheme is complex at
the best of times. The support for something like the horse trams would be complex enough on
its own, but when you are tying that in with one of the most difficult highway design schemes –
well, no, it is *the* most difficult highway design scheme – that has ever been attempted and
probably ever will be attempted on the Isle of Man, you do have a serious risk of falling foul.

1180 The motion, as presented by the Department, was an endeavour to at least give us breathing
space to carry on and ensure that the business case for a long-term future for the Tramway
could be developed. I am encouraged, and in fact heartened, by the number of speakers who
have talked about having the tram track for the full length of the promenade, which is why I
want to support Mr Malarkey's amendment. I do not support Mr Peake's amendment – I am
1185 terribly sorry – and I do not support Mr Cregeen's.

There are long-term issues associated with this. We have heard about the stables, we have heard about the Strathallan building, and of course we know about trying to work out the location for a tram track. The Strathallan building is a historically important building. The stables are a historically important building. The stables have been renovated fairly recently and are in good condition. There is, though, a terrace of houses in front of the stable which are in a dilapidated condition and those are much more of a problem.

There are people on the Isle of Man, and were I not the Minister in the Department I would very strongly be among them, who believe that we should be slapping preservation orders on both of those buildings, but as a Minister in Government – and, I hope, a responsible Government that thinks hard about what can and cannot be afforded – I think it is essential that we keep the horse trams. It is not essential that we preserve every single piece of historical architecture on the Island. It would be great if we could, but what I have come to Tynwald with today is what I believe is achievable and justifiable. I could have come and said let's have the full £5.5 million and, actually, let's throw another million or so in so we get the stables and get the whole lot, and I am pretty confident that Tynwald would have turned round and said, 'On your bike, mate! We're not supporting that.' What we have come forward with is something which I believe is justifiable. It gives a future for the horse trams. I am confident that a strong business case can be developed and indeed will be developed in the coming years.

I thank Hon. Members for their comments. Please support the motion as written, but also support Mr Malarkey's amendment.

The President: Hon. Members, the motion is that set out at Item 9, and to it we have three amendments. With your agreement, I propose that we take all the recommendations individually and address the amendments as we come to that particular recommendation. Agreed? (**Members:** Agreed.) Agreed, thank you.

Item 9, dealing with recommendation (1), those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Recommendation (2) has an amendment in the name of Mr Cregeen, the effect of which is to add at the end the words 'but should return to Tynwald for approval before signing any agreement.' Those in favour of the amendment, please say aye; against, no. The noes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 3, Noes 18

FOR

Mr Cregeen
Mr Quirk
The Deputy Speaker

AGAINST

Mrs Beecroft
Mr Bell
Mr Boot
Mr Cannan
Mr Gawne
Mr Hall
Mr Harmer
Mr Joughin
Mr Malarkey
Mr Peake
Mr Quayle
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
Mr Thomas
Mr Watterson

The Deputy Speaker: Mr President, in the Keys the voting is 3 for and 18 against.

In the Council – Ayes 0, Noes 7

FOR
None

AGAINST
Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson
Mr Turner

The President: And in the Council, none for and 7 against. The amendment therefore fails to carry.

Recommendation (2), then: those in favour, please say aye; against, no. The ayes have it. The ayes have it.

1220 Recommendation (3): those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Recommendation (4): those in favour, please say aye; against, no. The ayes have it. The ayes have it.

1225 Recommendation (5): those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Recommendation (6) has an amendment in the name of Mr Peake and an amendment in the name of Mr Malarkey. I intend to put Mr Peake's amendment first and, in the event that that fails, I will put Mr Malarkey's amendment. Is that clear?

Mr Peake's amendment: those in favour, please say aye; against, no. The noes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 1, Noes 20

FOR
Mr Peake

AGAINST
Mrs Beecroft
Mr Bell
Mr Boot
Mr Cannan
Mr Cregeen
Mr Gawne
Mr Hall
Mr Harmer
Mr Joughin
Mr Malarkey
Mr Quayle
Mr Quirk
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

1230 **The Deputy Speaker:** Mr President, the voting in the Keys is 1 for and 20 against.

In the Council – Ayes 1, Noes 6

FOR

Mr Henderson

AGAINST

Mr Anderson

Mr Coleman

Mr Corkish

Mr Cretney

Mr Crookall

Mr Turner

The President: And in the Council, 1 for and 6 against. The amendment therefore fails. I put Mr Malarkey's amendment. Those in favour, please say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 20, Noes 1

FOR

Mrs Beecroft

Mr Bell

Mr Boot

Mr Cannan

Mr Cregeen

Mr Gawne

Mr Hall

Mr Harmer

Mr Joughin

Mr Malarkey

Mr Quayle

Mr Quirk

Mr Robertshaw

Mr Ronan

Mr Shimmin

Mr Skelly

Mr Teare

The Deputy Speaker

Mr Thomas

Mr Watterson

AGAINST

Mr Peake

1235 **The Deputy Speaker:** Mr President, the voting in the Keys is 20 for and 1 against.

In the Council – Ayes 7, Noes 0

FOR

Mr Anderson

Mr Coleman

Mr Corkish

Mr Cretney

Mr Crookall

Mr Henderson

Mr Turner

AGAINST

None

The President: And in the Council, 7 for and none against. Mr Malarkey's amendment therefore carries.

Recommendation (6), then, as amended: those in favour, please say aye; against no. The ayes have it. The ayes have it.

1240 Recommendation (7): those in favour, please say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 20, Noes 1

FOR

Mrs Beecroft
Mr Bell
Mr Boot
Mr Cannan
Mr Cregeen
Mr Gawne
Mr Harmer
Mr Joughin
Mr Malarkey
Mr Peake
Mr Quayle
Mr Quirk
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

AGAINST

Mr Hall

The Deputy Speaker: Mr President, the voting in the Keys is 20 votes for and 1 against.

In the Council – Ayes 6, Noes 1

FOR

Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson

AGAINST

Mr Turner

The President: In the Council, 6 for and 1 against. The recommendation therefore carries. Recommendation (8): those in favour, please say aye; against no. The ayes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 20, Noes 1

FOR

Mrs Beecroft
Mr Bell
Mr Boot
Mr Cannan
Mr Cregeen
Mr Gawne
Mr Harmer
Mr Joughin
Mr Malarkey
Mr Peake
Mr Quayle
Mr Quirk
Mr Robertshaw
Mr Ronan

AGAINST

Mr Hall

Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

The Deputy Speaker: Mr President, the voting in the Keys is 20 for and 1 against.

In the Council – Ayes 6, Noes 1

FOR

Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson

AGAINST

Mr Turner

The President: In the Council, 6 for and 1 against.

I put Item 9, as duly amended. Those in favour, please say aye; against, no. The ayes have it.

1245

The ayes have it.
Thank you, Hon. Members

**10. Climate Challenge Mitigation Strategy –
Debate commenced**

A Member for Environment, Food and Agriculture (Mr Peake) to move:

That the strategy document entitled Greater efficiency, Cleaner energy, Resilient economy – A Climate Challenge Mitigation Strategy for the Isle of Man 2016-2020 [GD No 2016/0031] be approved.

The President: We turn now to Item 10: Climate Challenge Mitigation Strategy. I call on the Member for Environment, Food and Agriculture, Mr Peake, to move.

1250

A Member for Environment, Food and Agriculture (Mr Peake): Thank you, Mr President.

Hon. Members, firstly, may I acknowledge that this motion was on the Order Paper for the June sitting of this Court and, as you may recall, it was withdrawn. However, having now overcome concerns of a key stakeholder, we are bringing it back today unchanged. I will leave others to expand on those discussions, if necessary.

1255

In May 2013, Tynwald agreed that Government would adopt a greenhouse gas emissions target for the Isle of Man of 80% reduction of 1990 levels by the year 2050 and that Government would implement policies and strategies to achieve that target. This supported the Agenda for Change objectives of addressing the issues posed by the effects of climate challenge and encouraging sustainable economic activity in harmony with our natural resources.

1260

It is clear that continuing to burn coal, oil and gas in a business-as-usual manner is not compatible with achieving an 80% reduction target, and you will no doubt remember that in May 2015 Tynwald agreed further polices on reducing emissions, making it clear that for certain sectors they would have to be near zero by 2050.

1265

The Strategy before you today explains how our greenhouse gas emissions are measured; what the Island's current emissions profile looks like; the scale of the challenge ahead; the

principles we should adhere to when attempting to reduce emissions; and the possible solutions over the short, medium and long term to reduce emissions in line with those principles.

Approval of the proposed Strategy before you today will provide further evidence that the Isle of Man is determined to remain at the forefront of the international drive to reduce manmade emissions of harmful greenhouse gases. Making the right choice now will have a significant, positive impact on the Island, its community and its economy and, importantly, on the lives and livelihoods of millions of others around the world.

As a small Island nation, if we fail to take action to adapt to our current and future climate challenges, we could lose valuable tracts of land which are incredibly important to our economy and culture.

We are due to deliver a national strategy for sea defences, flooding and coastal erosion later today for discussion in this Court, but adaptation is only part of the process. Taking part in the global effort to reduce emissions of manmade greenhouse gases will help limit the scale and cost of climate challenges we face in the future. Such proactive action is both essential and fair.

As a nation, we currently produce approximately 9.5 tonnes of carbon dioxide emissions per person, per year, whereas literally billions of people in other parts of the world – parts which are even more susceptible to damaging climate influences – produce significantly less. In fact, if we are to achieve globally accepted safe levels of emissions, then emissions per person internationally need to reduce to approximately 2.3 tonnes per person per year, which is in line with our 2015 target.

We have a lot to do. The 2015 United Nations Climate Summit in Paris saw the first major multinational agreement of this scale and highlighted the enormity of the work required to prevent huge amounts of damage in the not too distant future.

This is the right time to approve and commence our efforts to contribute to the solution. I am totally convinced that everything about this Strategy and its associated action plan makes sense. Vulnerable members of our society will be able to keep their homes warm at an affordable cost. Both home owners and landlords will benefit from investing in energy-efficient improvements to their properties. The construction sector and supply industry will benefit. Our current power generation infrastructure will continue to be viable throughout its intended design life. Over time, energy usage and therefore the actual cost of keeping buildings warm and dry will fall.

There are many examples around the UK and Europe which demonstrate that energy savings of 90% can be achieved by retrofitting existing properties with draft proofing and insulation, and the cost of doing so will continue to fall. In fact, examples here in the Isle of Man of constructing to these higher standards from new have almost achieved parity with conventional build costs.

There has been another benefit to this process: the opportunity of working together. I have taken time to meet experts within Government. Their knowledge and experience, I believe, is too valuable to be overlooked or played down with weak solutions. These experts have good ideas and their level of motivation is usually seen in creative studios in the private sector. For example, planning officers who are keen to work alongside professional building services to produce the best solutions for clients and the Island; building control officers who want to advise and recommend how to deliver workable build solutions. Treasury want to encourage private capital to invest in energy efficiency projects which will deliver client savings. DoI are constructing and closely monitoring the results of a pilot project of near-zero emission homes in Castletown, then feed that information back into local future developments.

I believe it is important that that interest and willingness is utilised. This, with strong leadership, will turn motivation into productivity. This Strategy provides a signpost to energy efficiency and cost control for those wishing to make improvements to their homes. This could only help improve our local economy. These are all win-win situations and I strongly feel that this is the best thing to do, as well as the right thing to do. I would urge you to support this Strategy.

Mr President, I beg to move Item 10 on the Order Paper.

The President: The Hon. Member for Castletown.

1320 **The Minister for Environment, Food and Agriculture (Mr Ronan):** Thank you, Mr President.

I beg to second the motion in front of us today. I believe by agreeing this Strategy and action plan we send a strong message to the international community that we are serious about our role in the global community; and, most importantly, this will be good for all of us over time.

1325 Changes in energy use are inevitable and it is right that we plan now and follow up on Tynwald's existing commitments in this Hon. Court.

Members will be aware that the Strategy has implications for the Manx Utilities Authority through the plan's explicit focus on switching space heating and vehicle fuel away from local use of fossil fuel towards electricity, which is generated more efficiently.

1330 This has three key benefits: firstly, it reduces emissions today through reliance on the more efficient central generation of electricity, instead of small-scale fossil fuel burning in the vehicle of heating boilers; secondly, it paves the way for future reductions when the next investment of electricity generation equipment uses renewable energy sources, be that wind, tidal or even some other form which we are unaware of at this time; finally, it improves the business model of the MUA through gradual increase of electricity consumption, though of course a reduction in
1335 overall energy consumption.

Switching to ultra-low emissions vehicles and changes to the way we heat our homes and businesses will happen anyway as new technologies are adopted throughout the developed world. We need to be ready to adapt to the changes and plan accordingly, with full engagement with the business sector and community.

1340 In fact, by agreeing the policies which have already been mentioned in May last year, we have given the industry on the Island the clear, long-term signal they need to make investment decisions in good time. The examples of this are clearly emerging globally, and similarly, closer to home, the Island's fossil fuel suppliers who have served us well, and they will no doubt continue to do so as their business models change as a result of these messages.

1345 It is worth reminding ourselves that the majority of big renewable energy developments around the world have been funded by fossil fuel companies. Danish Oil and Natural Gas (DONG) ... as we all know, are working with us at the moment, are investing in offshore wind farms all over the world and have evolved to become energy providers, not just fossil fuel providers.

1350 Just moving on now, Mr President, to the recent briefing to Tynwald Members, where some specific queries were raised which I would like to further address at this point. Switching to electric vehicles obviously reduces emissions from the vehicle; however, even allowing for the emissions associated with generating electricity from our power station, there is around a 50% reduction in net emissions per mile.

1355 Concerns were also expressed about how people will be persuaded to use electricity for heating, rather than oil or gas, which are currently cheaper per unit of energy than electricity. However, it is important to recognise the energy efficiency of heat pumps which achieve a co-efficient performance of over 3:1; that is for every one unit of electricity used, three units of heat are generated. Producing heat with heat pumps is therefore less expensive than burning any of the fossil fuels (**A Member:** Hear, hear.) and, due to the way they work, the customer is
1360 shielded to a greater extent from volatile fossil fuel prices. So even with today's technology, a heat pump would cost less to operate than a fossil fuelled central heating system. One of the main historical barriers to the uptake of heat pumps has been the upfront cost, and through this Strategy we are aware of local enterprises offering a free installation scheme, which should quite quickly remove that barrier.

1365 Moving now to biomass, as with the extraction and transport of fossil fuels, the harvesting and transport of biomass currently produces emissions. New technology obviously will reduce these emissions. As for the fuel itself, as long as biomass is replanted at the same rate that it is burnt, unlike fossil fuels, the lifecycle emissions from this form of energy are virtually zero. The Strategy aims to substitute fossil fuels with biomass where appropriate – for example, if

1370 someone is considering installing a solid fuel stove, we like to persuade them to install a wood burner rather than burning coal.

Moving now to investment grants for conservation zones, or for that matter generally to incentivise change ... However, we have to be clear that we are not in the EU or the UK and do not have access to unlimited resources for such schemes. Going forward, we have to be
1375 innovative and creative to find sustainable solutions here on the Island. We expect to help and facilitate these improvements through access to loans which will make any scheme cost effective.

I believe it is essential that property efficiency certification is expected at the point of sale or let of properties, so the improved efficiency which has been achieved through such investments
1380 can be clearly demonstrated and valued. However, it will be up to individual property owners to choose whether they wish to invest and see the property value increase or choose not to invest and see the value fall over time correspondingly.

The Strategy clearly calls for enhancements to planning, building control and legislation which include retrofit requirements for existing buildings. These solutions are being used around
1385 the world successfully; we just need the will to use the regulations to deliver a better future in this area.

Moving to potential fuel price increases, it is clear that to achieve our target of 80% reduction in CO₂ we will need to almost eliminate the burning of fossil fuels, and I accept that as fossil fuel consumption goes down the price per unit will increase. However, I have seen for myself how
1390 retrofit and new technology can reduce energy consumption by up to 90%, or even more in some cases, so overall, energy costs will be reduced.

Tynwald has now been working for some time to develop strategies to meet our international obligations on emissions reduction, whilst ensuring we maintain our personal freedoms and the lifestyles we have become accustomed to.

I would just like now, Mr President, to turn to the action plan which is at the back of the pack that Tynwald Members received. I think it is important that Members read this and digest it. This Strategy, it has been mentioned before, is not going to happen overnight. This will be tackled
1395 every five years, with Tynwald's approval. We are not signing up to 2050; we are signing up for a journey here, because this is going to take time. The first five years' action plans in your packs, which I would ask you to read again, are all very achievable. There is nothing with these plans
1400 that could be alarming, and a lot of it is happening already. This is a journey, but a journey we must take to show the world that we are very serious about our international obligations in this very important area.

Now is the time for action, not words. This Strategy in front of you today is realistic and very
1405 achievable. I urge Hon. Members to support this motion in front of you today.

The President: Hon. Member for Malew and Santon.

Mr Cregeen: Thank you, Mr President.

1410 Over the years, I have fitted solar panels to my property and I have started insulating it, all to try and reduce the cost of living. I think there are items that are easy wins at the moment that you can do to lower the cost of living regarding properties, but I have a number of concerns regarding this Report.

I fully understand the need to reduce our CO₂ emissions, but this Report does not address
1415 any of the financial questions regarding affordability of these commitments. (**A Member:** Hear, hear.) From reading through the Report, the main focus is driving people towards the using of electricity. I would be grateful if the Member moving this motion would explain what discussions he had with Manx Utilities and other fuel providers on the Isle of Man, because this motion was withdrawn last month, because I spoke to the Chairman of Manx Utilities and he had not had
1420 this approved through Manx Utilities at that time.

Support for low-carbon technologies in the United Kingdom costs around £130 per household on taxes. The United Kingdom also has a scheme called the Energy Companies Obligation, which funds insulation and energy-saving initiatives. We do not have that here, and I would be interested to know is the mover of this motion proposing to introduce this on the Island. This Report suggests moving domestic heating to electric. It does not address the infrastructure or affordability of the proposal. However, in the United Kingdom, additional policies are needed to achieve targets for reducing the number of households in fuel poverty. There is a particular issue for electrically heated households, with further action urgently needed, and electricity prices on our Island are significantly higher than those on the adjacent isle. Can the mover explain how he is going to address this problem?

The United Kingdom has a large biomass station called Drax, which produces nearly 4 GW of electricity, which can collectively meet 8% of the United Kingdom's electricity by burning biomass, mostly wood pellets. The United Kingdom is now the biggest importer of pellets. Drax is the biggest UK importer. The United States exports nearly four million tonnes of pellets, mostly to the United Kingdom. Three quarters of that goes to the Drax power station. For every tonne of pellets it requires two tonnes of trees to be cut down. In the short term, burning biomass is creating a spike in the CO₂ emissions, and it takes approximately 20 years for new trees to absorb the carbon which these trees have released.

This Report supports the Island moving towards electric vehicles. The United Kingdom government supports, with a grant, between £2,000 and £4,500 for every electric car and £8,000 for every purchase of a van. Can the Member moving this motion confirm that Treasury has budgeted for these sums of money to assist purchasers of electric vehicles on the Isle of Man? It is acknowledged that the biggest move is towards hybrid cars and not solely electric. This Report also supports reducing the road tax for electric-powered vehicles. What calculation has been done on the reduction of income for the Department of Infrastructure towards road maintenance should this policy be approved?

Does it also mean that those people who cannot afford to purchase an electric or hybrid car will now be penalised because they cannot afford to replace their current vehicle? The cheapest vehicle that I could find brand new for electric was around about £26,000.

A Member: You can get one second hand.

Mr Cregeen: The Report also supports provision of loans for people wishing to make home improvements for energy efficiency. Again, in the United Kingdom, the Green Deal has been scrapped because of the low take-up and it attracted an interest rate of between 7.9% and 10.3% APR. It has also been acknowledged, but not in this Report, that installation, in stone-built properties, of insulation has not been cost effective and there are better ways of reducing CO₂ in these older properties. This has been acknowledged in the Committee for Climate Change.

As a theoretical piece of work, I would support this Report. It is successful, but that is as far as it goes. Without clear and defined financing, which this Report does not quantify ... The Report does not have any costings for the upgrading of the Isle of Man's infrastructure to support the move towards electric heating, the use of electric vehicles, the cost of district heating systems. It also does not mention the loss of circa £30 million in excise duty and how the gap is to be filled.

I have had circulated an amendment, and I would move that we leave out the word 'approved' and add at the end the words 'received; and the Department should return with properly costed proposals.' (**A Member:** Hear, hear.) (**Mr Quirk:** For approval.)

Mr President, I believe that by demonstrating a financial appraisal of these proposals it would strengthen our commitment and our international standing; it would not just be a theoretical piece of work which the Government could not substantiate. I am fully supportive of the proposals, but I do not wish to see future generations not being able to afford the commitments given in this paper.

I beg to move the amendment standing in my name:

To leave out the word 'approved' and add at the end the words: 'received; and the Department should return with properly costed proposals for approval.'

The President: Hon. Member for Douglas East, Mr Robertshaw.

1475 **Mr Robertshaw:** Thank you, Mr President.

I am pleased that the Minister brought into his words the reference to log burners and the desire he would seek to have people use them by consuming renewable woods. I just want to explore this a little bit with him, because I have actually personally installed log burners at home – and I am not speaking on my own behalf here, because I have resolved the issues in my own
1480 mind from a climate challenge issue, and that is that, because I have the land to do it, I have decided, for those generations who follow me, I am going to plant a number of acres of land for coppicing, and I have been in touch with his Department in that regard.

Why I am on my feet now is just to ask him can he comment on those many people who have put log burners in around the Island who are not in the same position as me but who want to
1485 continue using them. The problem is that the current softwoods are not really suitable for log burners, so has his Department got it in mind at all to look at this, so that in the future there will be renewable hardwoods available for log burners rather than importation from the UK? If he could offer some comment in that regard, I would be grateful to him.

1490 **The President:** I call on the Hon. Member of Council, Mr Turner.

Mr Turner: Thank you, Mr President.

I would like to second the amendment by Mr Cregeen because I think, certainly at this stage in the administration, I do wonder why we are giving the next administration, which will be a
1495 new administration, their action plan. This is the end of this administration, and what we are basically saying is that it does not matter who comes and goes in this place, because they are just going to have to carry on what is going. There will be a new administration in September.

I do wonder at times what planet DEFA is on, because we have got the left hand and the right hand not knowing what is going on. Mr Cregeen has raised many of the points I was going to
1500 raise; I am not going to repeat them, but I am going to build on the fact that ... We talk about electric vehicles: only this week a member of my family was investigating looking at one of the hybrid vehicles that runs on electric. In the UK, as he says, there are grants available and the road tax is free; here, it is one of the most expensive going, so that idea has been put away. And talking to one of the motor dealers over here, they said they have not sold a single one of this
1505 particular vehicle. So what are we doing here? There are no incentives.

We can talk about the great costs of investing in our properties, but people have to have the cashflow to be able to do it. This is a point I have made before in debates in this place and I have used my own windows at home for an example. I have had some of them replaced, but it was
1510 like the North Face of the Eiger: the money was just going out through the windows. But unless you have got a spare £30,000 sitting around to replace them, which most people do not – which might come as a surprise to the Department, because of course they have got other people's cash to spend... The average person in the street has not got the capital available to change their boiler, to change their windows, to insulate their house. Yes, there is a payback, but unless you have that cash to do it ... The business case might stack up. Departments are able to do that with
1515 the Government-owned housing stock and where they have done that, yes, it has been reasonably successful – not all the projects have. But what we also have to realise is that this administration has probably put more pressure on home and property owners than any other in history. People have been squeezed and squeezed, and some homeowners are even struggling as to whether they can continue to afford to be in their homes. So I think a lot of this is complete
1520 pie in the sky.

If we look at energy costs, we have invested millions in a gas pipeline, and we have got Manx Gas with a really successful tariff system that has brought so much joy and happiness to thousands of householders, but they are trapped in that system, so they are stuck with it, and even those who would like to convert to something else cannot afford to do it or have not got the space to be able to put in the new plant or any storage that is required for the fuel, whether that be to oil or something else.

We talk about log burners. I have looked at this, like Mr Robertshaw, and I have come to the conclusion that if you have got quite a cheap supply of wood, and maybe you do a lot of foraging for it, then they are quite reasonable to run, but if you have got to go and buy the logs to put on, my calculation is that it is actually cheaper to go and stick the heating on than –

A Member: It depends on the price of the logs.

Mr Turner: Or where you get them from. What you need is a few stormy nights and the trees to come down, of course.

I just think that what we have is one Department operating in complete isolation here from the reality of the situation.

We then say we will encourage a cycling strategy. Well, of course, the great Manx weather is not the best for cycling, and if people want to cycle to work, it is the most hilly place; it is not like you are somewhere where it is flat and it is dead easy.

A Member: Glen Vine to Douglas.

Mr Turner: Glen Vine to Douglas: there are a lot of hills there! I'll be using the car, I'm afraid: you won't be encouraging me to cycle to work!

I just wonder why this Strategy is coming right here at the end of an administration, when we will have a new administration in post which will decide the policies going forward.

Also, the points that have been raised by Mr Cregeen. There are no costs in this at all. This is a typical case of something that is going to saddle Departments with more bureaucracy, more building control coming in, which governments do not care about because the man in the street is going to have to pick up the tab – and they have not got the money, because you have completely squeezed what disposable income they have had out of people over the last five years, and what you are going to do is make it more difficult. It is all the right ideas to make the houses more environmentally friendly, which would save them money, but again it comes down to the fact that if you have not got the cashflow available to do it ... It is like a business investing in new plant and machinery: if they cannot get the cash to do it through financing, through loans ... and we all know how generous the banks are at the moment in giving people loans – they are not particularly forthcoming in lending.

So the whole thing, I think, should be received and a proper evaluation done on just what the real costs are going to be here and what the impact is going to be. You can bring in all these planning and building control regulations, but we know what that means: it means that the man in the street, the householder, the resident, is going to end up having to pay more, and a lot of people are just saying they have not got the money to do it.

So I will support the amendment that this be approved, and the new administration can look at it and come back with some proper figures.

Thank you, Mr President.

The President: Hon. Member for Michael, Mr Cannan.

Mr Cannan: I am tempted to say 'Calm down, dear!' (*Laughter*)

Mr President, I will address some of these comments in a moment, but over recent years the Manx Utilities Authority has been committed to and has succeeded in reducing our carbon emissions and helping others reduce theirs, and we will absolutely continue to do so.

1575 We have had intelligent revisions, I believe, to our tariff structure, including our sustainable generation tariffs, which have encouraged the connection of renewable generation to our electrical distribution system; and by extending our two-rate tariff, Manx Utilities have actively encouraged domestic consumers to switch from conventional oil and gas boilers to much cleaner and more efficient heat pump technology.

1580 Our electric vehicle tariff, which remains unique in the British Isles, has supported vehicle owners who want to reduce their carbon footprint, and our partnerships with DEFA, the DoI and local authorities have allowed us to provide a public charging network for both local and visiting electric vehicle users.

1585 Again in partnership with local authorities, we have been installing energy-efficient LED street lighting in all our new and replacement installations, which has also helped to reduce light pollution.

We have also installed our energy monitoring systems in 130 large private and public sector buildings, which have allowed Government Departments and commercial organisations across the Island to monitor and reduce their energy consumption.

1590 As detailed in the Strategy, I am pleased to remind you that our efficient power station in Pulrose has a lower carbon footprint than an equivalent generator in the UK and this has contributed towards a minimal increase in carbon emissions since 1990, despite increased demand.

1595 The work that has already been undertaken therefore has laid the foundations for a future emissions strategy for secure and sustainable growth, and the proposals detailed in the Strategy presented to you by the Hon. Member support and further extend these initiatives. I can assure you in this Court that Manx Utilities are committed to driving our efficiency higher and reducing the Island's emissions whilst maintaining the resilience of our economy.

1600 Just to build on that, our sustainable generation tariff pays customers 8.75 pence per unit for electricity generated back onto our network, so they are getting a good return on that. Our electricity vehicle tariff provides cheap-rate electricity at 8.75 pence per unit between the hours of 11 o'clock and 0700 for domestic customers, so we are contributing on that front. The public charging network provides free electric vehicle charging at seven locations across the Island. Our combined cycle gas turbine station generation efficiency is estimated at 51%. Six per cent now of the Island's street lighting stock is LED lighting. And of course I have already mentioned the energy installation. So we are already progressing and continuing to energy-efficient solutions to reduce our carbon emissions.

1605 One of the points that has been raised by those supporting this amendment is that a lot of what is being proposed is not costed out. I have to support the Minister on this and say that this is a journey and that these are strategies for the future that tie in with the current situation. 1610 Things change and evolve continuously and at the Manx Utilities Authority we are always looking at changes, looking at new fuels, looking at the future and investigating how we can best utilise any changes where it proves to be both economical and practical. So we are already ahead of the game and we are ready to take many of the proposals outlined in the Strategy and build on them, but of course some of the points that have been raised are, in theory, correct. Much of this is not costed out, but then again some of it is impractical to cost out in finite detail, and 1615 when we come to look at implementing it, of course we are going to have to look at how it is going to be costed.

1620 But where you are providing incentives for things to happen you are also looking for a return, and of course in providing incentives, say for new technologies around heat pumps, the Treasury would be looking at the return that would be gained, for example, from the building companies that were going to install the heat pumps ... realise their profits, pay their taxes ... to their workers, create employment. And where we are moving towards electric vehicles, of course we

are looking at an increased electricity supply, which may benefit the debt reduction targets for the Manx Utilities Authority.

1625 I agree that some of this needs much more work, but what we are proposing here is an onward journey towards reducing our emissions, a journey that I can say proudly that the Manx Utilities Authority has already been playing a significant part in.

1630 The other aspect that has been mentioned is that it is rather strange to be determining what the next Government has, and if I have a slight criticism it is that yes, in terms of timing perhaps this needs to come forward, in many ways, at the beginning of a new administration. Nevertheless, I would expect a new administration that comes in to be reviewing this in terms of its overall going forward, and if the new administration develops and produces a plan for Government, which many of us have been asking for, items like this will be incorporated as part of the broader vision, (**Mr Gawne:** Hear, hear.) will be costed out and will be part of planning, 1635 not just for carbon emissions but for economic growth as well. Many of these issues should never be treated in isolation.

1640 Mr President, I am conscious of the time and what I would just finish by saying is I support what has been outlined in the Strategy. Many of these items are already underway, are already being looked at. The Manx Utilities Authority is already playing a significant role in reducing carbon emissions. We should support the Strategy going forward. I accept some of the criticism, but I would also answer that and go back to that criticism by saying many of those costings, many of the assessments will take place as we continue to go down this road, and of course accepting that technology improves, increases and changes all the time, and particularly when you are looking at fuels and fuelling and vehicles etc.

1645 So, a good Strategy to take us forward. It is not perfect, but it is a step along the way and it is something that we can at this stage, I believe, give our full support to.

1650 **The President:** Hon. Members, the Court will now stand adjourned until 2.30 by the Court clock.

*The Court adjourned at 1.01 p.m.
and resumed its sitting at 2.30 p.m.*

The President: Fastyr mie, Hon. Members

Members: Fastyr mie, Eaghtyrane.

1655 **The President:** Please be seated.

Procedural

1660 **The President:** Now, Hon. Members, it seems to me that you will probably agree that it will be quite good if we picked up the pace (**Several Members:** Hear, hear.) in getting through the Order Paper – still a lot of business to get through. While there are no Standing Orders governing time limits on speeches, may I suggest a 15-minute target for winding up of debates (**Several Members:** Hear, hear.) as a suggestion. I will leave it to the Member concerned to take it on board.

**Climate Challenge Mitigation Strategy –
Debate continued –
Motion carried**

1665 **The President:** Right, Hon. Members, with that, we are on the Item, Climate Change Mitigation Strategy and I call on the Hon. Member for Rushen, Mr Gawne.

The Minister for Infrastructure (Mr Gawne): Gura mie eu, Eaghtyrane.

I will attempt *not* to wind people up in the next 15 minutes, but may do – in a similar manner to the way that they have done me.

1670 The National Oceanic and Atmospheric Administration National Centers for Environmental Information today published a report which says that the June temperature across global land and ocean surfaces was 1.62°F above the 20th-century average of 59.9°. This was the highest for June in the 1880 to 2016 record, surpassing the previous record set in 2015 by 0.04°F. June 2016 marks the 40th consecutive June with temperatures at least nominally above the 20th-century average. This is the 14th month in a row that has been the highest on record. This is unheard of in all the time that we have been keeping records on temperature.

1675 I think the reason that I am making that point hopefully will not be lost on people, in that we are looking today at a debate on a Climate Change Mitigation Strategy. We have, I think it is fair that the Department has, focused very much on the incredible benefits of insulating homes, using more energy-efficient appliances, using more energy-efficient vehicles, because actually that makes loads of financial sense anyway. It is an obvious thing to do. It is something we should all be doing anyway.

1680 The ‘man in the street’ talked about by Mr Turner, who has to pay for all this, actually they *already are* paying for all this! That is the whole point. They are paying through the nose. They are paying, as the Hon. Member of Council, Mr Turner said, to allow heat to disappear out through their windows. So that is why it is so important that we actually start to address these issues.

1690 Not only is it destroying the planet, which I think is a quite significant and important issue, but it is also costing the Manx economy a fortune. Where do we get the vast amount – well, *all* – of our fossil fuels from? We do not get them from the Isle of Man! So all that money disappears out of the Manx economy. That is money lost to us. So of course we should be insulating homes; of course we should be using electric vehicles, if we can possibly do that; of course we should be embracing all this stuff – because it makes loads and loads of economic sense to do so.

1695 I am delighted that the Hon. Member of Council, Mr Turner now appears to be supporting the primary legislation that we have been trying to get through Council, which will allow us to introduce free road tax for electric vehicles. As I am sure he and his colleagues in Legislative Council will be aware, we are proscribed from doing so under the existing law of the land, so as soon as we can get the legislation through – which I know Legislative Council is taking a lot of time to carefully scrutinise to make sure they get it right – as soon as we get that through, we will be able to do just what the Hon. Member of Council has asked.

1700 This is a welcome debate. It is the right time to be coming forward with it. There are a lot of things that Government has already done and there are all lots more things that we can do, and that is effectively what we are saying here.

And I think ... Yes, I will: I am going to quote from Cushag, very briefly, a fantastic poem:

There's a wicked lil fella that goes among us here,
And the wickedness that's at him is telling far and near,
He's in at every window and waiting at the door,
An' the one that's doin' all the jeeill is that tejus traa dy liooar!

1705 And there he is – the Hon. Member for Malew and Santon! *Every* single motion that we have brought forward to try and move things forward, there is an amendment come in: ‘Oh, no, no, let’s leave that, we’ll put it off for another day, we don’t need to rush into anything!’

Come on! What are we here for? Yes, there is an election coming up – but we have been elected for five years, not four and half years – so let’s get on with this!

1710 Fully support the Department. Delighted that my Department, the Infrastructure and Environment Committee of the Council of Ministers, MUA, all the different partners, fully support this proposal and I hope that Members will support it.

The President: Hon. Member for Onchan, Mr Quirk.

1715

Mr Quirk: Thank you, Mr President.

It is a shame really, I was enjoying that, but I could not quite hear what he was saying. *(Laughter)* I do not know what *Hansard* is going to make of it.

1720 But he missed the very point of the exercise too: it may be a laudable document that is here today, but is it affordable to the nation we are looking after? *(Interjection)* There is nothing there to support any initiatives.

If I could quickly go on, I do not want to lumber it a great lot, because I have had a little note saying, ‘Make it short, Quirk’ – I will find out who it was, I will check the handwriting!

1725 We have a power station. The document here says we are going to be relying more on electricity. It looks like it is going to be nuclear, coming from other sources, so we are going to be in control, not of our own destiny. What are we going to do with the power station? Hopefully we are still going to have one, because if we do not, we will be in the same boat as we were years ago when we had to put in two cables and re-establish the power station as well.

1730 Can I just quickly say that I am supportive of Mr Cregeen’s amendment there. The document gives conclusions and reports. It does not give us any of the quick wins that I think we would want or initiatives, or even a paragraph from Treasury to say ... You have got the DOI involved in it and other people are involved in it, but Treasury should have been involved in it too, to tell them where are all these people going to get ... when they come to sell their houses, for the star rating for their properties before they can even sell them? For those living in houses which are
1735 not modern, it is going to cost them an absolute fortune!

Just quickly going to modern appliances too, the Member for East Douglas, Mr Robertshaw is quite right: softwood on the Island is not dried enough. It has got to be kiln-dried before it is more efficient; otherwise you are into more difficulties: monoxide poisoning if you are not cleaning you flue properly – a nightmare on it.

1740 Other issues I do have, but there are no details. High efficiency biomass boilers: as far as I know, there is one not working at the minute and the others that are costing us a fortune when the bottoms always burn out of them and we cannot get the right pellets to make them work.

1745 I would have loved the Department itself to have expanded on the tidal issue, because out of all the issues here for the future ... Say, of wind: okay, the wind does blow, but it does stop, and we cannot store. There is no way of storing that capacity up.

But the tide comes in and out all the time, so there should have been an opportunity there to explore that a little bit more. I know the Member will probably say – or others will say – this is only a five-year programme. But it is quite substantial in what they are trying to do to those people who have not got it.

1750 I have got solar panels on my property. They cost me quite a bit of money. I invested in that. Will I get a return on it in the future? I am not quite sure, but it is cutting my fuel bill down towards the property, making their hot water. I know others have done it as well. And we are making a great inroad into it – there is a plus for it there, from it is either DOI or the former DoLGE people too – passive housing at Janet’s Corner. We have refurbished the houses down there. We only created six of them – passive properties down there – **(Two Members: Two.)**
1755 Two – well, I thought it was six, but never mind. Why do we not do some more?

Why did we not do some more while we had the opportunity? Was it because of lack of money or probably because we couldn't do it?

1760 And what are we doing all the time, when we are building properties? We are building new schools: we are putting high-energy-efficiency windows in there; ground source heat pumps, which I do agree with, but the cost of the units are quite expensive for those individuals.

A Member: They are coming down.

1765 **Mr Quirk:** Yes, they are coming down, but not as much as they should do.

If I could have a little throw to the Post Office too, I remember the big thing some time ago about the electric vehicle they bought. Where is that now? (*Interjections*) It is wrecked! It doesn't go any more! Did we buy another one? (*Interjection*) It could not properly deliver the mail!

1770 If I could say, just coming back onto the script, if I can, I am concerned about the property star rating, and the effect it will have on people who want to sell their properties in future, or are we driving in ... ? I do believe there are pluses in it too, on Building Control or the Building Control Regulations: we need to bring them in to houses we are building now for the future. It is quite easy to do that, when houses are being constructed, but it is quite difficult for a stone-built house built in the 1930s, some time ago. It is very difficult for them.

1775 Even when you look at planning: the planners themselves will not let them ... I remember when I was Chairman of Planning, the difficulty we had, trying to get the committee and the planners to work on the alternative to sliding sashes, which were plastic windows which looked the same; but they were plastic, high-energy-efficient for themselves. But because they did not open right, they were rejected. Where are we getting some policy on that? We may have something in the future, I suppose, when it comes up.

1780 But I can say to Hon. Members, here today, the Report is fine – it does not go far enough. It does not give us those balances, like Mr Cregeen is actually saying here. We need some strategy to say yes, if we were doing that, or Treasury instigates an invest-to-save programme, which we have all endorsed up to. Where is the invest-to-save on this? Where is the invest-to-save that people can knock on the Treasury's door, and say 'I want to put double glazing or triple glazing in my house' or do other things like put solar panels in, put a wind turbine in the back garden and hook up to the system? A fantastic system that the MEA, Manx Utilities have got now.

1790 We do not even have a system where, if somebody has got a private sewage works somewhere, nobody in this Government can help this particular person.

But they love just to sue them – and I am sorry, your Department is one of them that sued this lady, it cost her £10,000, instead of helping the lady out.

I cannot support something which has got no costings in it, but I do support the amendment.

1795 **The President:** Hon. Member for Douglas West, Mr Thomas.

Mr Thomas: Thank you very much, Mr President.

1800 A few people have declared their personal position in regard to energy. I was very surprised that the MUA Chair did not actually mention the 'Comfy Heat' tariff very particularly, (**A Member:** He did.) because I just want everybody to know. He mentioned it, but he did not give the full detail, because at the minute I am only paying seven pence per unit, between two o'clock and four o'clock every afternoon, as I get every night, because I have a ground source heat pump, and I want to knock on the head the fact that the electricity company is not actually now working to support the electricity price for users, for energy sources, so that is a scheme that is already in place. So my washing machine will be going at home, my drier, everything like that will all be working at seven pence an hour.

1805 The second point I wanted to make is I wanted to congratulate the Minister for having made that small but important change in the word in this motion and in this Strategy, because

everywhere else in the world until Minister Ronan had the idea, I think, we talked about climate *change*. But Minister Ronan thought about it, and said to get people to really understand this, let's change that word and put in *challenge* – 'climate challenge' rather than 'climate change'. I am sure you have had a lot of difficulties with stuck-in-the-mud civil servants and stuck-in-the-mud politicians, and with international meetings, and so on. But it is important, the semantics are important: this is a challenge rather than just a change, and therefore you have got a strategy and action plan to address it.

The second point I wanted to make is that having had the privilege to work with the Chief Executive and the Director of the Environmental Directorate at DEFA for some time, I am absolutely sure that not one of these action points actually has any costs associated with it that has not already been approved in the Budget because that was the difficulty I constantly had, which is that these were Civil-Service-type things to sign up to. They were showing you a direction and they were not actually commitments.

But alongside that, I wanted to say, I wanted to congratulate the Member for actually having got together, for instance, Treasury – and Mr Anderson will confirm this – DOI Housing Division and DEFA, to actually talk about what we would do for the Housing Improvement Energy Conservation Scheme, and what we do for actually looking about retrofit and working with the Cabinet Office to address the fuel poverty issues.

So we have not achieved anything as yet. We have not got a scheme to come back to this Hon. Court for a funded scheme to actually address the issue, but we got the right direction WE are working across Government to do something practical in terms of housing, which is very important.

Just three final points in closing, I would like to see whether the Minister and the Member, and the other politicians involved, would consider adding in another action point, which is to investigate natural gas, given the discussion yesterday about the Sea Services Agreement, because natural gas might well be the fuel of choice for vessels within five years. So I think somebody should be seeing whether to extend the Sea Services Agreement and any User Agreement that comes out of it should be including a requirement on technology to do with gas or equivalents.

The second one is that there is mention of a cycling strategy in this action plan. I think the Health Department has already got a cycling strategy; I think DOI has already got a cycling strategy. I hope that all the Departments can come together and put together an Active Travel Strategy that can actually be really useful for planners and other Government Departments, when they put together their work plans for the next administration.

And finally, I am not quite sure the public lighting action point gives enough respect to people like Ritchie McNicholl at Douglas Borough Council who have been working for years on making the bulbs around Douglas LED, and with my Local Government Unit hat on, we have actually got a proposition that we authorise £1.5 million of ratepayers' budget to actually change, I think it is nearly all of Douglas's lighting to energy efficiency. So we need to recognise the work that has already been done by local authorities, as well as encouraging them to do things in the future.

A Member: A bit of PR for Richard! *(Laughter)*

The President: Hon. Member for Ayre, Mr Teare.

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

The subject of costings has come up on a couple of occasions through Hon. Members' contributions. I have to say, the Treasury has no issues at all with this motion, and what we feel is it is a matter of principle. In effect, a direction of travel, and it is the direction of travel in my opinion that should be supported.

So, bearing that in mind, I would recommend that Hon. Members vote against the Hon. Member, Mr Cregeen's amendment to the principle motion.

The President: Hon. Member for Peel, Mr Harmer.

Mr Harmer: Thank you, Mr President.

1865 I will be even briefer, because a number of Members have actually covered the points that I want to raise. But I would congratulate the Member and the Department for this Strategy. It is vitally important. It is something that I questioned last November, about how we are going forward, the power strategy, how we are mitigating climate challenge – which I think is the right word. But we cannot do everything. We have the power turbines that we have. We have the structure we have, but these give realistic guiding principles that we need to move forward with.

1870 I think that is the important thing and we could say that it has got to wait to the next administration, but I think we are the oldest continuous parliament and some things are bigger than one administration or the other. (**Mr Ronan:** Absolutely.) So I think it is absolutely vitally important.

1875 The Cycle Strategy we mentioned: I have been on a cycling strategy, it is something I am passionate about that we need to do a lot more on, but this is where it comes to my point, and this is where the challenge for the Department is, is how to co-ordinate all these strings together to actually get all of these strategies together, because at the moment, they are held in different Departments, and we do need some way of ... Maybe the Member can take this forward and also perhaps be given a bit of beef, a bit of budget to actually implement some of these ideas.
1880 (*Interjection*)

The main thing is working together. The focus must be on giving incentives, rather than penalising, and all I would steer away is just being mindful of regulation, but giving people incentives to actually move forward.

With that I would like to congratulate the Department for bringing this forward.

1885 Thank you.

The President: Hon. Members, we have three more Members wishing to speak. I just remind you of the need not to be repetitive.

Hon. Member of Council, Mr Henderson.

1890

Mr Henderson: Gura mie eu, Eaghtyrane.

Eaghtyrane, I would also like to congratulate the Department on bringing this forward. I fully support the initiative, and I would ask all Hon. Members to do so.

1895 In the future, we are going to see more of these initiatives coming back and back, and we need to heed the words of Hon. Member, Mr Gawne with regard to what the science is indicating at the minute. I would ask Hon. Members to reject the Project Fear amendment that has been launched this afternoon and one or two other disparaging comments for what is ostensibly a very positive move.

Gura mie eu, Eaghtyrane.

1900

The President: Hon. Member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, my concerns are that I have no problem supporting this today, and especially after listening to the Treasury Minister on the issue, as far as the idea.

1905 The biggest problem I think we need to realise is a couple of issues. One is what we have to do is find other ways of actually getting others to pay for it. I am the one that has been most critical in this Court about the problems of loading the cost of living through bad projects in the past, but I do feel that some of these ideas, when we talk about the Energy Performance Certificate, if that is a way ... if it is going to affect the value of a house, and they have to actually register the Energy Performance Certificate, that might encourage the present owners to actually do the improvements as part of any refurbishment of the property, whilst they are thinking about the other things.

1910

So I think the point is that what we have got to try to do is we have got to face the reality: you are not going to have the money to be able to throw big chunks of money at these things. But one of the things I am concerned about is, if you talk about the bio-boilers, and we see the fiasco which we have been trying to get the Public Accounts Committee to look into the poor procurement, as far as the one down at Reayrt ny Crink, as far as the vehicles are concerned. Everything is covered up.

This is one of the problems. I know I am pre-empting the next Item here, but it has an effect. It saddens me, with the MEA scandal, you have not got that flexibility in order that we would have that money flowing into the Government where we could use that. I think that is why it is important that we realise that good governance, parliamentary audit is important, as far as the whole life of an administration, because it does have a limited situation, as far as how we can spend money.

I think it is important that what I do hope the Member will take on board the likes of the only viable place, I am led to believe, as far as gas exploration could be, as far as on an economic basis, that we do not end up soiling it, by putting a wind farm on top of it so that we cannot actually extract the gas. Admittedly, at the moment, with the way things are, it might not be viable in the present economic climate to do so.

So, what I want to say is that I have got no problem with this report. It would have been nice to be able to have the money to be able to throw at it, but then that comes down to how we run the Government of the Isle of Man and how this House actually holds it to account, instead of just having this potential situation where it is always mud to a blanket.

So Hon. Members, there are things that I think we should also be considering. People are attacking this, but on the previous item, you are in danger of enforcing a multi-million pound liability with the horse trams, and obviously us on our own as a nation cannot sort out the global warming or the rise in sea levels. But what I can say is that we have got to remember that these core issues ... It is no use having the situation if you are going to end up with flooding on the promenade, our little bit is not going to make that much difference. But as the old saying goes *beggan ry veggan ny share*, little by little it will get better, and I think we have got to do our little bit as a small nation.

The things that I would also like the report to consider, whilst it has got points in which contradict my colleague for Onchan, as far as the Treasury is concerned, the situation is there are things that maybe we should be looking at, where we can actually help the environment to actually get things done. The likes of planning – alright, I know maybe I have got a vested interest, with a plot of land that had planning until I owned it (*Laughter*) – but the point is that if there are ways of creating a situation where you could have certain guidelines for zero emission property in different areas, under planning, you might get more people to do that without state subsidy. (**Mr Ronan:** Yes, well said.)

I say that, because it is a bit awkward for me to be saying that, but that is the sort of mindset that needs to be developed, as far as this proposal is concerned, because you are not going to have the open chequebook. You are not going to be able wing pounds at a problem – get some consultant in that says what you want, and then half the time not accept it.

So I am prepared to support this, but I am concerned that we do not end up with ... We have seen the disasters over these biofuel places, and we have seen the disasters over other potential dangers and hopefully we have managed to rectify that by not having a wind farm that stops any potential development on the only area that seems in our territorial sea as far as that is concerned.

But there are other things I think the report needs to look at. Maybe if they should be looking at the rating system to actually create a discount for being either a zero emission house or the likes of doing certain initiatives, because rates are going to be a major issue. Rates are going to be a major issue in the next house, and I think that will make them more viable.

This is not new; this is one we were arguing about in certain areas of Douglas – give them a rate rebate, discount or whatever you want to call it, for off-street parking. Instead of it costing

1965 us £100,000 a car parking space, let's get people doing this and I hope that this will be something that maybe Members will consider as far as this issue is concerned.

So I am not against this proposal. I do not see it as being the be-all and end-all as far as that is concerned. But it is a classic example of how we have tied the hands of the likes of the MUA – and unfortunately, I still think they run too much on the lines of the MEA – but the point is the situation is that money has got to be more sensibly expended, and I hope that you will think about these other ways of us actually getting there.

1970 Finally, Eaghtyrane, with the economy, every pound that is not spent on oil or gas being imported in this Island is a pound being spent in the economy of this Island, and that is something that we need to work on, something that we need to address, as far as this issue.

1975 It actually makes economic sense, not just on the fuel security problems that we see with the gas pipeline, where we have got the problems of Russia, but the fact is that it means that that money that is haemorrhaging out of the Isle of Man will be haemorrhaging out at a far lesser amount, and I think that must be the right way forward.

1980 **The President:** Hon. Member for Ramsey, Mr Deputy Speaker.

The Deputy Speaker: Thank you, Mr President.

The objective of this Report is to plan for the future. Some of it – at this stage – looking at it, is a wish list, but it is right to be working towards the objectives for the next generation.

1985 In regard to costing out the proposals, these cannot all be costed out now. Those for immediate action perhaps, but we are talking about some proposals that may not be introduced for many years, and then is the time to question can we afford it or not. Because the amendment from Mr Cregeen says:

... the Department should return with properly costed proposals for approval.

1990 As I say, we cannot come back *now* with those costings, with the things that are going to happen perhaps not for 20 or 30 years. This amendment, I would say, is more likely to halt progress than the other way.

So let's look at this Report. It says quite clearly it is a future strategy document and I believe that is how we should look at, and at this stage we should approve it.

1995 **The President:** The Hon. Member for Douglas South, Mr Malarkey.

Mr Malarkey: Thank you, Mr President.

2000 Obviously I support the motion today. I do find it a little bit ambitious but we have got to have ambition to get anywhere. What worries me slightly is when you look at what you are aiming for 2050 of an 80% reduction from 1990. From 1990 on the chart you show here we have only actually managed to do a half a tonne per person in the last 23 years and you are looking for a reduction of another seven and a half tonnes in the next 37 years, so they are pretty ambitious targets moving forward, so I think we are going to have to be doing things pretty fast. The problem with that is that we are not coming forward with any form of funding from Government; whether it be grants, whether it be loans, whether it be anything to help assist people to do this. And this is going to be the major problem and the major hold up going forward.

2010 I remember at the presentation that the mover of the motion was talking about bonds – it was the same time we were talking about introducing bonds on to the Island – and the possibility of using the money from bonds to finance such things. I certainly hope that this is something he can drive forward if Treasury has not got the money. Because we are never ever going to achieve these targets unless there is money out there to help people to make these

improvements to their homes moving forward, let alone encouraging them to buy electric cars that are using road tax on etc.

2015 Incidentally, I have been lobbied quite a few environmentalists who are very keen and happy with the way we are moving forward and finally seeing that there are some targets or some objectives for the future. A couple of comments have come forward and where I certainly agree with is let's not forget about recycling, recycling goes a long way. It is not mentioned in this Report whatsoever and I do not want to see that falling off the scale, because recycling is very
2020 important in reducing our carbon footprint. The more we reuse ... it is a quick fix, if you like. So let's not get lost in all this other paperwork that is coming in front of us today, in insulating homes ... Let's encourage recycling because that is *really* a very important issue.

Another point that was brought to my attention was there are many people on this Island who would love to go and build environmental houses, which are zero emissions, but that is an
2025 expensive project. Where do they get the land from? Maybe it would be an idea if we had some Government land that we could free up for projects at a reasonable price – only available for those who are going to do this type of house, moving forward.

So these are other things that could help us get much faster fixes than we have been in the last 23 years. We obviously have been *very* lax if we have only managed to do half a tonne per
2030 person on emissions.

I remember, vaguely back in 2011, I think Minister Gawne brought an ambitious motion to Tynwald to cut our emissions by 15% by ... was it 2015? I do not believe we ever ... I think at the time we voted for it, but I do not think there was a Member in this Hon. Court who actually
2035 thought it was achievable, Mr President. I certainly did not at the time. It was a great ambition; it is a great want list to have. So let's not make this an impossible wish list.

If you want it to happen, money has got to be made available for it to happen. Otherwise we really are just wasting our breath here this afternoon, Mr President.

The President: I call on Mr Ronan, to speak on the amendment.
2040

The Minister for Environment, Food and Agriculture (Mr Ronan): To speak on the amendment, Mr President.

I do not know if I should be saying this as the Minister for the Environment on the Isle of Man, but I do not class myself as an environmentalist, Mr President; I class myself as a realist. (**A**
2045 **Member:** Hear, hear.) I care passionately about the Island; I feel we should be international in our outlook and I think we should be meeting our obligations.

Just talking on the amendment; I am pleased that the mover, in fairness to him, he did say that he supports the motion; he is just a little bit concerned. I would like to think that your concerns have been addressed today, because this is not about money, this is about a direction
2050 of travel we need to be going on. I think it is key to remember that.

Just generally, there have been a lot of comments – I am sure Mr Peake will sum up – but this is a direction of travel which we need to be on. Please rest assured, Mr Cregeen, this is not about money now, we will find ways, we will find initiatives. Mr Malarkey touched on making money available. It is how we find the money; it is how we find the initiatives to make it easier
2055 for homeowners, whether new or old, or whatever initiatives they do, whether it is through the private sector, whether it is through loans or it is through bonds, we will find a way. That is what this is; this is about facilitating that process to do it and that is for the future, in the next five years.

Thank you, sir.
2060

The President: I am calling on the Hon. Member for Douglas North to sum up. Just bear in mind my earlier remarks about it is possibly not necessary for all 15 contributions to be individually gone through.

Mr Peake.

2065 **Mr Peake:** Thank you very much.
I will make sure I will finish before 25 past three, Mr President. If I do it will probably be the longest speech I have made. (*Laughter*)

Mr Corkish: You do not have to wait.

2070 **The President:** It was a suggested maximum, not a – (*Laughter*)

Mr Malarkey: It is not a target!

2075 **Mr Peake:** Thank you very much.

And thank you very much for all the support here in the Court. It is an important issue and I do appreciate the work that has gone in into supporting this. I would like to very much thank the Minister for the opportunity for me to bring this motion here first of all, and I would like to thank you for seconding it as well.

2080 Mr Cregeen, I know that you do take an interest in this; I know we have spoken about this before and I know you have got extensive knowledge of energy efficiencies, so I do appreciate that, and I do appreciate the effort you have put in to that. You have pointed out some interesting points, I can see that you do want to support it, but you are just concerned that we have not come back with a cost but Treasury are the people who will come back with the cost.
2085 They are the people who will actually look at that. We have harnessed some ideas from the officers. We have got people together from different Departments to bring ideas forward, their officers are bringing them forward and Treasury will be looking at that. So that is really the plan here today is to do that.

Electric cars, I appreciate, are expensive. I know you have suggested £28,000 for a car, but
2090 there are people who have bought them for a *lot* less than that. But it is not the Isle of Man who will be –

Mr Quirk: It will cost you ten grand.

2095 **Mr Peake:** – pushing forward the electric cars, it will be the motor manufacturers. They are the people who are going to decide what we buy. They are the people who are going to have things available to supply and if they decide there will be no more diesel or petrol engines that is it, we are not going to be able to persuade that, so the product will be there for us to buy.

2100 As has been pointed out before, the Western world, a lot of places around the world, have agreed to this 80% reduction by 2050, so it is not just the Isle of Man, we agreed last year to adopt that same figure. By 2050 we will reduce our greenhouse gases by 80% on 1990 figures, and that is what this Court agreed to.

2105 So this is just a strategy and at the start on the journey of how to deliver that policy you agreed last year, that is all we have done. That is all the officers have been working on, that is all the politicians have tried to do is just a clear signpost on how to deliver that.

I would like to thank Mr Robertshaw for his contribution by putting a log burning fire in, well done. There is a massive opportunity for the Island to use the natural resources we have. We can use five times the amount of wood that is currently being used for heating, we can use five times the amount of that and *still* be sustainable with the amount of trees we have in the Isle of Man. So moving away from fossil fuels to a resource we have here – that is available to us now.
2110

Mr Turner, thank you very much for taking an interest in that. I know we do share an interest in motorsport, and as we all know, even the TT has now got an electric race, so it is coming, isn't it? All we are trying to do is to prepare, to help people understand and remove that fear, hopefully, that things are going to change. If we as politicians and officers can try and allay those fears and show that the future will not be so scary then we will doing our job.
2115

You are quite right; money, well, it is all about how we can engage. Treasury are looking to engage with the private sector, make it attractive, make the private sector come in, perhaps by way of a bond, they are still looking at that, how they can do it either by bond or initiatives. But we can then service that investment by giving them interest and then we have the money for people to invest in their homes, with energy inefficiency solutions which will then save them money. Improve their homes and reduce their costs. That does sound like a win-win to me, it really does.

He mentioned about cycling, I know that in the Island we do have a bit of rain and wind here, but cycling, you did say that this was a poor place for cycling. I cannot agree with and I do not think Peter Kennaugh or Mark Cavendish would agree with you as well, I think they have done quite well for cycling. It is something that a number of Departments have looked at – how we can encourage people to cycle more often. Certainly in Health we are trying to get people to be more active, take responsibility for their own improvement in health by being more active, and cycling is a great way of doing that, so thank you for bringing that to our attention.

Mr Cannan, thank you very much for your support in your personal capacity and in your capacity with the MUA, thank you very much for that.

And Mr Gawne, thank you very much for the poem, I had not heard that one before but thank you very much. And it is important on an international scale, you are quite right. We have the opportunity to be seen and be counted, and it is about us leading by example and providing people here in the Isle of Man with a clear route. A clear route to actually saving money and making improvements. And it is an opportunity to work together, thank you very much for pointing that out.

The President: Hon. Member, would you direct your remarks through the Chair and in the third person, not individual Members of the Court.

Mr Peake: Thank you very much for reminding me.

Just moving on then to Mr Quirk, he does support the strategy and does not think it goes far enough, Mr President. He would perhaps like us to go faster, which I do acknowledge. It is trying to get some momentum going, it is trying to get people to support it, get some momentum going. So, yes, I realise with building control etc. we could do these things.

Mr Quirk: And some realistic ones.

Mr Peake: Yes, these are realistic –

Mr Quirk: He is looking at me! *(Laughter)*

The President: The Chair is this direction. *(Laughter)*

Mr Quirk: It is his fault!

Mr Peake: Is it, is that right?

Mr President, Mr Quirk did point out that there were no quick wins, well there are quick wins, and the Department has worked quite hard with the construction industry, we have got items in there which the Department *are* going to support with money from their budget this year. It is working with architects to actually make some designs, a competition around designs; these can then be used as real homes for people to live in. That is the idea, zero emission homes, so people can then see what these homes will look like. Remove that fear that is what we are trying to do. We are also, as a Department, investing in air tightness control tests of the home, so we can actually see where the heat is leaking out, and obviously remedying that will actually reduce the fuel that is required to heat the home, Mr President.

Thank you, Mr Thomas, for your contribution and your support and pointing out about the Comfy tariff. It is one of those things, once you get on to that scheme you can then have *much* cheaper electricity, Mr President. And it is something that we could perhaps all look ... and the idea of this is really to show what can be achieved now. Look at things, improve it slightly and bring it to people in real lives, real situations.

Great idea about looking at the different fuels for shipping, that was a long debate yesterday, but you are quite right. It is not tying us down to anything at the moment, Mr President, it is seeing how technology changes. Technology is fast moving and we need to keep abreast of that, so that is exactly what we need to do and that it is a great idea, we can look into that.

Moving on to the Treasury Minister, very grateful for his support, and hopefully that does allay the fears that people have around costs.

I can see, Mr President, you are wanting to move on, so I will just quickly run through. *(Laughter)* Great thanks to Mr Harmer, thank you very much, and Mr Henderson.

Mr Karran, thank you very much, that was a very short and succinct speech *(Laughter)* so thank you very much, I am sure the whole Court was grateful for that.

Mr Singer, you came out in some support, that is brilliant, and Mr Malarkey thank you very much for your support as well, I do appreciate that.

And that brings me to the last page, Mr President, **(A Member: Hooray.)** and only in six or seven minutes.

Mr Corkish: Well done, Hon. Member! *(Interjection and applause)*

Mr Peake: Thank you, very much.

The President: A model of brevity, thank you very much.

Mr Peake: Mr President, as I have already stated –

The President: We are not finished! *(Laughter)*

Mr Peake: I am just saying, Mr President, this is a strategy about making a good start. It is a road to that road we need to be on. We all have to agree on that, and this is a start on the road that we have agreed on to a lower emissions energy future.

Mr President, I beg to move this motion.

Several Members: Hear, hear.

The President: Thank you Hon. Member. The item is at Item 10. To that we have an amendment in the name of Mr Cregeen. I put the amendment to the Court. Those in favour of the amendment, please say aye; against, no. The noes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 3, Noes 19

FOR

Mr Boot
Mr Cregeen
Mr Quirk

AGAINST

Mrs Beecroft
Mr Bell
Mr Cannan
Mr Gawne
Mr Hall
Mr Harmer
Mr Joughin

Mr Karran
Mr Malarkey
Mr Peake
Mr Quayle
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

The Deputy Speaker: Mr President, in the House of Keys, the voting is 3 for and 19 against.

In the Council – Ayes 1, Noes 6

FOR

Mr Turner

AGAINST

Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson

2210

The President: In the Council, 1 for and 6 against. The amendment fails to carry.
I put the motion as printed, those in favour, please say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 22, Noes 0

FOR

Mrs Beecroft
Mr Bell
Mr Boot
Mr Cannan
Mr Cregeen
Mr Gawne
Mr Hall
Mr Harmer
Mr Joughin
Mr Karran
Mr Malarkey
Mr Peake
Mr Quayle
Mr Quirk
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

AGAINST

None

The Deputy Speaker: Mr President, the voting in the Keys is 22 for, none against.

2215

In the Council – Ayes 6, Noes 1

FOR

Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson

AGAINST

Mr Turner

The President: In Council, 6 for, 1 against. The motion therefore carries.

**11. Review of the Functioning of Tynwald –
Recommendations for debate after General Election –
Amended motion carried**

The Chief Minister to move:

That Tynwald receives the Review of the Functioning of Tynwald [GD No 2016/0047]; notes the recommendations contained therein; and resolves that the recommendations be submitted to Tynwald for debate and decision after the next General Election.

The President: We move now to Item 11, Review of the Functioning of Tynwald, and in a similar vein, Hon. Members, I would like you to note that this debate invites you to receive and note recommendations with a view to a debate on them on another occasion. So that is worth bearing in mind, I think, as we go through the debate, when less is more, quite possibly.

Chief Minister.

The Chief Minister (Mr Bell): Thank you, Mr President, I will be brief.

Mr President, at the June 2015 sitting of this Hon. Court it was resolved that the Isle of Man Government should establish an independent review, using its powers under the Inquiries (Evidence) Act 2003, to examine the functions of the branches of Tynwald and to consider options for reform.

After consideration, the Cabinet Office approached Lord Lisvane who agreed to undertake the review. Lord Lisvane has had a long career in the United Kingdom Parliament and is a former Clerk to the House of Commons. In 2014 he became a Cross-Bench Life Peer. He has extensive experience of the workings of parliaments and, in addition to being the joint author of a standard textbook on the subject, he has visited some 50 parliaments worldwide during the course of his career.

Lord Lisvane was formally engaged to undertake the review under the following terms of reference: to examine the functions of the branches of Tynwald, assess their efficacy, consider the scrutiny structure required by Parliament and recommend options for reform.

The proceedings of the review were held in public within the Legislative Chamber during May and June and oral evidence was taken from 33 witnesses. Written evidence was welcomed and 51 submissions were received and considered, of which 12 were from witnesses who also gave evidence at the public hearings. It should be noted that while the Council of Ministers, through the Cabinet Office, has facilitated this review; it is essentially a parliamentary matter.

Given the implications of the 11 recommendations contained within Lord Lisvane's Review, this motion seeks simply that the recommendations are debated and a decision made on them after the General Election.

Mr President, I beg to move that this Report be received.

The President: Mr Shimmin.

The Minister for Policy and Reform (Mr Shimmin): I beg to second and reserve my remarks.

2250

The President: The Hon. Member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, I move this motion:

That Tynwald receives the Review of the Functioning of Tynwald [GD No 2016/0047]; notes the recommendations contained therein; and resolves that the recommendations be submitted to Tynwald for debate and decision in April 2017.

2255 I have watched with horror over the years so many consultants come along, do a report at great expense to the taxpayer, and then the report is forgotten because either it does not address the egos of Ministers or the CoMin party. And I believe that what we have got to do is that we must not allow this Report to end up being brushed under the carpet. If we agree with what is on the paper today, there is no date for this to be debated and I believe it is important.

2260 We have just seen in the previous debate where we have had the situation of how it has restricted the policy because we have got this £400 million debt with the MEA. That came down to bad parliamentary process, no accountability of executive Government and it restricts so much as far as the next administration is concerned.

2265 So I believe that what we need to do is not just allow this to be brushed under the carpet for the next House to trip over at a later date. We need to actually say today we will have six months in; they will be able to debate the issue as far as this Report is concerned. Because, I have to say that whilst I do not agree with it all, I see it in the right directions and I believe that we have got a responsibility to the next generation.

2270 I think there are many things in here that many of us –some of us longer than most – see in this Report that are vital if the next administration is going to be able to maintain the fantastic achievements that have been done over the last 30 years. From where we promoted the Island as a low wage, low social legislation area, where the average working wage was 45% less than the Brits, you were basically, as an MHK, it was you or the vicar were the social services. So you had somebody where the husband had spent all the money and the wife would come around and you would either send her to the parish fund or you would put your hand in your pocket and you sent her off to get some groceries until the family allowance money came in on Tuesday. We have come a *long* way on these things, a long way.

2275 We saw the Question yesterday about a child with muscular dystrophy, one of the worst types. My first connection with muscular dystrophy was with a constituent who was brighter than I was and more likely brighter than most that were in this House, but the fact was that he was dumped in with the situation with the mentally handicapped, because there were no facilities. So I see this Report as very important if we are to keep any remnants of the infrastructure that we have built on over the last 30 years. Because we cannot afford to run the Isle of Man how we have run it in the past. And that is as much a fault of executive Government as us in this Hon. Court. Not just this administration, particularly the previous administration on major issues. So I hope that people will support this being debated.

2285 Hon. Members, I will not be here to debate the issue with you as far as this Report. I would have gone further, but the fact is I do think it is a step in the right direction. I think it is a great step in the right direction.

2290 I know, as I say, where we have had problems with the Public Accounts Committee for two and a half years trying to get things, where I wait a year for an issue to be noted and dealt with just as far as the Public Accounts Committee is concerned.

2295 So I hope Hon. Member will support this amendment, as parliamentarians. That then we will end up with that situation where the new administration will have those six months to discuss the recommendations of Lord Lisvane. Because what I do not see is the public money just being wasted and we end up being tripped up, like we have seen time and time again. The only

difference is now we need to have smarter, more effective – not just executive Government – but parliamentary process. We need to have a situation where we do not penalise the parliamentary role in this Court, where people have lost substantial amounts of earning capacity by not towing the political line. I hope Hon. Members will support – this is the most common-sense way forward – that the recommendations should be submitted to Tynwald for debate and decision in April 2017, because I think this should be seen as an *aide-mémoire* and I hope Hon. Members will support this, and will have the maturity to make sure that this happens, so that they have that opportunity to debate it. Otherwise, it has just been another sham, another farce, because there is no commitment for this to go anywhere.

I hope Hon. Members will support it.

The President: The Hon. Member for Douglas West, Mr Thomas

Mr Thomas: Thank you very much, Mr President.

I am pleased to second that motion; I could see other people on their feet to get up to second that motion, but I would be very pleased to second that amendment that has just been tabled. It seems to me very important to actually have a date in mind for this to be discussed fully. So on that basis I am not going to talk about the three alternatives that seem to be emerging about the nature of Tynwald Court; I am not going to talk about the role of departmental members and the limits on the Legislative Council. I am just going to go to five points that are more immediate than the (*Interjections*) April 2017 deadline.

The first one is, I hope everybody has clearly noticed in the Lord Lisvane Report, the suggestion that the Auditor General and the Ombudsman would be a useful addition to our process. That issue, particularly in the light of the Ombudsman, is coming up two more times this afternoon or tomorrow morning and I think we should all note that the Ombudsman and the Auditor General are pressing issues, and Lord Lisvane agrees with us, it seems.

The second one is that Lord Lisvane makes some interesting suggestions about how draft Bills are dealt with, and he talks about purposive debates, so that the Departments do not get into the situation where they are defending the indefensible, as perhaps happened to the poor Mr Robertshaw, the Hon. Member for Douglas East, when he was defending the Landlord and Tennant Bill – wouldn't it have been better if we had had a discussion about what we were trying to achieve and how we were going to achieve it earlier on and then we would not have had so much legislative drafting time?

So I want to say is that in Home Affairs, Minister Watterson and his Members have actually put together a consultation on sentencing and criminal justice modernisation so that the public and the experts can consider exactly what that means. I think we can see that consultation over the summer about sentencing and criminal justice modernisation is an early example of the sort of way that we might go in this direction. In other words, we have not actually drafted the Bill as yet; we are still looking to talk with stakeholders and to talk with experts and to talk with the general public, to get the Deemsters to commit, and everybody else involved, so that we have an idea of where the legislation should be drafted.

The third point is that I could not help but notice that Lord Lisvane encouraged us to have a code of conduct, tariffs, penalties, recall election consideration and that might well be a pressing issue in September, October, November time. So I hope that more immediate progress can be made by the Committee over the summer on that issue.

Fourthly, the Programme for Government, I am sure everybody will have noticed that Lord Lisvane said that we should have a Programme for Government within two weeks, at most. And what he was signalling to us is that – presumably he looked through the evidence – and the most important time in many people's governments are the first 100 days, if not the first year, and what he is saying is that perhaps – and we might see this a bit later with the state pension – we did not take full advantage last time of the first year or so of the Programme for Government;

and I think he was suggesting to us that we should all think very carefully about making this election firmly based on policy so that the Council of Ministers comes together.

2350 You will have noticed that Lord Lisvane suggested that the statement of priorities, as it was called last time, should not only be associated with the vote for the Chief Minister, it should come back for a formal debate as a Programme for Government very early on. Last time we did, in January 2013 perhaps, or October 2012 – depending on how you look at it – but he was suggesting it would be helpful for us to actually have a focus on the Programme for Government and have that agreed in the Council of Ministers and back for Tynwald debate within two weeks
2355 at most – is what he said in his report.

Finally, I just wanted to suggest some important early questions that other people could help us think about before what I hope to be the deadline of April 2017 when we consider that. Lord Lisvane suggested a nominating body for Members of the Legislative Council; do we really need one? Perhaps we could ask the Farmers' Union to come forward with farmers' representatives
2360 on a formal basis; the Chambers of Commerce to get together to come forward with commercial representatives – the trade unions and the like; perhaps local authorities who keep saying they want to be more involved in actual policy-making, perhaps they could organise themselves to formally propose nominations. So there would be alternatives to having a formal nominating body.

2365 What we are basically suggesting is that the way that Lord Lisvane seems to be encouraging Policy Review Committees to develop, to encourage the way that the Legislative Council could be seen as a way that can help us develop policy by engaging with all stakeholders. That is perhaps the most important thing in overall terms that he is suggesting: that we should see ourselves as more engaging with interest groups and experts and those outside the body.

2370 With that, I sit down. I commend the amendment and actually look forward to the debate in April 2017, and hope to work with others to encourage early adoption of some of the immediately obviously beneficial recommendations and the very helpful Lord Lisvane Report, which I hope will come to be seen as a nudge to help us reflect, as Lord MacDermott and Lord MacDonald's reports did in previous generations, on exactly what the Tynwald Court should look like in 2017-18.
2375

The President: Hon. Member for Michael.

Mr Cannan: Thank you very much, Mr President.

2380 This is obviously a hugely significant Report, I believe, and one that is worthy of some very close scrutiny and consideration.

Nevertheless, Mr President, I do believe we have got a very limiting motion on the Order Paper today and that I do not believe that in-depth analysis of the Report or semantics around what may or may not happen over the next few months is necessarily going to really achieve
2385 anything positive.

I believe that the motion is very clear: that we receive the Report and note the recommendations. I think we have had a sensible amendment to that and I hope that I am judging the mood of the Court right in saying that there are a lot of very important issues that do have clear outcomes on the Order Paper. Therefore, Mr President, I am going to take a risk and
2390 move, under Standing Orders 3.16, that the motion now be put to the Court.

Several Members: Agreed.

2395 **The President:** I have to be satisfied that no one is to be disadvantaged – a minority will not be disadvantaged.

I do have two Members wishing to speak. May we hear those two Members and then go to a vote, Hon. Members? I do not wish to thwart debate. (*Interjections*)

A Member: Vote!

Mr Turner: Who are the two Members?

A Member: Who are the Members?

The President: I can put it straight before the Court.

Mr Robertshaw: I would be content to withdraw and go with the proposal.

The President: Mrs Beecroft?

Mrs Beecroft: Yes, I will as well. Thank you.

The President: In that case, I put to the Court that the question be now put. The motion is that the question be put. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

I, therefore, put the question and to that I give –

A Member: Point of order, Mr President.

The President: I give the opportunity to the mover to sum up.
Chief Minister.

The Chief Minister: Thank you, Mr President.

This Report of course, although it has been delivered by the Council of Ministers, or through the Council of Ministers, is a Report called for by this Hon. Chamber; therefore, it is Tynwald's Report and it is for Tynwald to decide the timeframe and the method of dealing with the recommendations in it.

Mr Karran recommends April 2017. In many ways, that would seem a sensible timeframe. We deliberately did not put a timeframe on it because we want Members to feel that they are not being rushed into something; but the likelihood is, Mr President, there will be a good number of new Members coming in after the General Election, and giving them six months to get a feel for how Tynwald works in the first incident – how the existing system works – I think would be quite beneficial in enabling them to make a decision on new recommendations to move on from what we have today. So I think a six-month timeframe would be quite acceptable.

I will not comment –

Mr Cannan: Will the Hon. Member give way for one second – please, Chief Minister?

Would the Chief Minister also just agree with me that of course a new administration is not necessarily bound by that timeframe in that they could debate this earlier if they wished?

Mr Karran: Absolutely.

Mr Robertshaw: Hear, hear.

The Chief Minister: I am only commenting on the amendment which has been put forward. This is not my amendment, this is not the Council of Ministers' amendment; this is an amendment coming from the floor of this Hon. Court. It is for Hon. Members to decide when you ... I am commenting on the fact that six months would seem to be a sensible timeframe to give Members a chance to find out and understand how the system works, bearing in mind that

2450 a number of new Members may not have any political experience whatsoever prior to coming in here.

2455 So I will not go through all the other points, Mr President, other than to just make one general comment, which – being the longest serving Member in here; for 32 years – I would just caution one approach to this whole Report and that is it is vitally important, whilst focusing on process – and we are process-driven right through this Report and all the comments that have come forward so far have all been focused on process – do not forget that we are here for outcomes, we are here to deliver outcomes as well as having the process right. (**Several Members:** Hear, hear.)

2460 There is a tension – an ongoing tension – between process and outcomes, which I fear, if we are not careful with this debate, we are going to veer far too heavily towards process and forget we are here actually to deliver services to our public. I would just ask that that point be considered when the debate takes place.

Otherwise, Mr President, I would just beg to move.

2465 **The President:** Hon. Members, the motion is that set out at Item 11 and to it we have an amendment in the name of Mr Karran. Those in favour of the amendment, please say aye; against, no. The ayes have it. The ayes have it.

The motion, as amended: those in favour, please say aye; against, no. The ayes have it. The ayes have it.

2470 Thank you, Hon. Members. We are moving on.

12. High Level Strategic Review of Planning in the Isle of Man – Report and recommendations – Amended motion carried

The Minister for Policy and Reform to move:

That Tynwald receives the Report by Envision ‘High Level Strategic Review of Planning in the Isle of Man’ and approves the Report by Council of Ministers ‘High Level Review of Planning in the Isle of Man’ [GD No 2016/0048] and the recommendations contained therein:-

Recommendation 1

That the following Key Principles and Key Messages be used to direct any future reform of the Island’s planning system:

<i>Key Principle</i>	<i>Key Message</i>
<i>Be transparent, fair and free from abuse</i>	<i>Define the role of politicians in the planning process.</i> <i>Depoliticise the planning application process.</i>
<i>Be flexible and responsive to change</i>	<i>Prioritise major applications: local versus national.</i> <i>Reform legislation to provide flexibility and simplification, and to define the role of politicians in making guidance.</i>
<i>Be proportionate</i>	<i>Simplify the planning system through greater use of permitted development,</i>

	<i>reform of use classes and increased use of development orders.</i>
<i>Be simple and easy to use</i>	<i>Make the planning system more accessible and easier to understand for everyone – all documents to be simplified.</i>
<i>Be effective</i>	<i>Improve strategic planning and infrastructure planning and delivery. Provide greater resources to deliver a modern, simple, responsive and effective system.</i>
<i>Involve people</i>	<i>Improve the way public engagement takes place.</i>
<i>Meet the needs of, and benefits the whole community</i>	<i>This Key Principle relates to all of the Key Messages set out above.</i>

Recommendation 2

That further work is undertaken in order to provide the new administration with options for how the planning system could be reformed which meet the agreed Key Principles and Key Messages set out in this stage of the review.

The President: Item 12, High Level Strategic Review of Planning in the Isle of Man, and I call on the Minister for Policy and Reform to move.

The Minister for Policy and Reform (Mr Shimmin): Thank you, Mr President.

2475 In January this year Government's planning policy function was transferred to the Cabinet Office and became part of my remit as Minister for Policy and Reform.

I think my hon. friend, Minister Ronan, is better placed than me in making comment on planning applications and matters under DEFA's control, but we have worked together in recent months, through the Council of Ministers' Environment and Infrastructure Committee, along
2480 with Minister Gawne.

I will get on with the progress being made in policy matters a little later, but it is important to stress from the outset that for the last six months the Committee has made significant progress in reviewing planning in a general sense and setting good foundations for the next administration.

2485 Members will recall that Council of Ministers' Environment and Infrastructure Committee was given the task of carrying out a high level review of planning, the aim being to ensure that the system can respond in a timely manner to the evolving needs of the Island whilst continuing to be a system which is fair, transparent and free from abuse.

I made a commitment at that time to provide Members with an update on the review and I
2490 am pleased to be introducing an initial Report which sets out key principles which, if approved today, will guide subsequent stages of the process.

Mr President, many of us here today, including yourself, have felt the weight of responsibility in terms of making planning decisions, whether it be in connection to planning applications or development plans. I am confident that all of us understand how complex decision making is
2495 necessary when it comes to planning matters. It affects our whole community, either directly or indirectly. Whether people are a householder seeking to extend their property, a business looking to expand or develop, or an interested party concerned with how development may affect them, we all experience the outcomes of planning at some point.

Planning plays a vital role in the economic growth, either positively or negatively, by
2500 providing opportunities for development or, indeed, restrictions. It should set out a strategic vision for the Island and provide a framework for addressing local needs and issues. It should

plan for the future needs of our population, helping to build sustainable communities. It should seek to protect the public interest by balancing different needs and their associated conflicts. It should protect our built and natural environment, helping to shape places that we can all be proud of.

Mr President, my words today are not just about saying what planning is supposed to do; I should summarise briefly what it has been doing.

The planning system has already seen change and reform over the past 10 years. An earlier review of planning made a number of recommendations and I do not think Minister Ronan would mind if I mentioned a few of these: we now have public speaking at Planning Committee meetings; we have new procedures which set out which planning applications will be determined by the Planning Committee and why; we have greater permitted development rights for householders so the public can do more smaller-scale development to their properties without the need to apply for planning approval; we have the development of an online portal, which allows people to view and comment on planning applications more conveniently and effectively. But we can and should do more.

There have been some advances in planning policy. The plans are gradually becoming more up to date.

In 2013, the Area Plan for the South was approved, providing an up-to-date plan for the south of the Island and replacing a number of older local plans. Earlier this year, a revised Strategic Plan was brought into operation which provides updated figures on housing need up to 2026. We have responded to the need for land for employment use, as identified by the Department of Economic Development, by assessing sites to satisfy short-term need through specific development orders.

Mr President, it gives me great relief to confirm the Area Plan for the East is now underway, with a call for sites now open until September – and all Members, by now, should have been contacted.

It is an interesting and exciting time in planning and I should stress the importance of ensuring that all Members and the public make contributions to the Plan and engage in the process. There will be a full engagement strategy prepared which will clearly identify what role, and how, the politicians can play their part. We do need everyone on board with the Plan working together when there are difficult decisions to be made.

As an Island, we face a number of challenges. We need to continue to grow our economy by supporting existing, and also attracting new, businesses. But we also need to protect the vulnerable in our society, ensuring that we plan for a changing population, and the needs of that population, which we are all aware is an ageing one, Mr President.

We need to ensure that we spend public funds wisely to achieve a balanced budget and we do know that the existing planning system already contributes to meeting these challenges, but it can and must be better.

As we are looking to evolve our planning system to become more flexible and responsive to the changing circumstances, we do have a number of challenges. We could indeed strengthen the role of politicians as strategy makers and, in doing so, possibly de-politicise the decision-making process where necessary. This is not to interfere directly with the ministerial approval of planning inspectors' reports or indeed the Chair of the Committee, but it is to try to avoid the independent lobbying which goes on to all Members of Tynwald and, indeed, right the way up to the Chief Minister to try to interfere with the process. We need to get the strategy clear so that people – the public – understand and do not find ways to try to get around that system.

We could introduce further permitted development provisions where they are appropriate, which would allow it to be more proportionate and direct more resources to the complex developments. Other countries nearby already do this.

We could make it easier by using by simplifying guidance, information and procedures. In doing so, the system has the potential to be evolved to better meet the needs of, and benefit,

the whole community. How many times do we talk about reducing the cost, reducing bureaucracy and most of all in planning, reducing the frustration?

2555 Day-to-day work is continuing and gradual improvements and progress are being made. But there is a bigger picture and if we want the planning system to evolve, it needs to be carefully examined and this has now started through the High Level Review of Planning.

The Report today is the first step along a journey to evolving our planning system. It seeks to establish a set of key principles and key messages to guide the next stages of the Review and any
2560 subsequent reforms to the system. They are not intended to be controversial.

It can be argued that the current planning system, whilst robust, is not equipped to react as quickly as it should. We are starting to accept that the planning system could be better designed to react to changing circumstances. But with greater flexibility comes greater responsibility to get the decision making right. There is potential to provide greater flexibility, as I and many
2565 others have pushed for, but it is important to avoid making decisions which later generations will have to pay for. That means getting the right controls in place, which will be explored in subsequent stages of the review.

Mr President, I will give one example of the conflict that we have to deal with in the future: the issue of out-of-town retailing. Our public at times believe they wish to have out-of-town
2570 retailing, but the price we would pay may well be the death of our town centres, particularly in Douglas. But without having a clear policy, there is a danger there will be a limitation on the investment going in to the town centre.

Our policy at the moment is quite clear: out-of-town development will not be permitted. However, over the years, all Hon. Members are aware that there has been a growing number of
2575 retail outlets which have been given permission. This gives uncertainty and that is what this high level review is leading towards: making it clear that if we wish to develop retail, where should it be? My colleague in Economic Development has done a paper on this. We have information but that will be one of the decisions we must make in the future. How often have we heard that investment is often limited whenever there is uncertainty? If we wish to be successful we need
2580 to give business development the opportunity to be clear where and how they can develop.

Mr President, the approval for the content and findings of the report by Envision appended to the Council of Ministers' Report is not being sought today. Envision were commissioned to review our current planning system, to provide comparisons with systems in other jurisdictions and to set out possible reforms that could be considered in the future.

2585 We are graphically aware that more work and consultation is required before any changes to the current system could be taken forward. The report by Envision is intended to give background information only; it does not have any standing in terms of decision making or policy formulation. Tynwald is merely being asked to receive this report so that its contents can inform the new administration and, indeed, that work can continue in the months until the next
2590 General Election.

What is being sought today is approval of a set of key principles to guide any future changes to the planning system. They focus on ensuring that any changes result in a reformed system which is: flexible and responsive to change; effective; transparent, fair and free from abuse; proportionate; simple and easy to use, which involves people; and meets the needs of, and
2595 benefits, the whole community. These are linked to key messages which inform possible actions that may be considered in subsequent stages of the review.

Your Committee is keen to ensure that the new administration is provided with a helpful starting point, allowing it to move forward with more detailed work on evolving the planning system. Accordingly, Members are being asked to endorse further work to be undertaken in
2600 order to provide options for how the planning system could be reformed, which would meet these key principles and messages.

Mr President, we have the opportunity to carefully evolve the current planning system to better meet the needs of the Island. If accepted today, these principles will help to guide any future reforms; but that will be in the hands of the next administration.

2605 I beg to move the motion standing in my name.

The President: Chief Minister.

The Chief Minister (Mr Bell): I beg to second and reserve my remarks.

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The President: Hon. Member for Michael, Mr Cannan.

Mr Cannan: Thank you, Mr President.

I endorse much of what the Minister has just said and delivered. Indeed, I endorse much of what this Report is trying to do.

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I think that our planning achievements over the last five years, our move forward, has been very gradual. We do need to speed it up and I very much hope that the next Government will consider planning very much part of their Plan for Government in terms of its role both overall within the economy and the plans to grow and develop the Island and the population.

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I do have an amendment, Mr President, that I am bringing forward. The primary reason that I am bringing this forward is that I have received some messages of concern from those in the community – small messages, but nevertheless some concern – that this is a quite a critical step along the way and they feel the need to be involved at quite an early stage.

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I think the Minister has to some degree endorsed that by saying that we do need to maintain our communications with the community and to get everything through to the right stage. Of course, it is a fine balance that we are seeking here between speed expediency and still retaining the rights of people when it comes to these critical matters. Planning is often very emotive and it is right, of course, that the Report identifies that we should define the role of the politicians within the process and the methodologies behind how the process is actually being carried out.

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I have merely brought forward an amendment here, Mr President, that effectively does not delay this too much but merely asks that the Council of Ministers' Report and the report by Envision is put out for consultation; in other words, people are given an opportunity to comment on it and that will assist in carrying on the process and considering the key principles and the key messages set out in this Review.

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I very much support what is happening here. I very much support what the Minister is doing. I think that we just need to have that early engagement with the public. I support what information is being fed through to me. I think it is absolutely critical that we do get this right and try to get this right first time. Therefore, an early engagement seems to me to be appropriate.

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Thank you very much, Mr President.

In line 1 to leave out the word: 'received' and insert the word: 'notes'; in line 2 to leave out the word: 'approves' and to insert the word 'notes'; and in recommendation 2, to leave out the word 'That' and in its place to insert the words: 'Requires that the Report by Envision and the Report by the Council of Ministers be put out to public consultation; and that subsequently'; and in recommendation 2 to leave out the words: 'which meet the agreed' and insert the word: 'considering'.

The President: Hon. Member for Peel, Mr Harmer.

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Mr Harmer: Thank you, Mr President.

I just rise to second the amendment. I think the Member for Michael is absolutely right; we do need space and time to look at it. I do welcome what is being tried to achieve here, but we do need to give it proper consideration and that is why I support the amendment.

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Just a couple of other points that are of concern are regarding third-party status and the suggestion of its removal in the Report. I would like the Minister to comment on that.

My other brief point is just that in Peel the Area Plan has been moved and moved, and it is delayed and delayed; and I noted in here that it is talking about a West and a North Plan, and where there is uncertainty, where we are actually moving forward with these plans, it means that people cannot invest and people cannot actually plan their businesses, and I think we are missing out here. So we really do need to move and speed up these processes.

With that, I beg to second the amendment.

The President: The Hon. Member for Ramsey. No. Okay.
Hon. Member of Council, Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane.

I am quite happy to support the document and the ideas put forward today by the Minister for Policy and Reform. No problem. Good principles set forth by the Hon. Member, Mr Shimmin.

I will wait for his comments on the amendment that has come forward, which seems to carry a lot of sense with it as well. However, what I would like to say, Eaghtyrane, to this debate in general – and no criticism to the Minister whatsoever – is I have to say that I thoroughly enjoyed my time in Planning as Planning Chairman, and it was one of the most enjoyable positions I think I have held within Government in the past times.

What I would say is that I have seen similar reports come before this hon. place, as one or two other Hon. Members have, and I have seen the reports come and go, and what I would say is that we need to have this energised; it has to have the outcomes, as the Chief Minister was pointing out previously, and it has to have positive outcomes for the public. Other reports in the past have tended not to be energised.

But the critical factor in all of this, Eaghtyrane, is a small handful of professional staff that have been charged – or in the main – with delivering this – or have considerable input surrounding it – and driving options and issues forward, and I think it is incumbent upon this Court to recognise the considerable, and at times Herculean, efforts that our small handful of Planning staff put in to try to make the system over the years as fair and as practicable and as common-sense as possible.

I think we need to keep an eye on that going forward so that in the past where they have been overburdened with different measures and policies and procedures placed upon them to drive forward, we need to keep a balance on what it is we are trying to ask them to do here, or what proportion of what it is we are trying to ask them to participate in driving this forward, so as we do not get into a situation where we have a small band of very professional and dedicated people to the Isle of Man placed under further and more considerable stress as I have seen in the past, Eaghtyrane.

I have every confidence that whatever it is they are tasked to do, they will apply themselves diligently and have the best interests of the Island at heart. But what we do not want to do is overload them to the point where they cannot deliver it or it causes stresses amongst themselves, where the system slows down. I think we need to bear that in mind as we go forward.

The President: Hon. Member, Mr Shimmin.

The Minister: Thank you, Mr President.

I will enjoy commenting on some of those points in my summing up, which will try to be brief at the end of it, but I thought it might assist the Court if I was to say that I have looked at the amendment; I am grateful to Mr Cannan for providing me knowledge that he was going to move it, and indeed we can support it. We are trying to get this onto the floor to be accepted and received by the Court. It does not have any more status than is implied by the amendment, therefore I am content to be accepting the amendment.

The President: I call on the Minister to –
Mrs Beecroft.

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Mrs Beecroft: Yes, I have an amendment that is winding its way to you now, sir.

The President: Mr Thomas.

2710 **Mr Thomas:** Thank you very much, Mr President.

I am delighted that the amendment is going to be supported, which demonstrates what I understood to be the nature of the document, which is it is the first step on an important path which has been on a road that has been continuing for some time in the past and we hope to be moving faster along that road in the future.

2715 I just want to bring one point to the Minister's attention, which is that in the Town and Country Planning Act 1999, section 40, there is actually a Committee – a Planning Advisory Forum – for which regulations were actually passed, I believe, in 2006 and I believe Minister Gawne mentioned it as his intention at the time to reactivate it in October 2015.

2720 I think we did a lot of work to reactivate it and, given that we got all of this communication from people like the Chamber of Commerce and planning experts, rather than just thinking of this as a public consultation, I think it would be very helpful to have a six-person body chaired by a politician, under that section 40 of the Act, to actually work on this; because we have already had very rich input from politicians in those working groups, we have already had the excellent professional Government planner perspective, as described by my colleague in Legislative
2725 Council, Mr Henderson, and it would be very rich to have somebody from the Chamber of Commerce, somebody from the developers, somebody from the local authorities who are very involved in planning, somebody from the Building Conservation Forum, somebody from the Wildlife Conservation Forum, another body under DEFA, and somebody from the Chartered Surveyors and the other professionals involved. That is exactly the body that is described in
2730 section 40 of the Town and Country Planning Act, and to me this would be a perfect opportunity for that body to prove its worth by understanding from developers and the commerce exactly what needs to change in terms of permitted development and in terms of policies and the strategic plan in the sense of making new planning policy statements. So I hope that the Minister in his reply will actually respond to that, what I hope he perceives to be a helpful initiative.

2735 Finally – again, I heard this very clearly in his opening remarks, it is just some people outside this Court wanted to hear it very clearly in his opening remarks – basically the strategic plan has got policies in it for the build environment, for the natural environment, for open spaces, for transport and, as I understand it, they are still in place pending this review that is about to start, and that is the way I wanted the Minister to say that he understood the situation. We are trying
2740 to make it work better for people using the principles that are in this motion.

Thank you very much, Mr President, Hon. Court.

The President: Mrs Beecroft.

2745 **Mrs Beecroft:** Thank you, Mr President.
Am I allowed to talk to my amendment while it is being –?

The President: Yes, we will take it that it is on its way.

2750 **Mrs Beecroft:** Thank you very much.

Firstly, I should say I think it is a very good report and one that I cannot find argument with. I certainly have no problem with the amendment from Mr Cannan, for it to go out to public consultation, because the amendment that I am bringing actually shows the value of public consultation, because when you read reports you actually read what is there and you think, 'I

2755 can agree with this', but you do not always notice what is not there. It was a member of the public who brought it to my attention the bit that I feel is missing and I would like to add on to the recommendation 1 to the key principles and that is the area of the building registration system. The report covers what happens when buildings are already registered, but it does not cover the registration system which, as many Members have commented in very recent and
2760 previous debates, does not always work to the best and does need improvement.

To the key principles I would like to add that building registration should be separated from planning and should be determined independently from executive Government. Transparency is a key to confidence in the building registration system. There should be a clearly defined and accountable registration process which is open to public scrutiny. Information on all buildings
2765 proposed for registration should be public at all stages of the process. And finally, registration is determined solely on the buildings architectural or historic importance. Neither development, nor commercial considerations have any role in building registration and I do think these are important principles that I do hope Members will support in adding to the key principles already stated because we have seen over and over again where we have been in danger of losing some
2770 of our historic buildings through lack of a registration process and it could be lack of staff, but if we have got these down then we have to provide for this. We cannot afford to lose our Manx historic buildings in the way that has happened at times and I think this is the ideal opportunity to correct that.

So I beg to move my amendment, thank you, Mr President:

Amendment

At the end of recommendation 1 to add the words: '

Building Registration should be separated from Planning and should be determined independently from executive Government;

Transparency is key to confidence in the Building Registration system;

There should be a clearly defined and accountable Registration process, which is open to public scrutiny;

Information on all buildings proposed for Registration should be public at all stages of the process;

Registration is determined solely on a building's architectural or historic importance; neither development nor commercial considerations have any role in Building Registration.'

2775 **The President:** The Hon. Member, Mr Karran.

Mr Karran: Eaghtyrane, I am happy second.

As you know, yesterday we were discussing this on Items 1 and 2 of the Question Paper, something that is dear to many people's hearts. And I think it helps to the aesthetics as far as
2780 the environment we all live in.

I understand the pressures that are going to be on as far as us keeping the momentum up in order to stay a high wage, low unemployment area, but I do feel that this needs to be considered and I hope that Hon. Members will support this because we have got a duty to the next generation, a duty. And to be honest when I have seen the ridiculous situations that we
2785 have had in the past with building registration, far before ... I do not even think the Minister was in here when we had the first carry on with the likes of the first Baillie Scott building was the Majestic Mansion House, if I remember rightly. So I think there are lots of things where ... and surprisingly it burnt down like so many buildings burnt down in the past. So what I hope that we will do is we will consider supporting the Hon. Member on that.

2790 But I think it is important – and may I just say that I am glad to know that the Hon. Member for Council loved being Chairman of the Planning Committee; I think it would glaze my eyes over, but then it is each to their own as far as that is concerned.

Mr Henderson: It was a very good and interesting job!

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A Member: Hear, hear.

Mr Karran: But I recognise the importance of that, when being Chairman of the Water Authority, in better times with me with executive Government forcing the issue when we could not get someone to become Chairman of the Planning Committee because they were not getting any enhancement for it. And I totally support that and support that move.

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And I must congratulate them as far as the issue about clawback contributions. We have missed a trick here in the past; I really do think we need to make that more progressive as far as this situation. I believe for far too long the developers have been allowed to make the agenda, and I think they have left us with the liabilities. We have got major liabilities. Fortunately on the likes of the Mount Murray development, it is a private road, private estate, and we will not have to pick up the pieces for the situation, even allowing for the fact with the developers being allowed to commit to their own tax policy and write it for the Treasury of the time. The situation is it saved them many millions of pounds. I do feel that that is something that should be applauded by executive Government as far as the clawback, and it is something that really needs to come into force.

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I think the other things that we need to consider – we are doing this higher level strategic view – I think there are other things that we need to be looking at: we have got the chronic situation about staffing within there, we have got the problem of staffing over conservation, we have got the problem of the fact that there is not anybody to do the job of the Eastern Plan and the other district plans which will have an effect as far as – like the Minister said about the issue, if we are not careful and we allow retail out of the centres of Douglas we will turn Douglas into the biggest charity shop street in the Island after Ramsey and the likes of (**A Member:** Careful!) (*Interjections*) Castletown. (*Laughter*) So the point is, the Minister is so right about the fact that these issues need to be addressed.

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But one of the things I have always wondered about, and I have tried in primary legislation some time ago is that we have zoned land for decades. In my constituency I have got zoned land that is used – (**Mr Quirk:** Uh-oh!) alright (*Laughter*) –

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Mr Quirk: Just for another few weeks!

Mr Karran: Yes, it will be yours maybe after that!

But the situation is that land is taking into the calibration of the land that is available for development. That land will never be developed as developer zoned land for residential use (*Interjection by Mr Quirk*) and yet is used as an excuse for the cartel as far as that is concerned. Now either if we zone land ... we have got no money for the Eastern Plan for the staff or for the registered buildings. When land gets zoned for development land, then there should be some sort of notional duty put on it. I just think they are sort of things that I would like to see when we are looking at a high level strategic plan. I would also like to see ...

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It infuriated me for the last 30 years where specific developers have been able to drip feed the market, where they do not have a habitation certificate, it does not pay any rates, it is better than money in the bank, it helps to keep the equity of property up. Now, in my opinion, that sort of duty should maybe be increased on that property until it actually becomes liable for rates, and that is a way to help executive Government to create some money.

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I believe that that is something that would be only a way of affecting the profit margin. I know it is difficult times at the moment, but we do not particularly want an awful lot of houses being built if we are going to end up with massive negative equity anyway.

So I hope that the Minister will consider this because I think that way we would actually get a more realistic way on planning, on a high level strategic review of planning, that we would actually get realistic situations on what zoned land is really zoned land. Because (a) if they had to

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pay some sort of duty on that zoned land because it is better than money in the bank, they would get it developed or at least that money would be a way of coming in. The second thing that I want to suggest that was lacking in this high level strategic review, and whilst I do not remember Ed the Red, and I believe he was more unpopular than me, the former Labour MHK for North Douglas, but one of the things he actually said was that planning permission was in the gift of the Government and they should take some sort of capital increase in the value of the property with the planning. If we have got to look for new ways of creating income, instead of hitting the weak, the poor and the sick, hit the people that have got land, that if they accrue a capital value – and I know I am talking against myself in this position – but I would rather see if there is going to be a piece of land that is worth £3,000 an acre turning into £300,000 an acre, then why not take some sort of accretion on that? Let's hit some of the big boys in the ways that we should do, to try and create the income so that we can get those plans and that environment that the Hon. Member for Rushen, the Minister for Economic Development and the Minister for West Douglas need to do, if we are to keep the flow as far as the economy is concerned.

The other thing that I would hope that we would consider later on in this high level strategic review is that we have created all sorts of schemes for first-time buyers and most of them have turned quite farcical as far as this high level of strategic plan. We have the problem with the people at Harcroft and other places. What I would suggest is, again, we are going to have to govern without throwing money. I hope that when you do come back with this review later on, you will consider what we have been on about for nearly 25 years.

We call it protected owned; I was calling it restricted owned, where you bring into the planning process for housing not just design, location and size, but use and ownership, that people on the Isle of Man working can buy it, they cannot own a second residential property, it cannot be rented out in any commercial way without them being in that property themselves. And that way those properties would be of less accrued value because the market for those people to buy those houses would only be people who do not own a first residential property and this is a way of trying to create ways to help Government to help different sections of the community.

But equally, one of the other things that I would like you to consider; I have fought for years to try and get a distillery on this Island. I have seen so many people come and I have seen so many people go as far as that is concerned.

And what I am concerned about is put into planning that in the ownership and the use of that land that has meaningful caveats that can be enforced in law with no question then if it does not get used for that building, the site needs to be flattened. If there is a problem with our latest way as far as the distillery happening, then if it stops being used as a distillery then the site needs to be cleared. But we need to have enforceable legislation because the thing is when you heard today when we were talking about the enforcement of the planning enforcement officers on Question 15 yesterday, we were told that basically it is a farce.

Mr Quirk: 300 of them!

Mr Karran: And I think the point is, I understand you have not got the money. They are ways of creating income streams that are not going to hit the weak, the poor and sick. Yes, they have the flappy ears of people in positions of influence and power, and I am not just talking about us, but civil servants and that. But I believe that these ideas need to help to augment the process and I do hope, Eaghtrane, that people will support my colleague for South Douglas because conservation is all about adding to the aesthetics of the society we live in and at the moment we are wilfully inadequate as far as what we have been doing as far as registration of buildings is concerned.

I believe that this is a way forward and I hope that the Treasury will keep on coming back with a diatribe of the situation that we have, that we never come up with alternatives. I am sick

to death in this Court of telling you different ways. These are ways of creating income generation and I do hope that what we will see is you will take on board, because I know you cannot do it with the limited budget that you have got. I hope that Hon. Members will support the amendment, and I do hope that when it does come back it will look at these issues, it will look at these funding mechanisms. If one section of the community is making all the profit and the other section of the community is taking all the debt then there is no reason why, if we are in difficult times we can take on some of these points, and I hope, Hon. Members, the new administration will take them on board.

The President: The Hon. Member for Onchan, Mr Quirk.

Mr Quirk: Thank you, Mr President.

I am just rising to discuss the particular issue and I hope the Minister does not take too much offence. These criticisms will be constructive.

But first of all, I would like to support my hon. colleague from Onchan, Mr Karran, regarding land which has been zoned for a number of years. The Planning Department itself, and indirectly I suppose, the local authority and the people who are in those particular districts, should be the next time the zoning comes around – and I know sometimes it is very difficult because sometimes it is a long period; it should be five years when we do that but sometimes they stretch out to six and seven in the case of Onchan it is well over, and I am glad Mr Shimmin did say it has actually started, but it is well behind – the zoning then should be discontinued. There is a mechanism you can use for when rezoning of an area comes about, you can have that dezoned, and that certainly will make individuals come to light. But what has got to happen on that when it is potentially dezoned and they ask for it to be put back in, there should be a restriction on timescale, so development on the land should be done within five years, four years, or whatever. You notice now on planning applications the Planning Committee, or maybe it is the instigation of the new Chairman there or their officers, they do put more tighter timescales on when the development should take place, where they normally stretched it out you had five years to do a development, sometimes they put a restriction on it and say development should take place – not on all of them – but sometimes three, four or even two if it does happen, and that is specifically just to circumvent the issue that Mr Karran was on about where those who can own land or have land in their ownership can sit on it. If your land is zoned from agricultural to industrial and then to housing development it certainly does increase in value and that is an issue I think where Mr Karran is probably right. I would not like to have the issue where Mr Karran is saying well, because you have a piece of land and you want to develop a small housing estate they should be penalised, because one person cannot live in everything. You only have one home and maybe if you are lucky you have children and then you cater for them for the future.

But I would say, on that particular one where Mr Karran was on about a restriction on our Freedom to Flourish policy, and I would not like that to go too far, because then there would be a restriction for genuine developers to bring forward land which they have purchased and put to the community. Because at the end of the day people do wait, they make an option to buy agricultural land for the future, then suddenly it is developed and I think what we should be doing in central Government ourselves is planning for our strategic national need. And we should be doing that a little bit more often.

We can, at the present time, it does say in here we should be ... development orders, we should be using them as a matter of course. The Lord Street bus depot should have been one of them. We have been struggling with that for a little while. I do not know what we are going to do there if somebody does not bite. We are going to have to really bit the bullet, and the Summerland site, and do something with a partnership there. Otherwise major sites which for one in our capital, which is Douglas, and the outskirts of the capital, which is Summerland, which

wants to be done, needs to be done and it is restrictive because of certain issues. I think if Government has a partnership with somebody we can get these things done.

The other one I would not like – and I am probably wandering off a little bit, but it is relevant.

The President: No, you will not ‘wander off’ –

Mr Quirk: Mr President, I knew I would get you going. *(Laughter)*

The President: Would you please –

Mr Quirk: It is regarding registration of buildings.

The President: Please stick to the Report.

Mr Quirk: It is in there, it is in the Report, **(The President:** Right.) and Mr Karran mentioned it as well. I wonder what we are going to do with the Castle Mona in the future. At the end of the day it is deteriorating all the time. It is registered, do not forget only elements are registered so somebody has to come to a compromise there to make that part of our capital work for an individual who wants to buy that property to develop it in some sort of like What it is going to be for them, a major office, if somebody wants a corporate headquarters.

When I was a commissioner, we did Skandia up on the top there and White City, and I have mentioned it a number of times when I thought to myself that would never happen – it has. It brings employment. I cannot remember how many people are actually employed by the building working night and day to do that, so we need to look at them.

The other side of the coin would be – which I have to worry a little bit, and I will take guidance from Mr Shimmin on that – is regarding Mrs Beecroft’s proposal, because if we still had the old prison site in what is North Douglas now, but I think it is going back to East or something like that, anyway, if we still had that land there, myself and Mr Watterson made a conscious decision it was not fit for purpose anymore and pushed it through planning to have it demolished. *(Interjection by Mr Watterson)* There were a number of people that wanted it saved but you can imagine what it was like for those that went round it. I definitely went round it and had a look at it, it is in terrible condition. Can you imagine what it would have been like now, stuck up near Shoprite in a residential area, it would be just as bad and we would be quoting it all the time. If the prison site, the Summerland site, the bus station and the Castle Mona, four major – **(A Member:** East Douglas.) All in the East Douglas area.

I would just like to say we have got to consider those hoteliers who are sometimes struggling there as well to make their own living, to put money back in with the banks and help each way to develop their businesses with something like that sitting on their doorstep. Can you imagine what it would have been like in Victoria Road?

A couple of minor things: criticism was maybe planning should not be in three places. I have never got that trick, how we have put planning in the Cabinet Office, we have put planning out at DEFA and then we have got a small element of planning in DOI. *(Interjection by Mr Gawne)* Well I still think you have, there is a certain influence going there anyway. But to me it is definitely in three places and I do not know why.

On enforcement one of the easiest things they could do now, and to the current chairman at the end of the day, enforcement needs to be done. I know it is saying okay you may be the Chairman of the Planning Committee, it is not a duty or function. It was when I was the Chairman of Planning and I am sure it was when Mr Henderson, maybe Mr Quayle as well I think it was too, and others that have gone in the past. What it did do, Hon. Members, it brought an issue to the table, got parties around the table, discussed the particular issue and moved it on, got the issue on. To have 300-odd planning enforcement cases live and open, some of them going back, in our constituency, for three years! It is appalling, it is still not resolved and goes on.

And if I could say too that some of your officers have responded to the letters that people have sent in. Now that is wrong, and all I do is complain and I do not like to whinge all of the time. *(Laughter and interjections)*

3005 **A Member:** Of course you do!

Mr Quirk: All I can say to the Minister is okay, it may be a high level strategy, it should be tested outside because we have a few emails from I think it was the Chamber of Commerce to say they were not involved in some of it. I am not quite sure what has happened there, but I
3010 would have thought there would have been a statutory consultee on some of the issues that come forward, because at the end of the day within the Chamber, whether you love them or hate them, including the unions, they have a view and an opinion on tourism, commerce, all sorts of things, as well as the other people. But I would support the principle of it.

 The jury is still out on the conservation issue because I wonder whether we are just going to encompass everything in conservation and that is my issue. I bring it back to if we still had the prison, the old prison sitting up on Victoria Road, how many people would you have had
3015 complaining to you round and about saying 'I want a rate reduction because of the state of the place'?

 And we need to – the final thing, Minister – push on regeneration. Not regeneration of the towns, regeneration of some of these housing stocks we have. Yesterday we got the new nurses
3020 home going on track, the other one – would we want to register *that*? No, and if anybody is thinking of registering it come with me and I will take you round, with permission of our Minister and show you. That is a regeneration area that was done in the 1990s, nothing ever happened to it. It should have been done, and I do not blame Mr Henderson for that because I do not think
3025 he was Planning Chairman at the time.

The President: Chief Minister.

The Chief Minister: Mr President, I only have one small point to make, other than supporting
3030 the Report, obviously, and I also support Mr Cannan's amendment.

 There are times, Mr President, as I am sure yourself have experienced over the years, when issues suddenly flare up and become the talking point of the moment. Sometimes this is around general deficiencies in the services that we provide and Government tends to react quickly to try and respond to that. But there are also times when we go from a situation of having a problem
3035 area where not enough resources are allocated to it and the pendulum swinging in completely the other direction where there is an overreaction to the problem.

 And where I see this potentially at the moment is in the amendment put forward by Mrs Beecroft, **(Mr Robertshaw:** Hear, hear.) which I cannot support at all, and in particular I would reference the last point of the amendment:

 'Registration is determined solely on a building's architectural or historic importance; neither development nor commercial considerations have any role in Building Registration.'

3040 Frankly, Mr President, this is nonsense. **(A Member:** Hear, hear.) Every community has to be a living, breathing developing community. It cannot stay frozen in aspic forever, which this would do. I am a strong supporter of the preservation of our buildings and conservation of building stock, but what we are preserving should be the best of the old, not old because it happens to be old. **(A Member:** Hear, hear.) Every community has to grow and evolve and
3045 develop. This would bring everything to a grinding halt if this was to go through. I would remind Hon. Members, we may be drifting into the surreal world of electioneering and election time, but once you get back after the election we still have an economy to feed, we still have an economy to grow to provide the money which is going to be even in greater demand after the

election with the problems that we know we have got to deal with and the ability to maintain, finance for public services at a time when the ramifications of Brexit are going to be starting to feed through, which may well have a detrimental effect on our resources.

I would urge Hon. Members, whilst well meaning, and we do have a concern about building registration, there is a danger we go over the top completely on this. I believe if we support this amendment, Mr President, you are building up real problems for the future and it will not be for some Members in this House, perhaps to deal with it, but those who are trying to stimulate economic growth and development and confidence in the future of the Isle of Man in the next five years will live to regret bitterly approving this piece of legislation.

The President: Hon. Member for Douglas East, Mr Robertshaw.

Mr Robertshaw: Mr President, I just want to reinforce the Chief Minister's comments. Can you imagine a situation where a business is functioning within an old building of distinction and importance that had to carefully apply itself to using that building, but then was faced suddenly with an officer coming in saying, 'I have no interest at all in the economic performance and well-being of this building. That is not my responsibility, that is not my duty and I will completely ignore it.' Literally overnight, that could collapse a business. (**Mr Cretney:** Hear, hear.) It could implode. It is extremely dangerous and I just want to reinforce the Chief Minister's comments.

Mr Cretney: Hear, hear.

The President: I call on the Minister to reply, Mr Shimmin.

The Minister: Thank you, Mr President.

Firstly, if I can thank Mr Cannan for his amendment and, as I have already outlined, I will be supporting it.

Going to Mr Harmer for Peel, I would point out the third party status maybe mentioned in the Envision report has no status. It comes up later on today's Order Paper in another report, but we are not accepting anything from the Envision report as having any status. Therefore the third party debate will be continued after the next Election.

I do anticipate the problems of uncertainty; I mentioned that in my own introduction.

Taking the Member for Legislative Council, Mr Henderson, absolutely I could not agree with him more. Nearly everybody, in my experience, who has worked in this area of Planning, despite it being one of the most contentious areas, seems to have come out of it as being one of the most enjoyable jobs involved in their time in politics. I am always amazed at that because it does not seem to fit with what people might expect, but it really is something which has given a lot of political Members a great deal of fascination and respect for those officers.

Those officers have always, in my 20 years in Tynwald, been under-resourced. Twenty years ago we were in boom time; there was a lot of development taking place and all the way through, in my 20 years, they have been under-resourced. So I put out a personal gratitude to all of those officers, past and present, for the way they have coped with difficulties not of their making. These are political decisions and that is why this Report is here today, to try to give some support to those officers, rather than to use them as a whipping boy. (**Several Members:** Hear, hear.)

I would then go on to my colleague in West Douglas, Mr Thomas. Certainly, I remember the 1999 period and, again, it is something which the next administration will be advised – to go back and look at that advisory forum and see if that is the appropriate place. Throughout all of this we have said that there will be consultation coming next.

Member for Onchan, Mr Quirk, was talking about the Chamber of Commerce. They were not involved because they are high level principles and therefore they have always been advised –

3100 and I advised them only on Monday of this week – that the consultation is coming, there is no decision being taken other than on these high level principles.

That brings me then to the other remaining contributions which really are moving away from the Item on the Order Paper today, but that is always capable of happening when you talk about planning. Deliberately titled as High Level Strategic Review, but we get down into some of the individual pet subjects. I can fully understand the reason for that. Given an opportunity, people do feel passionately about it. Therefore, Mrs Beecroft and Mr Karran have come forward with things, many of which will be subsumed into the consultation. Those opportunities to get their viewpoint across will still be there. Today is not the position or time to make those decisions.

3110 Indeed, the amendment from Mrs Beecroft, which I cannot support for many reasons that have already been outlined, is something that can go into consultation. We are not saying it cannot happen, but it is not something which is landed by an amendment today. So please reject that now, but allow the next administration to take on board all of those potentially legitimate concerns.

3115 I think it was highlighted by the Member for Onchan, Mr Quirk, the dilemma that we have in Planning. He turns around and complains about Castle Mona Hotel, but he was one of the ones who demolished the prison. To some people, the prison was worth saving – at least parts of it; to him it was not. It is a subjective opinion. We have got to try to take it away from being a subjective political decision, and put it into the hands of people. I can agree on many of the areas that people talk about: a failure of enforcement, a failure of staffing. I even agree with Mr 3120 Karran on some of his comments about the need to deal with protected homes or certain areas where there is a benefit windfall to some individual developers who have become multi-millionaires, and the public and the people we represent have not had any benefit. But that is not for today.

3125 So there are some good points. I would urge them to take them up with the next administration in the consultation. Please do not support Mrs Beecroft's amendment – however well intentioned. This is not a high level strategy that she is putting forward; it is a viewpoint which will come up in consultation.

Thank you, Mr President.

3130 **The President:** Hon. Members, the motion is set out at Item 12 and, to that, we have two amendments. I will take the amendment in the name of Mr Cannan first. Those in favour of Mr Cannan's amendment, please say aye; against, no. The ayes have it. The ayes have it.

Mrs Beecroft's amendment: those in favour, please say aye; against, no. The noes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 2, Noes 20

FOR

Mrs Beecroft
Mr Karran

AGAINST

Mr Bell
Mr Boot
Mr Cannan
Mr Cregeen
Mr Gawne
Mr Hall
Mr Harmer
Mr Joughin
Mr Malarkey
Mr Peake
Mr Quayle
Mr Quirk
Mr Robertshaw
Mr Ronan
Mr Shimmin

Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

The Deputy Speaker: Mr President, the voting in the Keys is 2 for and 20 against.

In the Council – Ayes 0, Noes 7

FOR
None

AGAINST
Mr Anderson
Mr Coleman
Mr Corkish
Mr Cretney
Mr Crookall
Mr Henderson
Mr Turner

3135 **The President:** In the Council, none for and 7 against. That amendment fails to carry.
I put Item 12 as amended. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

**13. Digital Inclusion Strategy 2016-2021 –
Report and recommendation –
Motion carried**

The Minister for Policy and Reform to move:

That Tynwald approves the Digital Inclusion Strategy 2016-2021 [GD No 2016/0040] and supports the recommendation within:

That the Digital Inclusion Strategy 2016-2021 be endorsed, for the development of a shared vision on digital inclusion between public, private and voluntary sectors to tackle digital exclusion over the next five years.

The President: We turn to Item 13, Digital Inclusion Strategy. I call on the Minister for Policy and Reform to move.

3140

The Minister for Policy and Reform (Mr Shimmin): Thank you, Mr President, and I would like to thank all Hon. Members for coming along yesterday to the presentation. Hopefully this is another non-contentious area, but is one which is worthy of promotion to our people.

3145 Mr President, in 1989, Sir Tim Berners-Lee, a British scientist, set out a plan to enable people to better share information between connected computers on the internet, which we now know as the world wide web.

Since then, it has grown beyond anyone's expectations and has enabled more people than ever to become connected online. I am advised that there are now more Facebook users than the entire population of China.

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In the Isle of Man we have benefitted hugely from this technology revolution. There are more mobile phones on the Isle of Man than there are people. We have almost a hundred percent coverage of broadband across the Island, and a mobile phone network which is as up to date as any in Europe.

But, Mr President, as we surge forward on a wave of technological innovation, we must ensure, and do more, that people are not left behind. We should make sure that the benefits we take for granted from using the internet are available to everyone who wants them.

Mr President, there are many things we take for granted, such as checking the price of insurance or other shopping details online; to book a flight, where if you use a telephone it is a higher cost than if you book online; a video call to family, whether they be in Australia or Scotland or another part of the Island; people searching for jobs online. All of these, many people take for granted but others are excluded.

There are particular identifiable groups who are more likely to be excluded than others. We would possibly expect that older people are one of the larger groups who are more likely not to be online. However, it is also true that people with no formal qualifications are more likely never to have used the internet. People with a disability are often excluded as well. We need to make sure that this is not a one-size-fits-all approach and that we cater for the individual needs.

We need to make sure that we can get organisations online as well, particularly small businesses that need to have the skills to trade online and generate sales possibly from all over the world. If those businesses are not online then they are not able to access a huge and growing market of people who are keen to buy their products and services.

Mr President, this administration more than any other has increasingly relied upon the voluntary sector to support those in our community. Yet I am advised that in the last five years there has been a 50% increase in people who give money online – *50% increase*, in the last term of this administration, online! So our small charities that have not got an online presence or capacity are going to miss out to the money that goes to maybe other charities that are more easy to be able to contribute.

Social media is also becoming an increasingly important way of raising awareness of causes and indeed recruiting volunteers. We all know the TT situation and the need for hundreds of volunteers to work. If there was no online presence it would be that much more difficult to reach out and reach those volunteers.

But I am delighted to say, Mr President, that there is already a huge amount of work going on; excellent initiatives happening right now in the private, the public and the voluntary sectors.

This Strategy aims to set common goals for digital inclusion and to help ensure that we are all focussing our efforts in the same direction. The Strategy addresses three main areas which people say are the barriers to getting online. These are: skills, access, and motivation and trust.

It is obvious that the people who lack the skills to get online will be, and will feel, excluded. We have often heard people say that they do not want to look stupid so they do not try to use a computer, either for fear or embarrassment.

The initiatives already underway are helping people to get the skills and they need to use the web in a safe and non-threatening environment. So our Strategy aims to raise awareness of all these schemes already up and running, and to bring up the overall skill level for the whole of the Isle of Man.

The next area is the physical ways in which people can get online. We should be proud of the world class telecoms infrastructure we have here. However, it is more than just about whether you can get broadband in your house; it is about whether you can afford a device or indeed can you afford the broadband tariff which remains high on our Island. It is also about speed – a broadband connection which is not fast enough is a disincentive to continue the attempt to learn and anybody wishing to access things such as TV programmes or films or music, or talk to relatives abroad do require a good broadband connection.

We have a growing and a good public Wi-Fi network, including on the buses; and many community centres, libraries and local authorities are beginning to offer access to the internet, but we want to make sure that we are doing enough to allow everyone that opportunity.

Finally, Mr President, there is the question of motivation and trust. Our strategy has to help address the feeling of many people that there is no reason for them to get online. Some people say that the internet has nothing for them. But in fact we know that the opposite is true. Some

of you saw a video yesterday where there was a small-scale pilot project with a group of older people living alone. I think their testimony speaks volumes about the importance of how these people can benefit enormously from being connected. (**A Member:** Hear, hear.)

3210 We gave them tablet devices and free 4G internet, and supported them with training to use them. Afterwards – and this is their words – they said the experience had been ‘life changing’. They had looked at ancestry sites or watched old films online, or taken a virtual tour around Buckingham Palace. They told us they never knew all this stuff was available at the click of a button. That is why we need to work to ensure everyone knows that there is a wealth of information online which is, and can be, relevant and meaningful to their lives.

3215 We want to make sure that people are equipped with the skills to be safe. We want to make sure that they have a good understanding of online safety, because unfortunately the web can be a dangerous place. But these skills are not hard to learn. Mr President, it is easy to be safe online if you are advised and helped; and we have many volunteers on our Island, and businesses, who want to work with us.

3220 Our Strategy aims to bring together the things that are already happening and to make sure that people are not left behind. The Strategy will help us to ensure that those people who want to get online have the skills, motivation and trust to do so.

3225 Mr President, we often talk about the vulnerable; this, I believe, is a Strategy which all Hon. Members can possibly quite easily sign up to. It is to try to get the message out to our people that there are ways of helping them to be connected and be involved in what has been a digital revolution. I am proud to move the motion standing in my name.

The President: Hon. Member for Malew and Santon, Mr Cregeen.

3230 **Mr Cregeen:** Thank you, Mr President.

I am pleased to second this motion.

3235 As a bit of a positive and an encouragement for Members to attend briefings, it was interesting when the Minister and his officers were giving this presentation about how wonderful digital inclusion will be. As Chairman of Ballasalla Community Partnership, we have got a community building in the grounds of Ballasalla School where we have over 40 people, on a Wednesday, who drop in – elderly people who would like to get onto the internet – and we have a youth club there – but unfortunately we have been struggling for 18 months to get internet because it was at a considerable cost. After discussions yesterday, which were quite productive considering we have just had the presentation, it is pleasing that we are now able to move that forward.

3240 I think that will be of benefit to most of the people of the Isle of Man – when you can get that inclusion, when you can go off and you can be with other people to learn how to use these devices.

3245 I know a number Members in this Hon. Court, when we have the iPads and iPhones, there is the odd bit of advice being passed around about how best to use them. So it does help ... I suppose one day the Chief Minister will get the hang of it! (*Laughter*) There is always a chance to live in hope but ... That technology is there and I am pleased to second.

The President: I call on the Minister to reply.

3250 Oh, I beg your pardon, Mr Robertshaw, you did indicate.
Mr Robertshaw.

Mr Robertshaw: Only a quick comment, Mr President, and of course this Report is most welcome.

3255 I just wanted to ask the Minister if he could possibly outline a little bit more on the area under Affordable Broadband. He did indicate in his opening remarks that there was an issue of cost in terms of broadband. It says in Report:

The Government is in talks with the Island's telecom providers to explore the creation of an affordable tariff or other solution for low income households to get access to broadband at home.

I do hope that the Minister will appreciate that he must have the Court's support in pursuing this initiative and I wish him well in outcomes in that regard.

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The President: Mover to reply, Mr Shimmin.

The Minister: Thank you very much, Mr President.

I would just like to say that, as often, the Chief Minister keeps us guessing. He is actually very knowledgeable and talented in this field, but he just likes to hide his light – *(Laughter)*

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With regard to the other comment, it is helpful when Hon. Members give us the support when we are trying to talk to the private sector, to know that we have got wider than just initial support, so I take on board and am grateful for Mr Robertshaw's comments.

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I am also grateful again that, by talking with Government, quite often progress can happen. Hopefully you saw that with the Member for Malew and Santon yesterday, whereby often it is just asking a question. There is some support for help; even if it is not from Government it may be available elsewhere.

I beg to move.

3275

The President: Hon. Members, the Item before the Court, Digital Inclusion Strategy, is set out at Item 13. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

14. Sea Defences, Flooding and Coastal Erosion Strategy – Debate commenced

The Minister for Environment, Food and Agriculture to move:

That the strategy entitled National Strategy on Sea Defences, Flooding and Coastal Erosion [GD No 2016/0044] be received and approved and the associated Evidence Report is noted as an essential source of information and guidance in respect to ensuring the ongoing resilience of our communities and economy to weather and climate related damage.

The President: Item 14, Sea Defences, Flooding and Coastal Erosion Strategy. I call on the Minister for Environment, Food and Agriculture to move, Mr Ronan.

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

In preparing our Climate Challenge Strategy, the Department identified the top three issues which should be addressed with regard to adapting to the challenges we face from our climate.

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The three issues we identified were: (1) to increase the understanding of Climate Change by the Island's residents and businesses; (2) to plan for and accommodate the changing impact on the health of our animals, plants and, most importantly, ourselves; and (3) to address the increased threat of flooding associated with storms and changes in sea level.

The Sea Defences, Flooding and Coastal Erosion Strategy has been developed to address the third of these issues; however, I believe it also helps significantly to address residents' and businesses' understanding of the implications of climate change.

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Ironically, the importance and urgency of the Strategy was demonstrated again by the devastating rainfall in November and December of last year, as well as severe events in 2012.

The Report also addresses two commitments made to Tynwald last autumn, which were to bring this Strategy to Tynwald and a commitment regarding the future safety of Wright's Pit East.

3295 The preparation of this Strategy has involved overlaying everything we know about rates of coastal erosion, river and coastal flooding, sea level changes, topography and a wide range of other data sets. Together, the combined data lays out the likely issues we face over the next hundred years and, for the first time, we are able to plan and prioritise our actions for the long term.

3300 The Strategy does not stop the business as usual activity of the DOI, MUA and private land managers who are routinely dealing with ditches, drains and other matters which cause local floods. Nor does it impact on the DOI's existing investment plan to address many of the better known issues over the next few years.

3305 Importantly, what it does do is identify issues we were unaware of and help us prioritise our actions to address all the issues identified in a coherent and logical order.

The work has defined a method of comparing different issues, through calculating the impact on the community, the assets and the environment, in order to clarify the scale of impact. This calculation allows us to take balanced decisions about when it is cost effective to intervene and in a few cases it may clarify it is not cost effective to intervene.

3310 The work identifies the timescale until these issues become urgent. Therefore by balancing the timescale available with the scale of impact, the priority has been defined; so for the first time we can responsibly plan with confidence. This is one of the main aspects of the Strategy. This does not mean a high priority item is the most important, it simply means that the damage is most imminent. So if we do not do something quickly, it could be too late.

3315 Similarly, being low priority does not mean that the issue is not important, it simply means the issue will need action in the longer term and can be left until later in the programme. Mr President, an example of that approach is Kirk Michael, where at some point towards the end of the hundred-year outlook, the outskirts of the village would become vulnerable. Obviously, sometime well before that point, it will become the highest priority item on our list and together we would need to invest to protect the village. However, currently it is marked as a lower priority issue, because of the long timescales until the approaching scale of impact justifies the amount of investment required. But we must be clear: that investment would be required in the future to protect the core village.

3325 In the meantime, we need to keep monitoring the coastal erosion, to ensure we know if the erosion accelerates beyond these projections and hence ensure we plan and act in plenty of time.

3330 Some Members have expressed concern about the implications of publishing areas which are subject to flood risk; however, may I remind you that flood risk area maps are already available. Indeed, I believe that owners and insurance companies should be reassured that the issues are identified and prioritised to allow action to be taken to minimise the risk.

3335 The financial implications of this Strategy seem significant; however, when considered over 100 years, they are similar to current levels of expenditure in this area. It is simply about being more targeted and prioritised. However, we now need to do more work to agree the specific plans and costs to address the higher priority items, where these are already included in the Department of Infrastructure's existing work plan.

3340 Some of the actions need not be expensive. For example, relatively low cost upland management actions can significantly increase their water retention and reduce the risk of the lowland river floods. This was shown in Thirsk in Yorkshire last year. This is cheaper and more effective than concrete walls and dredging rivers, though both approaches are essentially required in some places.

This aspect fits neatly alongside our accompanying Landscape and Amenity Strategy, which is due next, which emphasises the role of river catchment management and this type of

management will become a significant focus for the Department, working alongside farmers and other upland managers.

3345 The Hon. Members who attended our presentation last week – and I apologise if it was a little bit longwinded; it did go on a little bit too much – will have heard the JBA speaker explain that this is one of the most comprehensive strategies produced, certainly in the British Isles. Apparently several other jurisdictions are looking carefully to learn from our unique, all-encompassing approach. It is fair to say that we are ahead of the game with this Strategy. It has
3350 been a great example of all Departments and the MUA working together to undertake and steer this work, and I thank them and JBA for their contribution.

In summary, Mr President, I believe this Strategy is much needed for the Island, helping us to clearly lay out what is important and what is urgent, and balancing these two factors to lay out a priority order for the next 100 years.

3355 I therefore beg to move the motion in my name.

The President: Hon. Member for Douglas North, Mr Peake.

Mr Peake: Thank you, Mr President. I would like to second the motion and reserve my
3360 remarks.

The President: Hon. Member for Council, Mr Turner.

Mr Turner: Thank you, Mr President.

3365 I actually went and got a hard copy version of this because it seemed to be rather light and I wanted to make sure I had not missed something.

I am not quite sure what this is delivering that was not already going on. Lots of talking, lots of liaising between Departments, but we do not actually see any action.

3370 Since the flooding we had in December, which was quite sudden ... there was extreme heavy rain forecast and a question I put in this place to the Water Authority was, 'Have you not considered, to mitigate some of the flooding when you have got spells of heavy rain forecast, in the run-up to that actually using the reservoirs to mitigate some of that by maybe reducing the levels?' There are things that could be done.

3375 I have been looking at some of the rivers and things recently, and we were told that we are not going to do any dredging of rivers, but we are not talking about dredging rivers; we are talking about basic maintenance here, which is not taking place. There are considerable amounts of growth, of foliage which should be scooped out and managed, but that is not happening either. These are simple things that should be taking place.

3380 There is build-up of gravel where there was not build-up of gravel before. Lots and lots of things like this, and there are examples all over the Island: weirs that are broken, that have got things snagged in them; along river banks where there are trees that could be at risk that could come down and cause blockages. All these are simple things that should be going on throughout the year, that should be part of the Strategy, but we are always told there are lots of excuses why we cannot cut these trees down, we cannot take the gravel out, we cannot do this. We have
3385 seen a lot of talking and not a lot of action.

I am surprised there is nothing in here to look at protecting industrial areas such as Hills Meadow, which suffered catastrophically, twice now in the last 10 years, severe flooding. We are masters at putting in very inadequate drains in this part of the world and I do not know why, and we have had the same with Peel Road – drainage that just simply is not up to the job. But there
3390 does not seem to be any clear strategy for that when renewing highway infrastructure; we still see tiny little drains going in.

What is going to happen to the likes of Hills Meadow? Businesses there have suffered horrendously – twice now. There was a huge flood in 2003, which resulted in a massive diesel

spillage from the power station, causing devastation to those businesses. The same thing happened again last year.

We saw the problems in Laxey and the bridge – infrastructure there being damaged; and clearly there was a programme already in place, looking at the likes of the structures. So how did that fail? Surely that should have already been being discussed. Yet that bridge still, we are told, is going to be completed in September, but a whole stretch of the A581 in Cumbria has been completed in five months! These are – *(Interjection)* It is about resources? We have got resources but we have to programme them in and channel them accordingly.

This is the thing: when we are running these things ourselves we have to accept that our citizens should not have any less of a service than anybody else, but if this is a strategy then these sorts of things should be in it.

The Minister mentioned the uplands, and the uplands of course are key to a lot of this, because that is where a lot of the water is caught and then channelled down. Again, I have seen some quite overly engineered schemes being carried out in the past and I have mentioned that you do not actually have to do that. If you look at what they do in areas such as the United States they use very simple things by filling some of the crevices and the gullies with rock and boulder, which slows down and takes the energy out of the water. Then when it spills down to the other side of the road to the next piece of the hill, they almost fan it out with more of the same, rather than having lots of structures put in. That prevents, in those areas, landslips and slippages. Very straightforward bits of engineering, but they require ongoing maintenance.

One thing I would like to hear from the Minister is how this Strategy is going to be measured, what sort of targets are they giving and how is the performance of it going to be assessed. I would like to hear that from the Minister.

In terms of the Kirk Michael area, I know we – when we were in the Department of Transport many years ago – were looking at this problem, it appears that there is not actually a plan for that at all; we have just got to keep looking at it. So what is the plan? If we are going to have a strategy there needs to be plan and there needs to be deliverables and there needs to be measurement against those deliverables.

The President: Hon. Member for Douglas South, Mr Malarkey.

Mr Malarkey: Thank you, Mr President.

I could start by thanking the Minister for bringing this forward today and thanking him for his presentation that we had this week. I would also thank the Hon. Member of Legislative Council for his great interest in South Douglas, which came out top of the list. It came out as number one priority, which is what I said last 3rd December, when we were watching all businesses in Hills Meadow float away and our national sports stadium absolutely sinking.

So I ask now, to the Minister, what the priority is on getting this sorted. At half past five this morning, as I was trying to sort my dogs out, with the thunderstorm and water was three-foot bouncing off the floor, I get ready, get my bucket, my wellies and get down to start bailing out the NSC again and praying that the tide was not in, because the 100-year storm had just returned again this morning, I think.

These 100-year storms seem to be coming more and more frequently. I think Minister Gawne has pointed out climate warming and all the rest of it. We can no longer rely on 100-year storms; we need to be doing things and be doing things now – certainly down at the NSC. I am going to keep harping on about the fact and now the MUA Chairman is sitting here, who was not at the presentation at the time, I will repeat exactly what I said at the presentation. I was disgusted with the response from the MUA. After the last time in this Hon. Court, I complained that the rivers – the Dhoo and the Glass – needed dredging because they have had years and years of filling with stones. It is called water displacement. They put the digger down there for about a week; they took about three wagon-fulls of stones away and there is really very little else being done around the Dhoo and the Glass. Here we are, halfway through our summer, getting rain

storms again and going back into a winter. So something has to be done and it has to be done soon.

I heard the argument, Mr President, that, 'No, we have to have a plan because we cannot disturb the wildlife and we cannot have the water displacement.' Within the Department we are just having a new turf put down in the middle of the NSC because the last one was damaged – the artificial surface. The Department wanted to put a barrier around it – maybe a two-foot barrier – to protect it, so that if it was to flood again we could stop the water going on and actually damaging that pitch, but when our Department came – I do not know who they went to in DOI or MUA – they were told, 'No, because that water displacement, we dare not put the water somewhere else. The water displacement that we were stopping going on to the pitch would then go up maybe ... damage Mylchreests or somewhere else.'

My argument, as an engineer, is if we dig the river out, the water can stay in the river, because there are so many stones and bankment built up in the Dhoo and the Glass on either side of the NSC. There is far more water than the hockey pitch would hold. It could be kept inside the river.

I know the Minister said that this is going to take planning now, and ways forward, and it is going to cost a lot of money, so a timescale of maybe one year, two years, three years. Let's do some absolutely prime things now. Get the digger back down there and clean those two rivers out properly, (**A Member:** Hear, hear.) as far back as you can possibly go, because I will tell you, if it floods again this winter there is going to be – well, I will not swear in the Court but there are going to be a lot of very angry businesses in Hills Meadow, and I think there are going to be an awful lot of angry taxpayers because the insurance is not going to pay out a second time for the NSC!

We have now got it back to a much higher standard than it ever was before. Let's keep it that way, so please, *please, please* can we have something done and have it done now. You have had your survey, it has come out as number one priority, let's act on it.

Thank you, Mr President.

The President: Hon. Member of Council, Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane.

I am fully supporting the Minister with his Strategy – a pragmatic, common-sense way forward to answer this; and I think we need to take some of the drama and temper out of this debate and let's just look at what we are dealing with here in practical terms. As somebody who experienced what went on last December – up to my waist in it, helping neighbours, amongst other things – I can tell Hon. Members that it would not matter if I had had the MUA up there an hour before the rain storm with 500 diggers digging the rivers out all over the place and the tributaries that feed into the river at West Baldwin that comes off Injebreck dam. It would not have made the slightest bit of difference and – (*Interjection by Mr Malarkey*) It might have helped slightly, but the volume of water – and the sheer volume of water that came crashing through that valley, not just from the river that feeds into Injebreck, but that fed through the tributaries below the dam, as witnessed by myself, was incredible. So no amount of diggers would have stopped that.

We need to be careful. We are placing all our eggs in one basket here, because digging out is not always going to help. I certainly support where debris has built up over years, there are trees left in rivers that could cause a blockage or a damming effect and an overspilling onto roads or into properties – fair enough, but I can assure this Court, Eaghtyrane, that what I witnessed last year ... In fact, one of the tributaries, the force and volume of it was so great that middle of the river was up in the air, higher than the banksides, firing down like something being forced out of the Hoover Dam, to be quite honest. I could not believe it. It was quite staggering.

So do not fool yourselves, is the message I would say to Hon. Members, Eaghtyrane; digging out is not the full answer here.

Mr Malarkey: No, it is not. It is not!

3500 **Mr Henderson:** It will help in certain areas (*Interjection*) and then we can get too hysterical, Eaghtyrane, and we can wreck the ecology of areas taking it too far.

Having walked large tracks of the Island since the flooding, including your own constituency, Eaghtyrane, and other areas, and taken note where the bank debris has been left high up on tree boughs and branches well above the road, I was staggered at the amount and volume of
3505 water that must have fired down those particular valleys – certainly at Glen Road in Laxey, and other areas.

If the MUA had another army of diggers there prior to the rain storm I doubt it would have stopped that; it could not possibly have! So what we need is a common-sense, pragmatic approach to what we are trying to achieve here. Yes, there are areas that need to be maintained
3510 and dug out in a common-sense way, and kept at a certain level.

I would agree with the Hon. Member of Council, Eaghtyrane, in that some of our drainage systems leave a lot to be desired, to be quite honest; but again, having more adequate drains in will not help in the main. If we have a deluge, such as we had before December – and they do seem to be getting more common – the type of drainage that we need to assist is far greater and
3515 in excess of what has been pointed out here, Eaghtyrane.

I had, again, a personal experience with this in my constituency with regard – or my former constituency – to Governor's Hill, where the lake attenuation system was failing and we had flooding there that caused, at one particular point, tens and tens of thousands of pounds of damage to houses below the attenuation system; and in the end the additional drainage system
3520 that got put in by the private contractors was such that it was a huge operation. The system that is in there now, hopefully will more than adequately meet with what we suspect may happen again.

That is the kind of thing we have got to be aiming for in the future. It was not a case of just putting an extra little manhole in; there was a proper additional drainage attenuation scheme put in, at myself and Mr Houghton's request, after many on-site meetings and assessing the
3525 damage.

So it is not quite as simple as being portrayed, Eaghtyrane. I would just urge the Hon. Members to support the Minister with a pragmatic, multi-stranded approach to this, rather than just trying to build people's hopes up with one or two things.

3530 There is another important message here too, Eaghtyrane, when we are looking at things like this. What are we encouraging private property owners, business owners, homeowners who are in affected areas – or red areas, as we saw on the plans – how are we encouraging them, educating them, to think sensible, common-sense things that they can do so that if it happens again they are more prepared or have their premises protected in a better way?

3535 We have had people say, 'Oh yes, we had this happen to us a couple years ago,' but they have not done anything about it. We need to be engaging with private property and business property owners, especially in the red areas, to see how we can assist folk. There are a lot of us where I live now who have taken our own precautions since last December, out of national need, if you like, but we are not waiting for it to happen again.

3540 I think one of my other key messages is that we *must* help and assist people in known areas to move themselves forward in anticipation, because these 100-year events are becoming more like – in my experience and with North Douglas – every five to eight years.

The President: Hon. Member for Ramsey, Mr Deputy Speaker.

3545

The Deputy Speaker: Thank you, Mr President.

The Minister is aware that I have doubts as to the method of prioritisation. We talk about flood areas – 1 in 20, 1 in 100; it may well be that they will only flood once in 20 years or once in every 100 years, but when you come down to the Kirk Michael coastline, which is rated low

3550 priority, it will not be high priority for many years, and the residents now see sections of their gardens disappearing every year and the distance from their houses to the sea is visibly reducing.

It is obvious that major action will need to be taken, but with this policy it may well be too late for the community. They have no confidence in any plans because they have been ignored
3555 for so many years – I am not blaming that on this Minister. But the house values are becoming – and even more, will become – hugely affected when there are no proposals there for halting the erosion.

Similarly, house insurance charges will increase, (**Mr Quirk:** Yes.) houses will not sell as time passes by, and first-time buyers' houses will become last-time buyers' houses. This is not drama,
3560 this is real life.

Following on from the comment from Mr Henderson, the people in Kirk Michael cannot take common-sense action to stop this happening. It is only the Government and his Department that can stop this happening, sooner rather than later. Therefore, this proposal does not give any confidence, certainly to the people of Kirk Michael.

3565

The President: Hon. Member for Michael, Mr Cannan.

Mr Cannan: Thank you very much, Mr President.

It was good to hear the voice of reason coming from the Legislative Council actually and I
3570 congratulate the Hon. Member, Mr Henderson, on his words there because I do think we need to take a very calm approach.

I can understand, of course, the constituency concern expressed by the Member for Douglas South, but of course the Hon. Member of the Legislative Council was right, in that no matter what action is taken, no matter how deep we dig the rivers, no matter how many levies or
3575 changes of direction or channels we dig further up in the hills, we are not necessarily going to prevent flooding from happening. We have to accept that flooding will happen at some point, no matter what action we take.

It is not helpful, I think, to threaten that if there is a flood next winter there is going to be hell to pay because I think what we are trying to do here and what this Strategy is trying to do is to
3580 try to help progress matters to add some more framework around protecting the environment, protecting the built environment, protecting the economy, protecting people's personal economies – people's personal businesses, people's personal households, investments – by trying to help focus the minds of those involved, with flood risk prevention, with emergency planning and those involved with dealing with infrastructure projects in the future. This is a
3585 multi-agency approach; it is not just the MUA that we can possibly expect to deal with this whole issue by itself –

Mr Malarkey: Mr President, would the speaker please give way?

All I am asking for is for the maintenance work, that has not been done for the last 20 years
3590 on the rivers, to be done. I am not asking you to progress the scheme at rapid speed, I am asking for the maintenance work which is outstanding to be done on the two rivers.

Mr Cannan: Okay. I think the Hon. Member is completely over exaggerating the problem. 'Maintenance work not being done for the last 20 years,' is absolute nonsense, Mr President. I
3595 am quite happy – (*Interjection*) quite happy! – to provide the evidence of the maintenance work that was carried out only last year, at his behest in his constituency! *At his behest*, we responded to him and we got down and we did the job.

Mr President, I think that we do need to support this Strategy. What it does is it actually builds on the work that has been started already by Manx Utilities and its predecessors, the
3600 Water Authority, in developing flood maps and identifying areas at high risk of flooding from main rivers, storm tidal surges and, more recently, surface water flooding.

This Strategy tries for the first time to bring forward all the major sources of flooding and risk throughout the Island on a common basis and the assessment which underpins the National Strategy takes a consistent approach in evaluating what is risk in the priority areas for investment in terms of dealing with flooding over the short, medium and long term.

The recent events, including the devastating flooding of 3rd December 2015, caused millions of pounds' worth of damage, impacting businesses, homes and nationally important structure; and it left Hon. Members in little doubt, I think, of the scale of the flood and coastal risks facing our community, which if not managed will only worsen due to the effects of climate change.

The analysis carried out indicates the flood and coastal erosion damages will be of the order of £900 million over the next century, and it comes as no surprise to find that Douglas is the area at higher risk of flooding, both now and in the future. Manx Utilities have initiated a programme of survey works so that the river system and potential flood alleviation measures can be evaluated in detail.

The Strategy also recommends that more can be done and should be done to raise awareness of flood risk and improve community resilience. It is important for me to emphasise the responsibility of land and property owners for taking reasonable steps to ensure the flood resilience of their property and possessions, and for managing and maintaining their privately owned drainage.

Mr President, it is incumbent on all of us as a community to take responsibility for the simple tasks on our own properties which will help control and alleviate some of the flood risks that are coming to the fore at the moment; and particularly as we have to accept that rainfall over the winter months appears to be increasing.

One of the Strategy recommendations is that Manx Utilities takes account of the evidence base in discharging its drainage authority duties and implementing the Regional Sewage Treatment Strategy. I will reassure Hon. Members that Manx Utilities' programme of drainage and flooding infrastructure improvements will continue, along with the appropriate maintenance of the designated rivers, targeted at sustainable intervention – for example, removing build-up of debris from pinch points, which will make a difference to serious flood risk.

I want to say at this point, Mr President, that just simply digging a deeper river does not solve the problem. Removing some of the pinch points, I accept, does. Removing, from time to time, the build-up of sediment and other natural blockages does. But simply digging a deeper river will only cause a problem to occur further downstream or will destabilise the banking around that area, and will simply lead to more infrastructure work being required (**A Member:** Hear, hear.) and threaten potentially more properties and more walls and even roads. So we must take a controlled and measured approach to some of these risks.

During the last two years, Manx Utilities has worked with stakeholders to invest over £1 million in managing, maintaining and assessing flood risk on the Island's 85 km of designated rivers.

We have, Mr President, installed a network of gauges to accurately measure river flows, which will improve our understanding of the level of flood risk and enable flood alleviation options to be evaluated; we have assessed the condition and serviceability of critical assets, such as river walls, weirs and bankside structures; we have continued a programme of investment to maintain the flood conveyance capacity of the northern ditches and trenches, to remove accumulations of silt and vegetation – for example, by dredging the Lhen trench; we have targeted maintenance to repair and reconstruct bankside flood and erosion protection structures – for example, the river walls and the weirs on the Laxey River. And following the December flooding, we did meet with property owners and we did undertake topographic surveys to establish the extent of flooding on the designated rivers; we did carry out asset surveys and we did initiate major repairs to riverside structures damaged by the flooding – for example, the river walls at Tromode and Laxey Fire Station; and we have removed build-up of sediment and debris – as the Member for Douglas South well knows – from pinch points, to maintain river flood conveyance whilst allowing the natural river processes of sediment

deposition and erosion to continue unimpeded where possible – for example, on the Douglas River system.

Flooding poses an ever present risk to our essential infrastructure, which could leave our customers vulnerable to supply disruption. We have carried out an extensive programme of risk assessments and taken steps to ensure our flood vulnerable critical infrastructure – one example being our primary electricity substations in river floodplains – is and are flood resilient.

Flood risk from all sources is being taken into account in the progression of our infrastructure investment plans and the Regional Sewage Treatment Strategy, and is on target to provide first-time sewage treatment for Ramsey and Andreas catchments at the year end. We will continue to work closely and effectively with stakeholders, such as the Department of Infrastructure, to improve drainage and reduce the risks of flooding where practical.

Development of the National Strategy has been made possible by the commitment of a cross-functional team from DEFA, the DOI, Treasury and Manx Utilities. Putting the Strategy into effective action is, of course, essential and that is what we are going to need to do next, and the strong working partnerships between the stakeholder departments will serve us well in developing an effective working group to provide the long-term solutions, and sustainable flooding solutions, for our community.

Mr President, we are not wanting to stand still. The Strategy is designed to help focus minds and spending, and that is why I believe it is worthy of support.

I just want to talk for a moment about the coastal erosion element of the Report and, of course, Members will appreciate that I also wear a hat as a constituency MHK and that coastal erosion is something that I have campaigned for significantly and regularly in this parliamentary session. I ask that Tynwald be considerate of the investment that is required in Kirk Michael and protecting the coastline along the Kirk Michael section, particularly between Glen Wyllin and Balleira.

I am delighted actually that Kirk Michael has been recognised in this Report and I do want to thank the Minister for taking the erosion seriously. I think since he has been in office – and indeed I have to say Minister Gawne before him ... have both treated me with courtesy and respect when it has come to the Kirk Michael issue; and I am pleased to see that has been, at least, acknowledged as being highly significant, although I am a little concerned at the prioritisation of Kirk Michael within the great scheme of this.

But I was heartened to hear today the Minister confirming that investment will be required along the Kirk Michael coastline. I think that is an absolutely critical statement and I will be delighted if Tynwald will verify that by voting for the Report today.

Of course the other element of his speech that I was particularly interested in was for him to say that the coastal erosion rates must be monitored and effectively implying that changes may be required in terms of the timescales.

I would say to the Hon. Court that whilst of course I recognise and welcome what has been done, there are a number of different factors that are currently under consideration in the local community as to that step forward. I will be meeting with a number of local residents and the leading community Commissioners next week in a public meeting to discuss the implications of the Report and the timescales that have been assigned to the Report. Certainly a lot of the evidence would point to the fact that erosion rates are continuing to speed up. We will be compiling a lot of that evidence and will be submitting a further assessment – our assessment, community assessment – of our needs, given what has been already reported.

I think that what we need to do now is to continue to push forward for protection for Kirk Michael. I think that, having had this recognition now, and recognition that the coastal erosion is proving a significant threat to the village and that an investment must take place to prevent it, has been a step forward; there is more work to do on that area.

Going back to the overall thrust of the Report, Mr President, this is a Strategy that will help focus minds, help focus minds particularly around key areas, around the key areas of infrastructure, around the key areas under threat; it will help also focus minds in terms of how

we are spending our money. There is still a lot of work to be done. We are not standing still. This Report is a milestone along the way; let's take it as that and let's get pushing forward to continue to meet the climate challenge and threat that is facing us all.

3710 **The President:** Hon. Members, we will now take a break and we shall resume at five minutes to 6. The first Member to be called will be Mr Cregeen.

*The Court adjourned at 5.29 p.m.
and resumed its sitting at 5.55 p.m.*

**Sea Defences, Flooding and Coastal Erosion Strategy –
Debate concluded –
Motion carried**

The President: Please be seated, Hon. Members.

We resume our debate and I call on the Hon. Member for Malew and Santon, Mr Cregeen.

3715

Mr Cregeen: Thank you, Mr President.

There has been a lot of talk about the flooding in December. You do not need to have the extreme of the floods that we had in December to cause problems.

3720 Some of the Members have commented about the dredging of rivers. I know in my own constituency, the middle of the river is getting like an island. There will be a flag from the Chinese probably going up there soon, claiming that it is part of their territorial waters if it gets any bigger. One of the concerns is that because you have now got these large banks in the middle of the river it is actually eroding the banks either side quicker because the water is constantly running down either side rather than the centre of the river. One of my concerns is
3725 when people say that is a landowner's issue. Well, no, because what you are doing is you are eroding their land because of lack of maintenance in the river.

There is also lack of maintenance regarding the roadside drains, which causes a huge problem. On the gullies, as my friend from Onchan, Mr Quirk, said ... I was going through Santon and they had just cut all the hedges along the main road in Santon. Then they brought the
3730 sweeper along and the sweeper then topped off all the roadside gullies with debris. Now, if you get any rain on there, they are all full. I am sure at times the Department of Infrastructure, with all these drains full of soil and debris, will actually be putting in a claim for Countryside Care or Agricultural Development because they will have enough acreage in these drains. I really do think they need to get the gully suckers out throughout the year to ensure that, when we do get
3735 a storm event, properties are not getting flooded.

Another issue is that you do not have to have the December event for properties to be affected by flooding. In 1982, part of the Silverburn was flooded, and that was because there was a blockage further down river. Touch wood, even in December there was no flooding in the Silverburn Estate, but one of the problems that they had ... and this is one of the things that you
3740 have with some of the flood defences, that the drains go into the river. If the water level is above the outlet, then there is nowhere for the water to go, so then it is actually stuck on the inside of the flood defences, so you can get an effect of the properties getting flooded there. I think what we have to do is ensure that maintenance is done. You do have the severe flood events. As my friend, Mr Malarkey, from Douglas South said, it does not take much to overtop
3745 the river for properties to get flooded.

There have been a number of properties where they have had the wave effect of cars driving through the water, even if it is only six inches deep. It may not be going into their properties

because it is at that height, but the wash from those vehicles is actually causing a problem in those properties. I think we have got to balance it out.

3750 All these large projects that we are saying we should be looking at ... The small maintenance issues are the ones where people are getting affected more regularly than the one in a hundred year flood that attends every couple of years. The small storm this morning possibly affected a number of properties because the drains had not been cleared, or for some reason; it does not mean that there has been a huge depth of water there. So, I think a bit more emphasis should
3755 be put on regular maintenance. We are saying to property owners to ensure that their drains round the property are cleared, and that should be with the local authority, and the Department of Infrastructure should be ensuring that all the gullies are done. It is partway there and I just hope that they can put that bit more pressure to ensure that the regular maintenance ...
3760 Because that is what annoys people when they get this flooding, and they can say, 'Well, it is because of lack of maintenance that we have got flooded.' That is where, unfortunately, the Minister for Infrastructure will get the pressure on him saying, 'Why haven't you done something?'

So I hope the Minister will put some pressure on them to make sure that essential maintenance is done.

3765 Thank you.

The President: Hon. Member for Douglas East, Mr Robertshaw.

Mr Robertshaw: Thank you, Mr President.

3770 I would like to just bring a few comments to balance off other points that have been made in recent contributions. I would argue from my own personal experience that the challenge before us is not necessarily to speed the water up, but to actually slow it down.

I would like to explain my own personal experience on 3rd December. I live at 860 feet. I went into the house at half past three. It was raining, like it had been raining for days
3775 beforehand, and I was not particular concerned. Something drew me out of the house about quarter of an hour later and my eyes nearly popped out on stalks because suddenly there was a four to five feet-wide torrent, three, four, five feet deep, rushing straight through the farmyard. I went round the back and looked up and saw something I had never seen before, and the fields behind the house, instead of being green, were white. There was a white sheen on them. I went
3780 up and what had happened was we had suddenly reached the point where the ground would no longer absorb any more water. It just could not do it and that suddenly changed into these torrents which ultimately translated, further down, to horrendous experiences in places like Hills Meadow. There was some confusion the following day because the people in Hills Meadow thought it was my constituency. I went down – and your heart goes out to them – and it was
3785 then that I rang Mr Malarkey and he then made his way down to speak to them, to give them some encouragement, I think, really.

What I am trying to say here is that actually the challenge for us, I think, is not necessarily ... it is important to do so, but it is not necessarily about clearing drains and widening and deepening rivers, because what you do there – because we have got ever more estates and more tarmac
3790 and more concrete and more drains – is we are actually increasing the speed of the water leaving the land and creating more velocity in the rivers, which effectively has the result of picking stones up and creating more problems. So I would argue that at the core of our thinking needs to be ways ... a thousand, a hundred thousand little things in the hillsides that are going to slow the water down in the future.

3795 Just bear in mind that when sheep eat grass they crop it quite closely, so our hillsides are not, as it were, natural, they are not deep in vegetation, they are slim; so once the water can no longer be absorbed, once the water table is completely congested, then the water runs off quickly. So, for my ... one of these many thousands of things ... and I spoke about it earlier when we were talking about coppicing – my view is that if I coppice a certain amount of my land and

3800 create rougher grass and trees, then I am going to slow the waterflow down at the point that
water can no longer be absorbed. I think there is growing evidence in the UK that they are now
beginning to look at that as well: about slowing water down, creating flood plains. So, it is not a
question, necessarily, of spending a lot of money digging deeper rivers, expensive concrete
banks; it is a thousand little things elsewhere in the hills that will slow the water down so that
3805 the people in Hills Meadow do not have the problems that they have got.

Mr President, that is my little contribution.

The President: The Hon. Member for Rushen, Mr Gawne.

3810 **The Minister for Infrastructure (Mr Gawne):** Gura mie eu, Eaghtyrane.

As I said earlier, climate change is happening. There is no doubt in my mind that the world is
already suffering from the impact of a rapidly changing climate and this impact will only increase
in severity and frequency. What is clear is that the change in climate is allowing more water to
be sucked up into the clouds and for those clouds to empty out the water more quickly. That is
3815 happening. That is clear.

If only the medium-range forecasts come to pass – and I fear that they will be much worse –
sea level rises of in the region of 650 mm, which is over two feet, in the next century are likely.
As a result, waves will be a metre higher, flash floods will become commonplace and storms will
become more intense. This will have a dramatic effect on our coastline communities and, if we
3820 fail to act, we will suffer the consequences.

Some in this Chamber may choose to deny the existence of climate change, but as Voltaire
once noted, ‘Men argue, nature acts.’

I passionately believe that we must act now to stop future climate change and to adapt to
the risks of it. But, in my heart, I know that our efforts will fall short, therefore we must get our
3825 adaptation right because the mitigation against climate change is not going to be enough.

The Department of Infrastructure has established a programme of work to start preparing
our coastal towns against the effects of sea level rises. Treasury has supported this programme
with investment of £15 million over the next five years and this is an encouraging start.

The sea defences that we are building will last for over a hundred years, and we should build
3830 our infrastructure for the benefit and protection of future generations, not just our own short-
term, narrow self-interests. The Victorians built infrastructure that we still benefit from and we
should learn from the scale of their ambition.

I have to say I am concerned to hear some people in some of the communities that we are
trying to help saying, ‘Ah, well, why don’t we just do a little bit just for now; that will last 20
3835 years and then we could add a bit more on.’ We need to spend the money and do the job
properly and we need to invest in the future.

This cross-Government report brings together work from the Department of Infrastructure,
the Manx Utilities Authority and the Department of Environment, Food and Agriculture. It is
supported by the Environment and Infrastructure Policy Committee and it has been brought
3840 together by JBA, a company with a strong reputation in the field. It gives a good reference from
which we can all set our direction, not only in Government but also within our communities. It
does not represent the final chapter, but rather part of the prologue.

This generation and future generations will need to work hard if we are to adapt to climate
change. We have benefitted so much from those that came before us and now is the time for us
3845 to build for our grandchildren’s grandchildren.

I wholeheartedly support the adoption of this report but recognise that it is only a small step
in a very long and difficult journey; so, not unsurprisingly, I will be supporting the motion.

I should congratulate my colleague, the Hon. Member for Malew and Santon, in suggesting
that the Department needs to do more in relation to gully emptying, because I was having the
3850 very same conversations earlier this month, not just with the Department but also with a
number of local authorities. It is clear that we need to keep on top of that and I am not content

with the way in which the Department of Infrastructure has been fulfilling its task, certainly over the course of the last year. We have a far more proactive programme that is going to be in place and I hope that will assist, because that clearly does cause some of the minor flooding issues. It does not cause the main issue, though.

I will be supporting it.

The President: Now, let's please avoid repetition.

Hon. Member for Onchan, Mr Quirk.

Mr Quirk: Thank you, Mr President.

I will be brief. I will be supporting it but just asking the Minister several things. The main issues I see are inland flooding and then flooding by the sea.

What is the Department doing, really, for an advice centre? This is to all three Ministers, I suppose, but only one can answer at the end of the day, but, if they are joined up, one Minister should know it. When these calls go into the call centres there, I do not want to see this coming winter one particular Department saying, 'It is nothing to do with us. You need to ring the Manx Utilities.' And Manx Utilities saying, 'It is nothing to do with us. You need to ring the Dol.' And the Dol saying, 'Nothing to do with us. You need to ring the next local authority or your nearest local authority', for them to send a man out for a flooding drain about six or seven inches deep, with a set of rods and a van and a pair of wellies, thinking, 'I should not have been called out here. It should have been somebody else.' I do hope, between the three Ministers ... It is no good sending an individual out there ill-equipped or a resource that is ill-equipped – and they are the local authorities. It is far better having the utility that has the machinery that comes up and sucks the gully out straightaway and then moves on, instead of actually calling out the fire brigade. Some years ago, we had to do that three times in Onchan, just because nobody else would respond, and that is a shame because we should not be using the fire brigade to pump out water from people's properties.

The other issue I have is regarding those individuals who cannot get insurance, who have been flooded the second or third time. We have a few in Onchan. They cannot get insurance at all. I do not know what is going to happen with them when they come to sell their properties. I am looking, from the Minister or any of the Ministers, for some advice where those individuals can be identified to the Departments to say, if this happens again because the drain is not big enough or there is no attenuation pond further up the road to take the water when it comes in volumes, what is going to happen or what I can do, instead of trying to tell these people, 'Nip down to the fire station or the Civil Defence and get half a dozen sand bags and try and do something.' That is not good in this day and age.

Finally, if I could say, Mr President, regarding the rivers, I would love to know what the policy is. Well, I know what the policy is regarding main rivers because it is the MUA's responsibility on that. The Manx Utilities: the main rivers, 25 yards or whatever it is each side of that main river. I was wondering – and Mr Cannan can come back to me some later time – when was it last walked or inspected for those? Because that is a responsibility of yourself: to identify where the trees are just lying there ready to drop into the stream, run down to the pinch points, as you say – and that is what does happen.

The other one I was wanting to ask – and the Minister from DEFA may not know – is regarding the dams that we have on the Island and the alarm system we have on the main rivers. If we have predictions... and the weather people – it is a plug for them – are pretty good; they were spot on with the thunder and the rain. What is the policy? What do we do to lower the capacity in the reservoirs? I believe that the reservoirs were already full and the overtopping caused the issues, probably, on Injebreck, Baldwin, the bigger reservoirs there. We should have some system in where ... I think what they used to do, the older guys in years gone past, they went up, opened up the sluice gates – 'It is going to happen at the weekend' – and lowered the reservoir down a bit. Therefore, when the storm water came off the hillside – quite right,

Mr Robertshaw is bob on ... Once the ground is full, it has got to go somewhere else, so it just races down, but if those reservoirs were taken out a little bit, dropped down a little bit or we used that ... I forget what it is called now, at Tholt-y-Will, to make some electricity quickly, that could save us a little bit.

I would like some of those answers. You may not give them here today, but I would love some of those answers because at the end of the day there are people who cannot get insurance and have been flooded a third time.

I do support Mr Malarkey. I know when it happened he was down there. The saddest thing I had was when I went down to see some individuals I knew down there, when they were asking for a bit of help, and that little bit of help was 'Please send us a digger, please give us a big skip' to put all the silt that was run up against their properties, and they said – and this is the truth – that they could not help them at all. I think somebody at the top end can make that decision. There is no liability on it. If you are saying to a person, 'Yes, we will drop a DoT digger down. We will give you a couple of hours work to put that silt into a skip or push it to one side so you can open up your business again', that does not affect our insurance policy or any liability claim. Sometimes people do ask and, if you do not give the right answer, they just get frustrated.

Finally, I do not want to see, next year, whether I am in here or not, people running round, ringing up this place, that place, the other, and one or two people saying, 'Nothing to do with us, ring somebody else.' At the end of the day, it ends up with Home Affairs or the Civil Defence or the fire brigade – the last port of call. It should not happen.

The President: Hon. Member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, I think the important thing about this is this is something that we can applaud Government over.

The issue of the Hon. Member for Michael's amendment last year as far as the issue of the erosion of the coastline was an issue that we all sympathise with.

What I really am pleased about is that we managed to get them to consider the fact that we have got to try and get 'That Tynwald acknowledges the continued erosion of the coastline ... and supports the introduction of a national coastline policy' and for this report to come back here in July this year.

I think, as far as criticising is concerned, we have got to say at least they are starting to develop a strategic, long-term process. At least we are ending up now trying to get joined-up Government, because we have not had joined-up Government.

I must say that I will not be opposing this Item on the agenda, but it just shows you where Tynwald can intervene and actually enhance Government. Instead of being put off on one issue to do with a singular constituency issue, it can be broadened out on a national basis. Whilst we might not all be as committed to global warming as the Hon. Member for Rushen, Mr Gawne, we do have a debt of honour to the next generation to be starting to put the infrastructure in.

I have to say that my good friend ... about who should be compensating for properties that flood, I think we want to be very careful on that point because, quite frankly, Eaghtyrane, there are enough liabilities and not enough money going round at the present time.

I just wanted to say that is good parliamentary process. We have got a report back here now. We are talking about something on a national basis, something that some of us have seen for 30 years. What I would like to see in any report in the future is the fact of how we deal with this.

I have to say I am not going to be like the Chief Minister and try and badmouth the intentions of the Hon. Member for South Douglas, Mr Malarkey, like he tried to as far as the previous issue to do with conservation. I actually have to agree with Mr Malarkey: the level of the rivers ... if he has got any influence with the CoMin party, he has not got enough, because the fact is, as somebody who spent hours down in the King George V Park, the river level as far as the amount of silt in there is at least a foot, a foot and half feet higher than it was when I was a child.

3955 I agree with the points that the Hon. Member for East Douglas and the Member for Michael raised about the issue that you speed it up and you speed it down. I cannot say, Eaghtyrane, whether that same process is further down into the Nunnery river, because that was a very deep river when I was child, so I do not know that.

3960 What I think we should be looking at on this strategic policy is that if we have got a problem with rivers and if we have got a problem with unemployment, maybe we should be looking at these basic things being some sort of work scheme in order to ease the unemployment at a later date. We have got to look at ways of how we deal with these issues. We have got to be smarter, more effective on how we are going to deal with these issues. I do hope that maybe this is one thing that could help Mr Malarkey as far as the issue of the river maintenance, if we can look at that.

3965 The other issue that was mentioned 30 years ago, near enough ... One of the problems we had with the Kirk Michael erosion problem was that if we put large concrete blocks there they sank into the ground and their maximum situation was not very long as far as being actually any use. The idea was to put stabits down, similar to what we had at the breakwater, and what the
3970 idea would be is the ecology would change, but the ecology of the sea cliffs would dissipate away onto more like a 45° angle than the 70° angle there. One of the things which I have to say at the time did worry me, but again I was reassured by professionals – who obviously did not have the ear of the then establishment, before we ended up with the disastrous contract with the incinerator – who were talking about, to take the weight out of such structures, actually
3975 plastically ... *[Inaudible]* rubbish into blocks in order that they were not too heavy. It had a cost benefit of saving us money on other aspects and they assured me that it was going to be something like 200 years before the concrete would break down.

I think, Eaghtyrane, because we are in an environment where you are not going to have, like we have had for 20 years, where you could throw money at everything, we are going to have to be much smarter.

I do hope that when the Minister looks at this and when looking at funding mechanisms, what we need to be seriously thinking about is whether we can see other ways, such as in the case of, on a work scheme basis for works generating places for the long-term unemployed or whatever, we can actually get some of this work done, where we have this real joined-up
3985 Government that we all want to see, instead of it just being joined-up parliament to Government that we see too often in here.

I would also like the Minister to consider with his report ... I really am pleased that they took on board that we needed a date. You managed to have the maturity, Minister, not to do what normally happens, as I have seen for the last 15 years in here, where you cannot support it even
3990 when it is common sense. I think it should be applauded by the Minister that you were prepared to take on board the amendment from us that actually put some sort of time date for something to be done.

I think also what is lacking in here is ... When we look at design concepts and if there are going to be any design concepts at the Ramsey Harbour, one of the things that maybe we need to be thinking about – and one of the suggestions that came to us several years ago, funnily enough at a branch meeting – was the idea of developing another 18-inch splint on the harbour and any design process as far as the future is concerned, obviously with the slats in to allow for the access.

I think what we have got to do is box much more carefully and we have got to act more like
4000 capitalists on these things and see whether we can help this Strategy on the back of other ways of dealing, whether it is in a long-term employment scheme or whether it a new design concept as far as for anything that is going to have a modern initiative around the Island as part of that equation.

What I would just finally say is I think it is pleasing to see that, when we are always being
4005 attacked for being an unreasonable opposition, when nothing could be further from the truth – if anything, the complaint is that we support you too often, by many people outside – this shows

where we can get the proper parliamentary process, where we can get people working together on the greater good of the community and then it can come back with something effective.

4010 I do hope that the Minister will take on board those points because I do think that we need to be realistic. I also think we have got to be very careful before we create any more liabilities for the taxpayer. We saw today, with people wanting money for a child with muscular dystrophy. We saw today –

4015 **The President:** Hon. Member, I think you made your point very well and I sense you are wanting to wind down. Shall we take it that you have finished?

4020 **Mr Karran:** Yes, okay, I understand that, but I think it is important that we realise the point that we cannot have old systems of playgroups for at least preschool education, and then we want, down here, coverage as far as taking on the liability. As much I would like to do that for my constituents, we have got to be responsible and I think it is important that we be realistic as far as the aspirations of the next administration are concerned.

4025 **Mr Quirk:** Mr President, just a point of order: I did not say about having coverage for insurance for people from Government. Just to correct him on that.

The President: I call on the Minister to reply.

The Minister: Thank you, Mr President. I will quickly just go through the contributors.

4030 Mr Turner: not sure what it is delivering. I think it is pretty clear that what it is delivering is a more strategic and centrally driven approach to the problems we have got with our flooding and sea defences, coastal erosion etc.

4035 There have been many contributions today talking about the rivers, which I think has stemmed from Hills Meadow, which is fair enough, but I think there are different arguments. I just want to say one thing. Of course it is important. I think what is important going forward – and I think it has been highlighted today, and I do hope the MUA and other agencies will take this up – is that we do need better maintenance of our rivers, unquestionably. (**Mr Henderson and another Member:** Hear, hear.) I just think it is building it into the programme, and I am sure the concerns will be taken away from that.

4040 But there is another element to say about dredging the rivers out: will it affect the major storm and major flood? Somebody said to me once that it was like having a full bath overflowing and the taps are running, and it is just like getting a thimble: it will help a little bit, but it will not solve the problem. So I think generally the maintenance of rivers ... and I will say also that what Mr Malarkey said was right about the build-up outside of banks ... it can ... [*Inaudible*] the water out. But what I will say also is that it is for professionals to do that, and we have just got to ... I hope this Strategy, and this Strategy will, deliver a better focus on that.

4045 Mr Turner, you also said that industrial areas like Hills Meadow are not included. Yes, sir, they are. They are in here. It is number one, top of the pops. You said about infrastructure: infrastructure, I am afraid, is in there as well. I am not afraid, I am delighted it is in there! It is in the overlay maps, if you go back further into the report. It is up there.

4050 The uplands, of course, Mr Robertshaw touched on as well. That is clear, which ... I talked about Thirsk in Yorkshire. We have got to be better at this, there is no doubt about that, and we have got to engage with our farming and agriculture community and landowners to be better at this. But that is a joined-up approach, and that is ... I think Mr Karran said, quite rightly, this is not about just one Department; this is being delivered centrally. I am the messenger here. I have been involved in this for over three years. I just touch on when this first raised its head with me, and I certainly pushed Government before I became a Minister. I could not believe it, on 3rd January 2012, when Castletown's wall just collapsed. It was like a nuclear bomb hit it, sucked out of the sea. I remember asking, 'Whose responsibility is this?' – Mr Cretney remembers this –

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and I could not believe it was just the local authority's. There was no strategic central vision. I will say this was probably born out of that, but there has been an immense amount of work done by others. This is a central policy for the whole Island, prioritising future expenditure, not just for he or she who shouts loudest, and that is key.

Mr Malarkey, fair enough, we know where you are at. I think it is absolutely fair enough what you are saying. You have seen first-hand the devastation that was caused down at Hills Meadow by those businesses, and you were quite angry, animated and annoyed by what happened. I hope today you will see that this is a massive step forward for us dealing with this. I hope I have touched on the river areas there as well.

Mr Henderson, thank you very much: a multi-stranded, pragmatic, common-sense approach. Thank you, but again that has been many people doing that. You said something which really interested me, about red areas. I have never heard that before, but highlighting real problem areas, and we have got a few in Castletown. What I will say about the people in Castletown is that when we highlighted this in 2012 and onwards ... We have done a lot of maintenance work through Dol, but what we asked the homeowners to do ... 'You have to step up to the plate as well; you have to invest,' and we gave information, floodgates, whatever it was, and things like that, and they did it. They should be very proud of themselves, the people in those areas, because they have contributed and on the back of that major works are happening there now.

That also touches on the point from Mr Quirk, I think, on insurance. This is a concern – it is a massive concern for people. It is their home, it is their biggest asset, the biggest liability they have ever had. I think what we will have to do at this stage ... I cannot mention names, but it is a very high thing which people climb up now and again and an insurance company in Douglas have been absolutely outstanding – you can work it out: the Jubilee Clock. They have been brilliant. I think local insurance companies know the problem and are more likely to deal with it. So I suggest anybody out there who has still got problems should go and speak to local insurance companies, who I am sure will be more sympathetic and will understand what we are doing here today.

Mr Singer touched on the concerns at Kirk Michael and obviously the ongoing issues with the houses and the properties affected now, and I know, in I think it was 2002, there were reports, and I think that debate has been had again and here we are talking about it yet again. But I think really what this part of the report says is we need to balance the cost against action, against value under threat, and it is already clear from other Tynwald debates here in 2000. So we have got to be careful. I fully appreciate the concerns and I will come back to Kirk Michael in a minute.

Mr Cannan – I just want to thank him personally for his comments today, which I thought were rounded and balanced, and I think he has played a part in this process, asking for a calm approach about this. I think your comments about not just your own area were excellent and about the built environment, which again touches on Hills Meadow and the Douglas area.

Of course, Douglas is where the main infrastructure is and it has been highlighted as a major concern. The potential cost over the next 100 years is about £900 million, but what we have to do – and this is the key with this; this is going to get spent anyway – is make sure we prioritise it in the right areas. Through a centrally driven strategic approach – Mr Robertshaw has always been big on that; he knows I have always supported this and I have pushed it myself – the moneys and the efforts, big or small, will be focused in the right areas.

Touching on Mr Cannan again, with regard to Kirk Michael and coastal erosion, I think today ... There have been many debates about Kirk Michael over the years, and you have got to ask yourself where has it got to. I think what has happened ... and this is why Mr Cannan, I know, was keen to engage in this process, because what you have now ... Okay, we can have the list, we all appreciate that; I am sure there will be people disappointed with that. But what it does recognise now at last is yes, it is pretty clear that in time work will need to be done that will be assessed. I hope people will realise that in the area, and certainly the Member for the area should be proud of his contribution, and his constituents should be equally proud of him.

4110 Mr Cregeen, you brought a memory flashback for me from 1982. I was a young joiner at the time, working for a local building company called Blackburn's. We did a house up there and I will never forget it, the watermarks around there, and I think it was a car, if I am not mistaken, that broke it up. So it just shows you again, when you are talking about obstacles, Mr Malarkey, what could happen in a flash flood area.

4115 Mr Robertshaw, ground saturation – you are right. I touched on it in my speech about Thirsk, about the efforts that had been made there. We are not good at this, but now, with this working group and with the central focus and how that will distribute out, there are going to be lots of conversations about how to do this. It is going to be many years before we get this right, but today is a starting point for us to address these concerns that have been going on for many years, and certainly the last decade especially.

4120 Mr Gawne – again adaptation is essential and the major climate concern is more of a bigger picture, and I think we all agree with this, and certainly the last motion, which Mr Peake put through, emphasises where we are. What I will say is this all interlinks. It all interlinks, and this is great. For once, you have not got something over here, somebody doing this and nobody else knowing about it. Here we are, talking about it in the national picture.

4125 Mr Quirk, thank you very much for your support. The advice centre ... I think really what we have is a structure now. We have got the Chief Constable's Report coming through now, which emphasises the excellent work of the Police, but at the end of the day we do have the 999 service. Certainly in my own area of Castletown the local authority's phone and the mobile phone of the clerk at the time were on at all times when these ... There were lots of ...
4130 *[Inaudible]* because we were ahead of the game quite a bit at the time. The mobile phones were put on the grid. So I think before tending to ... *[Inaudible]* local authorities, with help from the Police, someone else being involved – the Coastguard, Civil Defence – and having a co-ordinated approach with that, but it is having direct contact, phone numbers, who can put you on to the ...
4135 Where do I get the sandbags? Where do I get this? That is what you are on about and I totally agree. I do think the system we approached in the town certainly worked well the last time.

Just finally on the contributions made, if you remember rightly, Mr Karran brought an amendment which asked for this motion to be brought. I thank him for his comments on the better work with Government. It is good to hear that. You will be pleased also that his concerns
4140 about Wright's Pit East have been answered comprehensively in the document, which he says is no imminent problem. But what I will say to Mr Karran is that what we have here is what this Court agreed in 2006, and 2012 subsequently: better working alongside the Scope of Government, how Government should work. We seem to have forgotten about the Scope of Government, but this is the Scope of Government working at its best. I am very proud of that
4145 and how it has worked.

Mr President, to summarise, I believe this Strategy lays out a long-term plan for the Island's resilience as we adapt to the challenges that our climate presents over the next 100 years. It brings clarity to the issues we face and how we should address them in a consistent, transparent and fair way.

4150 I beg to move.

The President: Hon. Members, the motion is at Item 14. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

**Procedural –
Length of Members' contributions to debates**

4155 **The President:** Hon. Members, I am concerned that we are not going to get through our Order Paper by tomorrow night at the rate we are going. Could I ask Members to pick up the pace?

I have been quite impressed by the fact a number of Members are able to make their contributions no longer than four to five minutes and get their points across most effectively.
4160 Can I suggest to you that going on for more than five minutes could be regarded as self-indulgence (**Two Members:** Hear, hear.) in making contributions to a debate.

It is for you, Hon. Members, to decide whether we get through this Order Paper or we come back on Friday or Saturday, or any other time after Thursday.

**15. A Strategy for the landscape and amenity of the Isle of Man –
Motion carried**

The Minister for Environment, Food and Agriculture to move:

That the document entitled 'Our Landscape, Our Legacy – A Strategy for the landscape and amenity of the Isle of Man to 2050. Sustaining and maximising our natural wealth' [GD No 2016/0027] be received and serve as a general framework for the development of landscape policy across Government to 2050.

4165 **The President:** With that, we go to Item 15, (**A Member:** Vote!) (*Laughter*) A Strategy for the landscape and amenity of the Isle of Man.

Minister for Environment, Food and Agriculture, Mr Ronan.

4170 **The Minister for Environment, Food and Agriculture (Mr Ronan):** I am happy to take the vote now, if you want! (**Several Members:** Agreed!) It is all part of the same ... I agree, Mr President, let's get through it. Thank you, Mr President.

The landscape is cited as one of the reasons to visit the Island by around 80% of the Island's visitors and those of us lucky enough to live here, and, as we know, is often referred to as the jewel in our crown. We know that businesses find it easier to attract people to work on the Island because of the attraction of our access to recreational opportunities and green space.
4175 Therefore having a clear vision for the future of our landscape is crucial in so many ways.

Government is the largest landowner on the Island and, combined with our wider policies, we influence the management of almost all aspects of our landscape. This Strategy is intended to clarify our vision for the future landscape and guide how we make the most of the opportunities for economic development. This will allow us to manage the challenges such as protecting and enhancing delicate ecosystems, controlling flooding and pollution in our river catchments and balancing conflicts between walkers, cyclists, horse riders and motorised users.
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We have identified three key themes which we need to focus on and balance to ensure we deliver a sustainable living, working and leisure landscape that offers opportunities for growth and resiliently delivers benefits and enjoyment to our residents and visitors.

4185 Firstly, we need to ensure we have a valued environment which we understand and, where possible, enhance as responsible stewards. We need to cherish and celebrate the special places, plants and animals which together make up the ecosystems that we have, whilst sensitively managing the landscape to ensure these ecosystems thrive. We have some globally important species such as hen harriers, choughs and basking sharks, which we must protect and enhance

4190 through active management and improved public understanding. The previous agenda item referred to the increasing importance of catchment management, as we are now increasingly realising the importance that the maintenance of the upland peat soils. (**Mr Robertshaw:** Hear, hear.) Managed well, they reduce flooding in our towns downstream and naturally purify our water supplies and reduce water treatment costs, whilst also offsetting our carbon emissions.

4195 Secondly, we must ensure a vibrant community, who feel they connect with and enjoy our landscape. This fosters a strong sense of wellbeing and belonging, plus an active lifestyle, which together contribute to our community's physical and mental health, plus the associated healthcare service. We can do this by increasing awareness, helping people to understand the importance of the landscape to the community and by encouraging access and recreation,
4200 where appropriate. More generally, Government should lead by example. We need to find a better way of balancing the competing needs of different type of community users, so walkers, cyclists, horse riders and motorised users can all responsibly enjoy their differing activities, whilst respecting the landscape and each other.

4205 Finally on this area, and equally importantly, we must ensure a resilient economy, with a progressive and diverse range of commercial activities which provide food, jobs, export earnings, village pubs and shops, plus amenity and recreation for our community. Economic activity in the landscape is not something we should consciously or inadvertently obstruct; it is something we must enable in innovative ways. This is critical to ensuring a profitable and functioning landscape and is an essential element of enabling conservation activity to be funded and enabled. This is
4210 already a core part of DED's Economic Strategy in targeting growth of our distinctive local food and drink markets, and our success as a destination island.

This Strategy is about increasing the focus of our activity towards specific objectives, and, as such, I do not believe it needs extra Government funding. I am confident that Government, working better together with the community and businesses, should be able to deliver better
4215 and more co-ordinated results, and, I repeat, at no increased cost. What I can say is that if our strategy yields the successes that I hope it will, we should see reduced costs in some areas and enhanced economic returns in others.

The recent UNESCO Biosphere Isle of Man accreditation is a global recognition of how special our Island is and it puts us in the same category as Ayers Rock and the Galapagos Islands. I would
4220 just like to ask Hon. Members to think about that for a second. It is something we should be deeply proud of. It reflects the way we already balance our community, economy and the environment to ensure a thriving landscape. This Strategy lays out how we continue to get that balance right, embracing and dovetailing other strategies which I and my fellow Members have brought to this Hon. Court in the past couple of years.

4225 Mr President, I hope that Hon. Members will support this Strategy in front of them today, which is an essential part and dovetails and jigsaws and makes the other strategies coherent and work better. Thank you.

The President: Hon. Member, Mr Cretney.

4230 **Mr Cretney:** Thank you, Mr President.

In line with your advice, proffered several times during this Tynwald sitting, I will be very brief. I just think that this is such an obvious thing that Members, I hope, will support it unanimously. You often hear businesses, for example, and people new to the Island who come
4235 here, and the landscape and everything that is so special about the Isle of Man is such an important thing in relation to their decision to locate their business or for them to come and share our wonderful Island. Let's vote for this as soon as possible.

Several Members: Hear, hear.

4240 **The President:** Mr Thomas.

4245 **Mr Thomas:** I just would like to encourage the Minister, on behalf of some constituents in Garff, to make sure that you think about the stakeholders you involve in the working group that you are setting up, because there are some important bodies – Isle of Man Natural History – who would seem to have a relationship with this, and I have been asked to make sure that you consider widening as far as possible the scope of the stakeholders you involve in the management group.

4250 **The President:** Hon. Member, Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane.

4255 Whilst fully supporting the Minister on this initiative – and Uluru is the name for Ayers Rock, which we need to be quoting, really, the aboriginal word – I will put the Department on notice, because my second favourite subject after Treasury is my conservation interest in this island. As we all know in this Court, it is something I have pursued for many years.

4260 The points that the Minister has highlighted were pointed out in 1995 by the Manx Wildlife Trust in the Hill Land Report. Our hill lands are of European significance, and now we learn we have UNESCO status. What I would put the Minister and his Department on notice about is that, although encouraging the pursuit of enjoying our countryside and landscape and uplands – fine, I am all for it – we need to have the conservation protection strategies in the background to make sure that we have what we are enjoying today for our grandchildren and our grandchildren’s grandchildren, as somebody quoted earlier.

4265 We have incredibly important assemblages of wildlife ecosystems and plant life in the Island in our various areas, and when we look around and see the nibbling away of those incredibly important areas, such as we see at Druidale Farm and other areas, and even some of the hedge-cutting regimes that need not be as drastic as they seem lately – we know about safety; I am talking about areas that do not need the complete devastation ... We get our UNESCO title, yet we need to push forward in recognising the specialness in the background and make sure that there is an element of protection and conservation, which is about growing those areas and encouraging people to enjoy them but protecting them at the same time.

4270 I am not asking for ring-fencing, but to look after what we have got and make sure it is there for a long time to come.

The President: I call on the Minister to reply.

4275 **The Minister:** Thank you, Mr President.

4280 Mr Thomas is absolutely right: stakeholders are absolutely essential. I will certainly pass this on, but I have got to be honest with you that this is something I do not do – I do not interfere, I do not meddle. Detail is ... the level ... who decided the high level now ... but I can assure you that Mr Sidebottom is in the Gallery here tonight and messages will be passed on about the widening of the group.

4285 Mr Henderson, obviously I am fully aware of your conservation interests and support you in that, and your support to me since I have been at DEFA has been invaluable and I thank you for that. You are putting us on notice, which is fair enough, and the conservation strategy is important – of course it is. I did cover that in my speech as well, the importance. If you read that again, you will see how I carefully worded that.

4290 Mr President, in summary, I believe this Strategy, as I said before, is the final piece in our jigsaw which brings together the opportunities and implications for our landscape of Government’s economic policy, our community’s ever-growing aspirations for quality of life, recreation and appreciation of our marine and terrestrial landscape, plus the biodiversity, biosphere, climate change and food-related strategies.

Thank you. I beg to move.

4295 **The President:** Hon. Members, the motion is at Item 15 on your Order Paper. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

**16. Chief Constable's Annual Report –
Report received**

The Minister for Home Affairs to move:

That the Chief Constable's Annual Report 2015-2016 be received [GD No 2016/0028].

The President: Item 16, Chief Constable's Annual Report.
I call on the Minister for Home Affairs, Mr Watterson.

4300 **The Minister for Home Affairs (Mr Watterson):** Mr President, under section 4A of the Police Act 1993, I am required to move that the Chief Constable's Annual Report be received by Tynwald. The Report is being laid before this sitting along with the Department's Policing Plan and the Police Complaints Commissioner's Annual Report for the year ending 31st March 2016.

4305 I am delighted to bring you a very positive Report. (**Mr Robertshaw:** Hear, hear.) Crime levels have fallen by 15%, with 1,968 offences being recorded within this reporting period, the lowest level of crime since 1970. The decrease was due, in part, to the noticeable reductions in two categories of crime: criminal damage and burglary.

4310 Offences relating to criminal damage have continued their broadly downward trend, with 473 offences being reported in the last year, an 18% reduction year on year and a 23% reduction against the average for the last three years. Detection rates for this offence have also increased, with this increase being attributable in the main to the successful detection and prosecution of the individual responsible for a spate of criminal damage offences in Castletown in 2014. I agree with the Chief Constable that this is an example of excellent work on behalf of the neighbourhood police officers.

4315 Domestic burglary offences also reduced significantly, falling to 67 offences in the year. This reduction does show the benefit of ongoing police efforts in this area, including the capture of a prolific local burglar thanks to a report from a member of the public. Similarly, burglaries of commercial premises have also fallen to 30, a reduction of 50% year on year. To put that in context, that is 97 burglaries over the year compared to almost 1,200 similar offences in 1970.

4320 The reductions in these offences complement a reduction in reports of antisocial behaviour, such as public order offences, which have fallen by 33% year on year; and, given the concern held by the public regarding such types of crime, I would agree with the Chief Constable that this is good news for the quality of life that is enjoyed by the Island's community.

4325 In areas where crime has increased, this has either been due to proactive measures by the Police to encourage the reporting of crime, such as domestic violence cases, or has been due to an increase in detection of low-level offences, such as the possession of drugs, when other offences are detected.

4330 Hon. Members, this Report shows that the Constabulary remains the most successful in the British Isles, with the highest detection rate and the lowest level of recorded crime. It also represents fantastic value for money, with a cost per head of population of 42 pence per person per day. That is barely two-thirds that of the UK average.

4335 This Report is the fifth I have moved during my term in office in the Department. Over this period, the Constabulary's workforce has shrunk by 16% and it operates with 20% fewer resources. Nevertheless, crime figures over this period have fallen from 2,657 in 2011-12 to the 1,968 I reported earlier. Satisfaction levels with the work of the Police have remained broadly the same, with an 89% satisfaction rate detailed in this Report. Furthermore, over this period

the Constabulary have had to deal with a substantial increase in work not related to criminal offences, especially that relating to missing and vulnerable persons. The Constabulary now achieve so much more for less, and this is thanks to the dedication and hard work of the Chief Constable, his officers and his staff and their shared culture of professionalism and continuous improvement.

This is not to suggest that the Constabulary should rest on their laurels, and I do not believe for one minute that they will. There will continue to be difficult choices ahead, but I hope that Hon. Members will join me in praising the Constabulary on these excellent results.

I beg to move that the Chief Constable's Annual Report 2015-16 be received.

The President: Hon. Member for Douglas West, Mr Thomas.

Mr Thomas: I beg leave to second and reserve my remarks.

The President: Hon. Member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr President.

I believe we can take satisfaction from the Report that the levels of crime have dropped considerably. In some ways, when looking at the responsibilities of the Police, it seems they have been less involved in detection of crime and are becoming more involved as social workers. I would question whether this is why there is the great difficulty in recruitment and why more than 50% of recruits left the force soon after their initial training had been completed: they realised that what they had visualised as the role of the Police was not the actuality, and that was not what they had signed up for.

I am positive that the majority of the general public fully support the Police and value their role in maintaining stability in our society. There is a general concern that not enough police constables are seen on the streets, and no doubt the Police will say that that is because of the reduction in their establishment. I am a little concerned, because in the last paragraph of the Chief Constable's Report he says that he is concerned for the future. I think every Member of this Court and every law-abiding citizen on the Island has the same worry. The Chief Constable says that there must be a fundamental change in how the Constabulary is funded. He is the person at the head of the organisation, and yet he does not suggest in this Report how he sees this could be accomplished with the background of the severe financial pressures we face during the next five years.

I would like to refer to one particular aspect in the Policing Plan: that part concerning crime focus. The objectives are to develop appropriate responses to crime. The measures proposed are to develop an approach to sexual offences to improve public confidence and the detection rate, develop a multi-agency response to domestic violence and detection rate, and continue proactive seizures to disrupt and deter the importation of drugs; and I support all those measures.

One of the basic policies of any Government is to build a safe, secure future for our children and grandchildren. Therefore, I am worried when the Chief Constable intimates that he cannot deliver all those measures and indicates there has to be a choice, and he writes:

Those choices will be whether we deal with drugs importation or sexual abuse ... neighbourhood policing ... financial crime ... buy[ing] equipment ... or train[ing] police officers.

In regard to sexual abuse and drugs importation, as far as I am concerned, both of those have to be tackled; they are not the part of any choice. The two are often linked and I fully agree with his comment that legislation is wholly inadequate and must be brought up to date.

Sexual crimes, particularly against the very young, adolescent, and the vulnerable in our society cannot ever be diminished in importance. They are abhorrent and deserve the severest of punishment.

4385 In relation to drugs, it is not just stopping the importation of drugs and seizing the drugs, it is arresting the dealers at *all* levels of distribution. (**A Member:** Hear, hear.) I have stated several times in this Court that I believe that perhaps 95% of illegal drugs entering the Isle of Man are not detected. That comment has never been denied. Even if it were 50%, it is still not acceptable. The problem will never be properly tackled without there being a dedicated drug
4390 squad. Not only does the detection of drug importation have to be successful, the dealer distribution has to be interrupted. There is a general frustration of parents, health workers, probation and prison service, medical and hospital staff as to how to address these problems: intercepting illegal drugs and legal highs before they can be distributed on the Island.

When I have asked before why dealers supporting the local distribution chain were not
4395 arrested, I was told that the focus is on the larger distribution networks. Surely, if the local-end distributors were stopped, then the larger dealers would have their distribution of illegal drugs and drug legal highs made more difficult.

It also seems not too difficult a task to, at regular intervals, have a trained police dog on the passenger ferry from Liverpool to Heysham – and I mean at regular intervals – because just the
4400 knowledge that a dog may be on the boat could deter the importer. I hope that the Steam Packet Company would be fully supportive of this policy.

It also seems to me that it would not be difficult to find the local distributors. If the drug users know where to find the dealers, then I cannot believe that the Police would not have that same information.

4405 I would also emphasise whilst I am on my feet that my opinion is that, generally, young, first-time users of illegal drugs for personal use should not be imprisoned and therefore have a record which can affect their future employment possibilities and leave a stigma on them. There are ways of helping them, educating them, rehabilitation – hoping they learn and understand the dangers of drug use, so that they can get back on track. Prison for these first-time offenders
4410 should not be considered the answer.

To sum up the situation with drugs, while maybe not as serious here as in the UK, I really believe it is not acceptable. We can see the damage that is happening within our society. The Chief Constable is one of the professionals whose job it is to deliver and protect our population from the scourge of drugs and build that safe, secure future for our children and grandchildren.

4415 Thank you, Mr President.

The President: Hon. Member for Middle, Mr Quayle.

The Minister for Health and Social Care (Mr Quayle): Thank you, Mr President.

4420 I rise to my feet to fully support the Chief Constable's Report and to thank him and his service for working so closely with the Department of Health and Social Care, especially when it comes to the Report and the discussions on mental health matters.

I was delighted to read on page 83 of the Report that, whilst obviously the Chief Constable accepts that there is an ever-increasing demand in mental health issues in our community, it is
4425 conceded that the Department of Health and Social Care has been working ... and I quote from the Report that they are glad to see 'the good and highly promising work' that has been done during the year at improving the work between the Mental Health Division of Department of Health and Social Care and the Police Force, and the new Manannan Court coming online in April next year should also be a great help.

4430 I just wanted to point out that this Government has delivered a first for the Isle of Man in this term with a Mental Health and Wellbeing Strategy. We have never had it on the Island before. With the new leadership that we have put in our Mental Health Division, under the able control

of Mr Coleman MLC, the political Member for that area, I feel that whilst there is an awful way to go, it is rewarding to see that improvements are being made and it is a glimmer of hope.

4435 Thank you.

The President: The Hon. Member for Douglas South, Mrs Beecroft.

Mrs Beecroft: Thank you, Mr President.

4440 Firstly, I too would like to congratulate the Chief Constable on his Report and also the fact that detection levels are improving, etc. and at the same time sickness levels are dropping. I think that is quite an incredible achievement considering the stresses and the funding problems that he has.

4445 I do have some questions that I hope the Minister can answer for me from the Report. I am just picking a few of them out because, obviously, you cannot go through everything. Certainly on page 9, it refers to the problems of dealing with those with mental health issues, and I have heard that there is a more joined-up approach, but it still does seem to be a problem. I am wondering what the plans are for the future of resolving that problem.

4450 The same goes for the increase in sexual offences and the sexualisation of young people. I notice as well that it says we need a policy on that or some political input. I am wondering what the Minister's stance is on that, what he is going to do about it, really.

4455 One thing that I am quite concerned about is the severe rise in domestic abuse, because I am aware that there was a team looking at this and working on this and I am wondering how far they have got. Do they have a new strategy to bring forward to deal with this? We have gone a long way from the days when the Police use to refer to it as 'just a domestic' and do nothing about it, thank goodness, but it is very concerning if we have got an upward trend in these offences.

4460 I find it also concerning that there is not sufficient funding presumably for succession planning and the training. I know our medical staff can quickly become deskilled if they do not have sufficient training. Is this the same in the Police, or is this training for the next level up, or do they actually become deskilled if they do not get the training?

4465 Finally, a similar point to one touched on by Mr Singer: the personal use of low-level drugs and not just going to prison. I am just wondering, when it is a very, very small amount, is it actually worth prosecuting or cautioning first-time offenders, who actually probably do not even realise the significance of the offence: the fact that they probably would not get a visa to go into America for the rest of their lives for something like a couple of quid's worth. Is it worth that? What is the Minister's feeling on this?

If he could clarify those points, I would be grateful.

4470 **The President:** Hon. Member, Mr Shimmin.

Mr Shimmin: Thank you, Mr President.

4475 Mr President, like you, I have been in this Court for 20 years – yourself, just over that period of time. There are many relatively new Members in here and I would just like to put on record my appreciation to the Minister, the Chief Constable, and his team, because in the old days we used to have hours on this report. This was one of the most brutal and scathing areas of politics for many years. The idea of having a Manx Chief Constable was one which had been talked about for many years, so I would like to put on record my appreciation to Gary, but also the team of officers, (**A Member:** Hear, hear.) both the Federation and also the civilian staff there, 4480 for what is an outstanding Report. At times, it would be good if we could just actually look at the positives of something, when every other jurisdiction, every other town, village, part of the United Kingdom and beyond would be proud as punch of our officers and people who have achieved this success.

4485 **Several Members:** Hear, hear.

The President: You just made it, Mr Karran. Hon. Member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, all I would like the Shirveishagh to do is just clarify the criteria of how we actually assess the way that we appoint what is a crime and what a success is. I always remember a good friend of mine who was a policeman for most of his life in London, who was also a statesman in Jersey, who I got on particularly well with. He was on about the fact that the sergeant came up with a different way of actually developing the criteria as to how you apportion what is a crime and the criteria. I forget what they actually did, but overnight they managed to change the criteria and he wiped out something like 20% of the crime rate within the police borough where the individual policed. I just think it is important that we do actually just work out about making sure that the criteria is right.

 I also would like to know, does this reflect the series of burglaries that we had back there? Are they in the statistics? *(Interjection by the Minister)* Obviously we appreciate the fact that the Police Force has done an excellent job, but what I am also concerned about is the fact of making sure that we are recording crime in a consistent approach and what the criteria is.

 I know that a friend of mine had stuff stolen out of a car and by the time the officer had finished with her she decided to walk away from actually having the crime registered because of the fact she would need to be fingerprinted, she would have to do this and it was a mountain of issues. That is a way of maybe having more community policing: that you tell them what is involved if you decide to register a crime.

 I have to say that, as far as the drug situation is concerned, whilst I totally agree with my colleague that we want to try and keep the people on small amounts out of the situation where they are classed as being drug barons in the likes of the US and destroying their opportunities even to emigrate later on with their new wives or whatever – and I do understand that – I do think the Hon. Member for Ramsey is quite right about the issue of a drug squad. I know we have this new strategy, but I am always getting complaints from officers about the effectiveness as far as our drug situation is concerned.

 Whilst I know maybe this will be seen as being not as enthusiastic as the previous speaker, the Hon. Member for West Douglas, I just think sometimes we can get carried away with the fact that because we need to make sure that we have got the right criteria when we are looking at these issues, because many people outside this Court maybe would not agree with what we said and what we are doing now ...

 There is argument, Eaghtyrane, on the fact that obviously with the Youth Justice Scheme we do not tend to put people into the situation of giving them a criminal record like we would back in the 1990s. If that is the case for the drop in crime, then that is to be applauded because that was one of the arguments that we used about the fact of trying to keep young people out of the court system for as long as possible in order that you have only got that fear factor once. It is like putting people in prison: after six weeks they are pretty well acclimatised. That was the view that the professionals took back in the 1990s on the subject.

 I think it is important that the Minister just clarifies what have been the changes in criteria – especially when I think of Bob and his remarks of how his sergeant got an OBE and he only got a BEM at the time for his career as a policeman. If the Minister can just clarify what the criteria is and, if he does not know, I think he needs to look into that criteria and what we class as a crime, because I think it is important that we are realistic.

 Obviously, the other thing that is important is that we need to be considering the issue of the ever-increasing problem with gun crime on the Island, that we need to make the opportunity for gun crime on the Island ... that the situation needs to be that we make sure we have got the resources to do something about that situation. It is all right the Member pulling a face. The fact is that we have talked about the problems of an underclass with these people coming here with English as a second language. We need to be proactive. We need to not be too smug on this

issue. The Police Force is different here than in other places like the United Kingdom: because there is a Police Force down the road, you can get here in half an hour. We have not got that back up and that is why I have always sympathised with trying to keep the police numbers, because of that issue alone. I just think the Minister needs to think about them.

The President: Hon. Member for Douglas East, Mr Robertshaw.

Mr Robertshaw: Thank you, Mr President.

I just want to highlight one paragraph, and obviously wish to congratulate the Minister and the Chief Constable on an excellent Report. I do not think Hon. Members will be surprised that I wish to pick out this particular paragraph because I consider it very important and, forgive me, but I will read it. Here, the Chief Constable is addressing us, particularly:

The delivery of services at local level needs to be considered by politicians.

– he is talking to us here –

Traditional models need to be revised and I would advocate new structures, that would involve multi-agency teams being located at different locations across the Island with a remit to address vulnerability, tackle offending and identify problems, then intervening at the earliest possible stage. Terrific benefits would likely rapidly accrue in terms of the prevention of offending, a reduction in reoffending, the protection of the vulnerable and a reduction in victimisation.

He says here:

I have raised this before and I make no apology for doing so again. Only the sort of bold approach that I am advocating will properly position the Island's public services, so that they can meet the increasingly complex challenges that they are facing.

I hope it is the case that when we read the next Chief Constable's Report he will be able to say that significant progress has been made here, and that will be the challenge of the next administration: to grasp these issues.

Thank you, Mr President.

The President: Hon. Member for Castletown, Mr Ronan.

Mr Ronan: Thank you, Mr President.

I would just like to concur with the Minister for Policy of Reform and his sentiments: the Police do an absolutely wonderful job on the Isle of Man. I would just like to congratulate Gary Roberts and his team, who really have achieved incredible results given the resources, etc. which they have had to deal with and we should be very, very proud of them.

I just want to make a note to their Minister, Juan Watterson, who really has been, I think, a steady hand over the last five years, in very difficult circumstances. I just want to put on record my thanks to him.

I also just finally touch on one thing which is of great interest to me: the regionalisation of the Police in the Isle of Man and making it work more on a regional focus. One of the areas is in my local area in Castletown. We are moving the police station to the Civic Centre from the old police station which, unfortunately, is now no longer fit for purpose. This transfer, I am led to believe, is imminent. They will go into the newly refurbished Civil Centre, which will be better and will more mirror what has happened at Ramsey, which has been an overwhelming success.

Just, again on record really, the police station in Castletown is one of the finest buildings on the Isle of Man – a Baillie Scott building. It is absolutely tremendous. I am sure this building will be put to great public use in the future. There is a lot of development happening around that

4575 area. I advise you all to go down, certainly within the next couple of months when that area will be finished, and when we will reuse and make great use of that fantastic police building.
Thank you, Mr President.

The President: Hon. Member for Douglas North, Mr Peake.

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Mr Peake: Thank you, Mr President.

It is a very good report and it is good to see that we have achieved more from less. You just wonder how they have achieved that. Well, I did meet with the Chief Constable and he gave me a bit of an insight and it was great to see quite clear priorities at the back of the Report:

Reducing demand through continuous improvement

Building capacity and capability through continuous improvement ...

... the Constabulary is creating a culture of continuous improvement, which is based upon our desire to learn lessons so as to improve.

4585 This is the key. This is what we can all learn from, reflecting on what we have done and improving on that and other Departments can do this as well.

In order to keep improving the service that we provide – and to keep ahead of those threats – we prepare a strategic plan.

I think we should all learn from that and other Departments follow that as well. Thank you very much.

4590 **The President:** Hon. Member for Onchan, Mr Hall.

Mr Hall: Thank you, Mr President.

Firstly, as always, I declare my interest in the sense that my wife is a serving police officer.

4595 One aspect which I would like to touch on is that of cybercrime. It is something which I raised very early on when I came into the House and have raised it on numerous occasions since then, because in my view, going forwards, this is probably one of the greatest threats that we do have, both as a nation but also a huge, massive challenge for the Constabulary, which at the moment it is fair to say are inadequately prepared for it – and the resources.

4600 What I would like the Minister to do when he is does his summing up is to give some clarity about where we are today with that from where we were, say, five years ago. Because I know that there have been some things – through correspondence, through letters and questions – that have been taken to the Council of Ministers and worked on. I know that over the years the Minister has been working on this particular very important issue and challenge, but can he give us some clarity on exactly where we are, how we are going to meet this particular problem going
4605 forwards, and specifically what he has been doing over the last five years in this area.

That then brings me to the other point, because this requires resource – lots of it, I think it is fair to say – and the Constabulary budget ... I think the last figure that I was told, not that long ago, was it was around about £100,000 for the entire Constabulary, for the training. That is just over £500 per officer, roughly speaking. That, for the future administration and administrations,
4610 is an issue that needs to be addressed, because £100,000 for an entire Constabulary is just *totally* inadequate. I do not think that the training aspect has been given the importance of what it actually does, especially when we have got this huge area of cybercrime which we are going to have to try and meet, because cybercrime happens at lightning speed and it can happen from distant shores as well.

4615 That then brings me onto another point in terms of ways to actually look at this. Again, welcoming the comment of the Minister, but other places that I have noted around Europe actually recruit top level graduates to go and work on complex cases where the police ... it is just simply beyond their capability. I think in other places as well they call them almost like

4620 'cyberwarriors' or something, I read as well. I think that we need to be having almost constables in a completely different way going forwards – internet-type constables – and also then giving advice to our society, individuals and businesses, because it is a hugely broad topic.

I am seriously concerned about that and I am seriously concerned about the budget, and I would like to hear from the Minister about how he proposes that this is going to be addressed and what has been happening. If he could give some detail on that, that would be much appreciated for the Court.

Thank you, Mr President.

The President: Hon. Member for Peel, Mr Harmer.

4630 **Mr Harmer:** Thank you, Mr President.

I just rise really to congratulate the Department. I know there have been many words said but, just personally, I am incredibly impressed, partly because a couple of years ago we said we had got to a low figure and, with having the stretched resources, we have got another low figure, but partly also because when we talk about ... It is easy just to spend money and a lot of this is in terms of processing and processes. They have not just put IT in; they have actually worked out what is a better way of doing it.

I take the Member for Douglas East's point: there is more to be done in terms of community and getting that working together, which I think is going to be fundamental.

4640 Issues were raised to me about mental health. I will not go into that, but again they have been addressed.

I will not go and repeat what everybody else has said, but I do just want to put on record my appreciation for the Police Force. They do a fantastic job in straightened times and that has to be recognised.

Thank you.

4645 **The President:** I call on the Minister to reply, Mr Watterson.

The Minister: Thank you very much, Mr President.

4650 Just to go through all the issues that have been raised. We are now in the age of recruiting more generalist police officers and the work that they do is far more varied, certainly, than in the UK where they have greater opportunities to specialise very early on and then stay on a specialised route. We still need our police officers on the Isle of Man to do a vast array of different things and, whilst some might think of that as social work, they are there to keep people safe. Whether that is preventing and detecting crime or locating missing people, that is all part of the package of the job and it is a unique, interesting, fascinating job. I have been very lucky to work with the Constabulary for the last five years and found it fascinating talking to the officers of all grades about what their job entails.

4660 I take the point – it is a recurring point; I do not think it will ever go away – about looking to see more bobbies on the beat and to see them in the local community. I think we all know that walking up and down Parliament Street in Ramsey is not actually going to generally solve crime. Most of that is done behind the scenes.

4665 What I would like to point to is the Digital Strategy which will allow far more use of mobile devices, so it will allow officers to do a lot of the work that they have to go back to the station to do either out on the street or out in the car, increasing their ability to deal with core tactics. I think there is some hope there and that is built into that business case about ensuring greater efficiency of the Force going forward.

4670 There has always been a prioritisation and a balancing of staff across Departments. During the time that I have been Minister, we have had staff shortages. To pick up on a point that was made later, this has not been a lack of succession planning or a lack of thinking about succession planning, it has been a matter of sheer demographics in the Constabulary. There was a bit surge

of recruitment in the early 1980s. Those people were coming to the end of their 30 years and then they all decide to leave, and when you add into that the uncertainty over the future of pensions, they have been keen to leave. I have been delighted by the quality of people coming up through, but of course when those people come up through they do need the experience in the role and that is where the mismatch has happened. There has certainly been no shortage of planning within the Constabulary for succession management.

We did hope to bring sexual offences legislation in during this term. However, certainly the legislative timetable in terms of the two officers that I have to do legislation was somewhat derailed by the national priorities that required us to focus on legislation for Moneyval. That was not something that particularly pleased me, but we look at the overall suite of things that had to be done and how much legislative time and how much legislative drafting actually there was to do.

However, I am pleased to say that certainly has not been forgotten. All the pre-drafting work in terms of the instructions has been done, and I would like to think the pile that is ready to go to my successor will say, 'You find the slot on the legislative timetable for this and it will be done.' Certainly, after the criminal justice work, which is currently out to consultation, it is the next one on the list, as the list stands with this Minister.

Dealer distribution has been subject to focussed undercover work and certainly in terms of the warrants that the Chief Minister signs and I sign for directed surveillance, that is the major cause of it: to try and ensure that we get the dealers and the supply coming into the Isle of Man. We have, just in the last few weeks, had one of the biggest seizures of cannabis coming to the Isle of Man, worth £¼ million. I think that has made a big dent in the local market.

I know that there are also issues about the large number of small volumes still being tackled and the way that we tackle that especially, obviously, cannabis – it is a tricky one. Certainly in terms of the perception in the court, it is not the case that people on their first offence go to court and go to prison. That is not how it works, unless it is for an offence of supply. It is very much the case that people on low levels will initially be referred on the Drug Arrest Referral Scheme. They can go through that Scheme and, coming out the other side, can get a police caution, if that is an appropriate outcome. But, you cannot keep doing that and there does have to come a point where you say, 'We need to find different forms of intervention here.' That is part of what we are doing, and we are out to consultation at the moment in terms of what suite of requirements do we need in legislation in order to have innovative solutions to stop people reoffending in this way.

To take Mr Karran's point, the fantastic array of people helped by the Youth Justice Team is a real testament to their work: getting 65% to 80% of young people diverted from a life of crime into either education, training, or work is a great turnaround and is preventing that flow-through into future criminal careers.

We still do have dogs at the Sea Terminal. I am not convinced that it is the best use of time to actually have them on the boat there and all the way back, especially considering that the sea-going areas would not necessarily be available to go round whilst the ship is at sea. It is something that I can talk to the guys about, but I am pretty sure that is why it is not done already.

In terms of the issues around mental health, yes, I am delighted to see greater working together, actually being evidenced working together, between the Constabulary and Mental Health. We now have basic mental health training for all new officers so that they have a basic understanding when they are going to incidents at least about things not to do, things to avoid, and some of the things that can be done to help at the frontline, so that first point of contact that they have with 'the system' is better informed when we turn up. Because, inevitably, it is more likely that the first person to turn up to a person in crisis will be a policeman rather than a mental health worker, especially late at night when they are most vulnerable. That is a really positive step. As I say, I am glad to see that relationship getting closer and working well together with the team at Mental Health.

Also, I am happy to see that the fall in sickness levels has been picked up.

4725 In terms of Mrs Beecroft's point about sexual offences, the sexual offence numbers have primarily been about reporting of historic offences. In terms of, shall we say, more current offences, the figures have been relatively static and it is the reporting of historic sexual cases that have been pushing up the numbers. That is great to see because I think it reflects greater trust in the Police, that these issues are being dealt with and they are being investigated properly, and they *are* being investigated properly. I am happy to give that assurance.

4730 I am also pleased to see – again in terms of good working between Health and Social Care – the Committee that Mr Peake chairs and the Sexual Health Strategy. The Chief Constable is involved in that work in terms of developing that policy with Health and Social Care on sexual health.

4735 I remember Mr Ronan saying in a Council of Ministers' meeting once, 'You never see the footings', so I am grateful to Mr Shimmin for his comment. I think you were there at the dark days of Home Affairs and the difficult times, at the start of that journey of transformation that we are now all seeing the fruits of: turning the Constabulary around, changing its culture and a culture that is now so much imbedded that we barely need to think about it. But that time of change, through Culverhouse, through Mike Langdon, set the tone and the direction of travel
4740 and it is a direction of travel that is still very much alive today.

To turn to Mr Karran's point: there is no such thing as a good news story. No, we are not fiddling the figures. We did do an audit last year to make sure that we were recording all the crime that we were supposed to be doing and comparing our recording mechanisms to make sure that they were robust. In 2014-15 year, we did that exercise and it added 2% onto the crime
4745 figures. We did have to do that audit and that check, but it has been done and we are now ... We have rebased that and made sure that the reporting practices are more robust.

In terms of his comments about a colleague in the Channel Islands, I would say that more crimes are recordable in the Isle of Man than in the Channel Islands because, as I understand it, I do not think they record public order offences as a recordable crime. There is quite a noticeable
4750 difference – (*Interjection from Mr Karran*) Okay. You said they were States' – (*Interjection from Mr Karran*) That is why you sometimes see disparities between the crime rates published for some of the Channel Islands and the Isle of Man: because they actually exclude certain types of crime from what we call 'recordable offences'.

He did touch on the burglary figures and I think I did say in my opening remarks that there
4755 were 97 domestic and commercial burglaries during the whole year. When you compare that to almost 1,200 in 1970, I think we have come a long way in terms of this.

When you talk about the linked burglaries that there were, they were in the previous year's Annual Report, but we were talking about 60 or 70 connected burglaries. When I put that in the context of 1970 and how we feel that this was a safe place to live, and then that happened and
4760 we were all very worried about burglaries; yet, in the historical context, it fades into nothing. It shows how far we have come as a society and how we have rebased our expectations: no bad thing and I think that is something that shows a great deal of change in society.

I have mentioned the point about the Youth Justice Team. Again, we are looking to put that on a statutory footing to protect the good work that they do.

4765 I think the Hon. Member for Onchan does need to be careful in his use of language in here, when he talked about gun crime. Now, he is great at setting hares running and I am going to absolutely knock this one on the head and close it down. It is not an issue in the Isle of Man. The point that I know he was trying to make was about making sure that there was adequate training in that area to make sure that we did have resilience in the event of, but that is not
4770 always how it comes across, Mr President. I thought it was a very dangerous use of words that he used there, so I am going to absolutely knock it flat.

The Constabulary do maintain a firearms team. They are properly trained; there are adequate numbers in that team; there is the resilience there that he is looking for. But, as I say, it is very

fortunate that, despite the relatively high level of gun ownership on the Isle of Man, this is not a problem for us.

Moving onto the point about multi-agency teams, we certainly try to start to see the footings of integration with Probation, which has been somewhat put back due to some staffing issues at the minute. We had an awful lot of issues in Probation about staff. We have certainly done some good work there in terms of integrating into different police stations, and we would like to see that wider. The Social Policy and Children's Committee has been looking at that with my colleagues Mr Quayle, Mr Crookall and Mr Shimmin from the Cabinet Office; but making sure that we do this legally, appropriately, and we have a robust mechanism for data sharing here. Whilst we would never knowingly let a child be harmed based on the information that came in, there are far lower levels and lower thresholds that we need to be careful of to make sure that data is shared appropriately.

However, there are shining examples of great community working. Mr Ronan touched on those with the cohabitation of the Police with Ramsey Commissioners and Castletown Commissioners.

Mr Peake talked about continuous improvement. I touched on that when I mentioned Mr Shimmin's contribution when he was Home Affairs Minister some years ago. There is a culture of continuous improvement now and I think the Investors in People Champion status that the Constabulary now has is really testament to that.

Mr Hall's points about cyber-crime: there is some great work going on, again, in terms of the Digital Strategy. If you look at the Digital Strategy, there is a whole section in there on crime, and there is an awful lot of work going on there with Mark Lewin and GTS. It links in well with the Criminal Justice Strategy as well. But I think we all have to recognise that, despite some of the low-level initiatives that we are looking to do, such as recruiting IT specialists into the Special Constabulary to help, at least, permeate that knowledge of high-level IT into the Constabulary, the issue of cyber-crime is an enormous worldwide threat and is bigger than the Isle of Man alone. We do have good links on this into the security services in the UK. We do consider ourselves part of that wider family when it comes to tackling this issue. It is too big for the Isle of Man alone to deal with. It is about developing, fostering those links to make sure that the Isle of Man is as robust and resilient as we can be within that framework.

Just to, again, pick Mr Harmer's final points there about reducing the resources by 20%. The Department of Home Affairs has, overall, reduced its budget by about 25%. I did make a point when the report came out last year, saying, 'Yes, there are certainly reductions we can take and we get it down to the core service target operating model and this far and no further.' I am delighted to have had the support of my colleagues in Council of Ministers in recognising that the Department has made a very positive contribution. It has kept results high whilst driving efficiencies. That is something that, I think, was recognised in Council of Ministers by our budget this year which is flat – slightly increased, but relatively flat.

I thank Hon. Members for their comments. I am sure that the tenor of the debate has been one of congratulating the Constabulary on these results. We should be proud of our Constabulary. They do provide us with a dedicated service. They do have public support. It has delivered a high detection rate and low crime rates not seen since 1970, allowing us to boast the safest society in the British Isles and, of that, we should all be proud, Mr President.

Two Members: Hear, hear.

The President: Hon. Members, the motion is at Item 16: that the Chief Constable's Annual Report 2015-16 received. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

**17. Future Manx State Pension Treasury Proposals –
Report and recommendations –
Debate commenced**

A Member of the Treasury (Mr Henderson) to move:

That the document entitled ‘The Future Manx State Pension, Treasury Proposals, July 2016’ [GD No 2016/0036] be received and that the following proposals be approved:

In relation to the Single Tier State Pension, Treasury proposes to:

- *introduce a single tier State Pension in the Island set at the rate of £170 per week (today’s value);*
- *end the ‘Triple Lock’ increase and base the future uprating of state pensions in their entirety on earnings in the Isle of Man (note: this does not apply to the Manx Pension Supplement – see below);*
- *end the State Second Pension scheme;*
- *end the Retirement Pension Premium Scheme for new claimants from 6th April 2019;*
- *require 35 qualifying years of National Insurance contributions or credits for the full amount. There will also be a minimum qualifying period of 10 qualifying years. Those persons with fewer than 35 qualifying years but with more than the minimum 10 qualifying years will receive a proportion of the full amount;*
- *review the number of qualifying years required for a full pension every 10 years to ensure payments represent a fair contribution to the Manx National Insurance Fund (MNIF);*
- *continue with the current range of credits that enable those who cannot contribute to the new single tier pension to still build up entitlement;*
- *ensure that the UK/IOM Social Security agreement allows UK contributions/credits to counts towards the minimum qualifying period.*

In relation to the transitional arrangements, Treasury will:

- *ensure that a transitional process recognises individuals’ entitlements accrued under the current rules.*

In relation to the State Pension Age, Treasury propose to:

- *review future State Pension Age increases after the UK have published their review into future increases in 2017;*
- *introduce legislation that will increase the State Pension Age in the Island to 67 between 2026 and 2028;*
- *investigate the feasibility of introducing a flexible claim date for the State Pension for those individuals whose SPA is increased to 67 between 2026 and 2028.*

In relation to the Manx Pension Supplement, Treasury proposes to:

- *phase out the Manx Pension Supplement for new claimants over a 20 year period starting in 2019;*
- *reduce the value of the Manx Pension Supplement for new claimants from 2019 by 5% each year;*
- *maintain the current residency conditions for payment of the Manx Pension Supplement;*
- *only uprate the Manx Pension Supplement when it is affordable to do so.*

In relation to contracting-out, Treasury will:

- *issue a detailed consultation on the impact of ending contracting-out.*

The President: Item 17, the Future Manx State Pension. I call on the Member of the Treasury, the Hon. Member for Council, Mr Henderson.

Mr Henderson: Gura mie eu, Eaghtyrane.

Eaghtyrane, this motion, as you have said, is the Future of the Manx State Pension. The reason that we are here to put this motion to the Hon. Court tonight is the fact that Treasury and the Council of Ministers and other Members of Tynwald really want to secure the future of the Manx National Insurance Fund. This is not here on some policy whim. This is here as a very serious matter that has been recognised and flagged up to Hon. Members.

It is very important to point out that all existing pensioners from now up to the proposed implementation date of April 2019 will not be affected. That is something that has been confused, I think, Eaghtyrane, and very recently there has been a lot of confusion surrounding this, where people have thought that because I am moving this tonight the Manx State Pension is going to change overnight. I want to knock that one flat, if I can quote the Minister for Home Affairs earlier. That is the not the case and I will reiterate that. There are to be no changes to any existing pensioner, as such, until after the implementation date.

The whole matter has been subject to exhaustive consultation over some considerable length of time, including public roadshows trailed in the press considerably and often, and for Treasury Members, including myself, attending Manx Radio for phone-in live debates and so on. This has been on an ongoing basis. Members have been briefed on an ongoing basis overall. As I said in my opening lines, Eaghtyrane, this has been done for the best interests of the Island.

The motion that I present to you today sets out a plan for the introduction of a new Manx State Pension for the Island by 6th April 2019. This pension will form the centrepiece of a complete overhaul of the Social Security system on the Island over the coming years, providing us with a scheme that is fair, sustainable, and meets the needs of the Island but, most importantly, will be under the full authority of this Court. We will no longer have the UK determining how we should spend the National Insurance contributions that Isle of Man workers' pay.

In July 2015, Tynwald approved the document, 'Social Security and National Insurance Reform, Treasury Proposals'. This gave Treasury the green light to start more detailed work on the proposals contained in that document.

The proposals covered five areas: the State Pension, National Insurance, Work Place Pensions, Working-Age Benefits and our relationship with the UK. I will leave the first proposal concerning state pensions to the end but deal with the others in turn.

Treasury's view has always been that simply raising the rates of National Insurance contributions to ensure sustainability in the National Insurance Fund is neither fair nor sustainable as it places the entire burden on those who are working. Despite freezing NI rates for a number of years, we have seen a steady growth in receipts through increases in wages and an expansion of employment.

The Treasury Minister has said in this place on a number of occasions that it is vitally important that we ensure that everyone should pay their fair contribution and, while recently introduced legislation on personal service companies has been successful in ensuring that the correct NI and tax is paid, more can still be done.

The Assessor of Income Tax, in conjunction with businesses on the Island, is working on a new Income Tax and National Insurance strategy and this will include ideas on how the current NI system can be made fairer. It is only after we ensure that the correct NI is being paid will we have a true understanding if there is a need to raise any extra NI revenue.

Turning to work place pensions, Treasury had hoped to present proposals on this subject to Members this July, but as the Treasury Minister explained in an answer to a Question asked by the Hon. Member for Peel in another place, staff have been fully utilised on work around the

State Pension and the new Reciprocal Agreement with the UK. As yet, no further work has been completed on this topic. Treasury hope to set up a working party with all interested stakeholders over the summer on this subject.

No work has commenced on the reform of the many working-age benefits available in the Island. It is envisaged that this will commence once, and if, the State Pension changes have been approved here tonight and introduced. Again, this is a huge workstream.

The Reciprocal Agreement with the UK is vitally important for the Island's economy and following the approval of the proposal document in July 2015, the Island has successfully negotiated a new agreement with the UK that reflects the fact that we now have two separate State Pension schemes. Over the next year we will look to further amend the agreement in relation to National Insurance contributions and short-term benefits.

Lastly, we have state pensions, and the purpose of today's motion. The State Pension scheme that we have today is still largely based on the one that was introduced in 1948. Since then there have been many changes: individuals have very different working patterns; women no longer take a backseat in participation in the workforce, which is significant; women are now treated equally; and, of course, everyone is living longer. All these developments are to be applauded and, despite being tinkered with over the last 60-plus years, the current scheme is no longer sustainable going forward. The warnings are clear from the Ci65 Report and, importantly, recent successive UK GAD reports.

In January of this year Treasury asked the UK Government Actuary's Department to hold a number of workshops for Hon. Members about the National Insurance Fund. From those workshops further work was commissioned which was presented to Members in May of this year. Eaghtrane, following the May workshop, Treasury has put together a number of recommendations for a new Manx State Pension that will provide a sustainable scheme for future generations.

The motion before Members today deals with four main areas: the introduction of a Manx Single-Tier State Pension and transitional provisions; the State Pension age; the Manx Pension Supplement; and, finally, contracting-out.

The motion is a package such as we see with the IOM Budget. All the items within this motion are interrelated, linked, and therefore work together, not in isolation. If approved, taken in the round they will produce the desired effect of extending the life of the Manx National Insurance Fund well beyond what is currently being predicted.

Turning to the new Manx State Pension, it is proposed that this will commence on 6th April 2019 and be set at the rate of £170 per week, based on today's prices. However, with it being based on today's prices, it is possible that, if this scheme is approved and when we come to introduce it, on revaluation at that point, it may be that the £170 is actually a bit more. I just need to make that point to Hon. Members. With it being £170 based on today's prices, this compares with the new State Pension in the UK of £155.65 per week. This is excluding the Manx Pension Supplement, which I will be referring to later on.

Individuals will require a minimum of 10 qualifying years in order to qualify for this pension and 35 qualifying years to get the full amount. Treasury had initially proposed that an individual would require 45 years to get the full pension, but some Members felt that they could not support this, so instead we will initially only move to 35 years. However, we must be mindful of the need to keep this figure under review and, therefore, Treasury propose that the number of years required for a full pension will be reviewed every 10 years. We are also proposing that going forward, the State Pension will be revalued at average earnings' percentages.

Just as the new bilateral agreement with the UK enables contributions paid in the IOM to count towards a UK pension, we will ensure that contributions paid in the UK will count towards satisfying the 10-year requirement here in the IOM, which was another concern raised to Treasury by the Lord Bishop, I think, amongst other Hon. Members.

It is important to note that not everyone reaching State Pension age after 6th April 2019 will receive a pension of £170 per week. Considerable numbers of individuals will receive more, as

they will have built up rights under the existing scheme that are worth more. These transitional arrangements will need to cater for many different scenarios and have yet to be fully developed. But, Eaghtyrane, I can assure Hon. Members that we will consult with them on the development of these provisions before we bring legislation for approval.

4930 It was clear from the recent work done by the UK Government Actuary's Department that increases in the State Pension age have a significant, positive impact on the long-term sustainability of the fund. The UK has launched a review into future State Pension age changes and this is due to report in May 2017. This report will not only look at the fiscal aspects of increasing the age but also the social impact it will have. We will be taking close cognisance of
4935 this report as we are equally concerned about the dual aspects here.

At the various workshops and briefings we have held, several Members expressed concerns about the effect increasing State Pension ages will have on certain groups of the workforce. Treasury have recognised that the issue of increasing the State Pension age cannot be looked at in isolation and must not be viewed as a quick fix to the long-term problems we face. Therefore,
4940 Treasury do not propose any further increases in the State Pension age than already legislated for in the UK, but will review the position once the UK publishes its report.

However, the IOM did not adopt the increases in the UK State Pension age brought in from 2014 and, therefore, certain individuals will be able to claim their pension earlier in the IOM than the UK. Treasury do not think it is appropriate at this time for the State Pension age to be
4945 different in the IOM from the UK and will therefore bring forward legislation at the earliest opportunity to bring the State Pension age in the IOM back into line with the UK. So we will be looking, ultimately, if approved, at moving towards the 67 age for retirement, in line with the UK.

Eaghtyrane, the issue of increased State Pension age has been hotly debated in both the UK
4950 and here and, while I believe we must be realistic, we must also be pragmatic. Some have argued that the increases are happening too fast and that individuals have not been given enough notice. With that in mind, should Tynwald approve this motion, Treasury will examine the feasibility of introducing flexible claim dates for those affected by the 2014 changes and report back to Members. We can only contemplate doing this because we are no longer bound
4955 by the same rules as the UK on state pensions.

Turning now to the Manx Pension Supplement (MPS), this scheme has been in operation since 1993 and is awarded to persons who are resident in the Isle of Man and who have at least 10 years of relevant contributions. When the Supplement was first introduced, it was £5 per week and is now worth £53.75 per week; that is for those with the full qualifying years; those
4960 with 100% basic pension.

The funding for the Supplement cannot be sustained going forward, and therefore Treasury have a number of proposals in relation to this payment. Firstly, in relation to individuals who have been awarded a Supplement before the 6th April 2019, they will continue to receive it. However, it is proposed that Treasury will only increase the rate of the Supplement in the future
4965 if it is affordable to do so.

In relation to individuals who reach State Pension age after 5th April 2019, if they satisfy the current rules for the award of the Supplement: that they have 10 years of relevant contributions and are resident in the Isle of Man, they will be awarded the Supplement, but the value will be reduced by 5% for each tax year after 2019-20 until they reach State Pension age. This will be a
4970 one-off reduction so, if they reach State Pension age 10 years after the introduction of the new State Pension, they will be awarded 50% of the supplement. In other words, it is proposed that there will be a sliding scale applied to the 20-year period in phasing out the MPS, so it is what year you retire in after the April 2019 date. Then a reduction to the MPS for that year will be applied as a one-off reduction, and for the affected person they would retain that percentage
4975 for life.

Whilst a 20-year period seems like a long time, it does however give people time to plan and adjust with this payment. I feel this is the fairest way forward in relation to removing the MPS and it takes away the cliff-edge effect, which I am sure Hon. Members would agree with.

4980 Finally, turning to the issue of contracting-out, in July 2015 Tynwald agreed that, as a result of the Isle of Man adopting its own single-tier pension, contracting-out should also cease, and that is still Treasury's view. The rules that schemes have around contracting-out rights are complex and Treasury must work closely with employers and trustees of the schemes to ensure that these rights are protected going forward.

4985 The pension market place is considerably different in the IOM than the UK, and therefore it might not be possible to adopt the solutions used in the UK when they removed contracting-out. Therefore, Treasury propose to issue a further consultation which will focus on the issues raised by its removal.

4990 Coming close to the end: all these proposals will count for nothing if they do not have a positive impact on the long-term predictions of the fund. We therefore asked the UK Government Actuary's Department to bring together all these proposals into one model and this was contained in the letter to Treasury dated the 8th June 2016, which was sent to all Members on the 24th June.

4995 The modelling performed by the Government Actuary's Department showed that, if all the above proposals were implemented, the fund does not run out within the review period, even when using the less-optimistic economic assumptions Members had asked the actuary to use. This outlook is obviously more positive than was forecast in the 2012 Review of the Fund which showed that the fund would be running out in 2053-54

5000 Eaghtyrane, if the proposals before us today are approved, it will enable officers to start the detailed work necessary so that we can develop the legislation required to apply this new scheme to the Island by 6th April 2019. I can assure Members that Treasury will continue to keep you up to date with workshops, as we have done in the past, as the legislation is developed.

5005 Eaghtyrane, the proposals before us today represent the next step in the development of a Social Security scheme which is fair, sustainable, and fit for the Island. Much has been achieved over the last year and there is much to do going forward, but I am confident that with the continued input of Members, we will have a truly Manx State Pension that we can be proud of; one that is sustainable and, most importantly, there for future generations.

With that, Eaghtyrane, I beg to move the motion standing in my name.

5010 **The President:** Hon. Member for Ayre, Mr Teare.

Mr Teare: Thank you, Mr President.

5015 **The President:** Sorry, Mr Anderson.

Mr Anderson: Madam – *(Laughter)* Mr President, I beg to second and reserve my remarks.

Mr Watterson: Can I make a point of order, Mr Speaker. In order to –

5020 **The President:** I beg your pardon?

5025 **Mr Watterson:** As a point of Order, Mr Speaker – **(Two Members:** Mr President.) – under Standing Order 1.2(2), I was just wondering, in order to make sure that we get this debate done –

The President: Hon. Member, it is not yet eight o'clock! The Standing Order is not ready to be invoked.

Mr Watterson: I appreciate that, Mr Speaker, but in terms of –

5030 **The President:** No, sir. I intend to call the person on my list, the Hon. Member for Michael, Mr Cannan.

Mr Cannan: Thank you, Mr President.

5035 I am sure the Treasury Minister was expecting me to move an amendment and I am not going to disappoint him tonight. I certainly do not want him to leave tomorrow thinking I do not care about him. *(Laughter)*

5040 There will be an amendment circulating to Members very shortly. This, of course, is an incredibly important debate and has been an incredibly important debate for a significant period of time. I do bear in mind the advice that you have already issued, Mr President, but clearly this is a matter of significant importance to the whole Island and, if you will just indulge me for a few moments please.

 In March 2015, I brought forward a motion to this Hon. Court that a Select Committee of Members be appointed to review and assess the critical decisions being undertaken by the Treasury Minister in respect of the State Pension system.

5045 That motion was supported by a majority of Tynwald Members by 15 votes to 12. Had we had a full House in the Keys that day, I am fairly certain that would have succeeded rather than being lost on an 11/9 vote against. In my opinion, it was the block vote plus the Treasury that won the day and subsequently allowed matters to proceed, resulting in the end to the Reciprocal Agreement and the proposals that are here before us today.

5050 I know for a fact, Mr President, that a number of Members have expressed to me regret that a committee was not established so that public evidence on this crucial matter could have been taken and the matter properly scrutinised. I do not believe it has been our finest hour and, once again, the proposals that we have in front of us lead me to ask a number of questions. I do think that had we actually gone for that scrutiny committee we would have assisted in getting this process further forward rather than hindering it.

5055 I just want to pick up on a point that the hon. mover of the motion has talked about: all these briefings and things. They are absolutely fine, but in essence they are not very good in terms of explaining the situation to the public, nor indeed in giving the public reassurance there has been proper scrutiny of these issues.

5060 Many, many people who I speak to in my constituency, who are around about pension age or certainly of my age, do not really understand what is happening at the moment. Despite the protestations, despite the shaking of the head, the fact is most people have not got the foggiest clue what the impact of these pension reforms will be.

5065 Once again, therefore, I am going to ask the Court for some proper scrutiny to take place because, to me, as these proposals stand, they potentially outline an increasingly negative State Pension future than a positive one for many people. I believe that if we are truly planning for the next generation, we need to give them something to look forward to and not something that is eroding in value. Unfortunately, that is what I think we have before us today.

5070 That might be the right thing to do, but it might be the wrong thing to do. I think that we, as elected politicians, need to take a responsible view on this and satisfy ourselves that we actually know what is happening here, because I suspect that many people do not actually know the runners and riders when it comes to the winners and the losers out of all this. In our heart of hearts, we know there is going to winners and there will be losers, but I suspect most Members do not genuinely know how many of each category are potentially going to be impacted.

5075 Let me try and expand on this using the calculations that I have done myself and the evidence that has been provided for us by the Treasury in the information that we have been receiving. Under these proposals, we have a new fixed-rate of £170, which is approximately the same now that an Isle of Man pensioner today receives if they get the full basic State Pension, plus the Supplement – they are slightly over £170. Now, under the new scheme, a pensioner in 2019 will

5080 get the flat rate of £170, plus, if they qualify for it, the Manx Supplement on top of that. In other words, another £53-plus on top. So, effectively, a new pensioner is going to get the Supplement twice, because they are going to get around about £220: £50 a week more than someone who has recently retired the year previously and the years subsequent to that.

5085 That £50 a week is equivalent to £2,600 a year. Now, you take £2,600 a year and multiply that over a 15-year lifetime and you are going to come up with about £39,000. I am going to ask you whether existing pensioners who retire up until 2019 are going to find it fair that the man or woman who is retiring the following year is going to get potentially £2,600 a year more just based purely on if they qualify for the full State Pension and the full Supplement? There is a huge disparity there. I do not think that existing pensioners are going to find that kind of level of difference acceptable. That is my first point.

5090 My next point is, of course, that we are today saying that the Manx Pension Supplement is no longer affordable and the proposal is to erode that over a 20-year period so that it no longer exists. Effectively, the only way you can do that is to take it down at about £130 a year, £2.50 a week. There may be slightly different parameters to the way that is calculated, but if you want to come out with a zero figure ... If you take it it is £50-odd a week at the moment and you erode that over 20 years, you are looking at £2.50 erosion in the figure.

5095 Also, by removing the triple-lock guarantee from the calculation – I am moving to this average earnings; we have not yet got the figure – we are taking away another safeguard. In fact, we are potentially lowering ourselves below the UK triple-lock guarantee set at the minimum of 2.5%.

5100 The net result of that, according to the work that I have done on my spreadsheets, is that the pension eventually erodes. If you are on the full maximum, Mr President, in terms of starting off at £170, plus the £50, given the average ... If you calculate that at an average increase of 1.8%, take the UK figure and calculate that on the triple-lock as it currently stands at 2.5%, at the end of the 20 years the pension absolutely equates – almost dead level – with the UK. So, we complete erode ourselves right down to the UK level – which is fine; you may say that is fair enough. But the question I am going to put to you tonight is, do we want the next generation looking forward to an eroding pension scheme or should we actually be trying to encourage them by having a pension scheme that is actually going to grow?

5110 Let me just take these figures in a slightly different way. The increase in the qualifying years – which is part of the deal – will now potentially make life a lot harder for those who do not fulfil the full 35 years. So, for example, if you are a part-timer or maybe even a woman who has chosen to career-break and have a family and do not qualify – say, perhaps only do 25 of the 35 years – your pension, under my calculations – taking all of the considerations of the change to the percentage qualifications – the pension value will erode quicker in comparison with the UK. But, within a matter of four or five years, your pension, even with the increased rates, will draw level with the UK and very soon the UK pension will, in fact, overtake that.

These facts and figures need to be evidenced but this is the work that I have done.

5120 The other piece of evidence that I am able to say is that I have direct evidence from an individual that clearly demonstrates – because he does not meet the full 35 years and he will retire after 2019 – that, given the erosion in his Supplement, he is effectively going to be worse off under the new rule than he would have been under the existing rules, and I think that is going to apply to quite a number of people.

5125 What I am basically saying to you tonight is that I do not think that we completely understand whom the runners and riders are here in terms of who is actually going to be impacted by this. I think it would be very dangerous – given that this is not going to take place until 2019 – not to get some clarity around the facts and to put this under public scrutiny. I think that would get more reassurance for the public that we were looking at this properly and we would gain an understanding of which parts of society are going to be affected.

5130 Effectively, Mr President, what I am saying is, we have got to stop, now, looking at the graph, because we have been looking at the graph, and staring at the graph, and looking at where it

ends, and how much it going to increase by or decrease by depending on the different scenarios. We have got to stop looking at that now and we have got to start looking at the cost and the impact on people's lives and what we are doing in terms of incentivising the next generation, not disincentivising them. We have got to get the balance right.

I think part of the problem appears to lie around the Supplement and the fact that we are trying to retain the Supplement. Not only are we going for a new fixed rate, which is roughly equivalent to the basic plus the Supplement – so that is roughly where we have pitched that new fixed rate – but we are adding the Supplement on top of that. I think that is causing problems on two fronts, both for the fairness for current pensioners ... So, when the Hon. Member for the Legislative Council, Mr Corkish, retires in 2018 or goes to claim his pension in 2018 – if that is what he is going to do – he is going to, effectively, over the lifetime of his retirement – if he lives to the grand old age of 83 or so – be £30,000 worse off than somebody who retires the year later – providing both are claiming the full maximum – by virtue of the fact the person who retires the year later will get that extra Manx Pension Supplement. That, to me, is not fair.

The other question, therefore, that arises from that is, is it right that the 50-year-olds and under, or 55-year-olds and under, given the changes that are taking place, are effectively subsidising the person who retires in 2019 for a number of years because they are getting that extra amount? Do not take my word for it, Mr President. I suggest and I recommend that we need to take a breath now. We have gone a long way down the road here. We have narrowly lost out having this put out to public scrutiny. We have gone down now; we have done the Reciprocal Agreement; we have broken that link: a major step forward. We have now got these proposals, but they are still three years away in terms of coming into force. I think we need some more understanding here about what the cost is, because if my figures are right, are you prepared to go out there and tell mothers, working mums, potentially other categories of people, that they are going to be worse off now, compared to the UK?

We have got to be careful, because we are talking about growing the economy and we are talking about incentivising people for the future. If you accept that the rights are being eroding by the very virtue of the fact that we suddenly give this £50 Supplement and take it away over 20 years; that we are eroding rights, then you have to ask yourself, are we actually giving the next generation incentive? Would we now not perhaps be better off just having a flat, fixed-rate and introducing that? Would that not be the fairer way forward?

I would suggest that, under proper scrutiny and working together with Treasury, that a select committee would at least be able to analyse that and tell Treasury whether they are on the right track or not. But it is hugely dangerous to go ahead at the moment, Mr President, and say, 'Well, this is right' when I would suggest to you that there are potentially a significant number of losers out here under this in terms of the erosion of their pension rights and not an increase in the value.

Mr President, I do believe I have probably made my case. I have an amendment in front of you:

After the words 'and that the following proposals', to leave out the words, 'be approved' and insert the words, 'stand referred to a Select Committee of three Members to be nominated in December 2016 for examination and report by July 2017'; and at the end to add the words, 'And that it be an Instruction to the Committee that it consider the following issues:

- *How the Pensions Supplement can be operated in a fair and appropriate way for current and future generations;*
- *How the Single Tier Pension Rate may be set at an appropriate rate; and*
- *Whether the removal of the triple-lock safeguard is therefore appropriate.'*

This does not discredit what is in front of you at all. I am not saying that the Treasury Minister and Treasury are wrong. I am merely saying, 'We don't approve yet. We need much more

evidence as to who is actually going to be impacted.' We have got to stop looking at the graph, Mr President. We have got to accept that the graph now is accurate, but we are on the right track. *(Interjection from Mr Henderson)* What we need to know is what the cost is, Hon. Member, the human cost in terms of how people are going to be affected by this –

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Mr Henderson: You will not get any!

Mr Cannan: – and what both the psychological impact of that and the real impact of that is going to be on their lives?

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All I am saying to you now is we do not approve it yet; we refer this to a select committee of three Members, to be nominated in December, as it is the earliest possible opportunity; to report back at the latest by July; and that we give them an instruction that we consider now how the Pension Supplement can be operated in a fair and appropriate way for current and future generations, i.e. is the proposal actually fair for current and future generations; how the single-tier pension rate, therefore, could be set at an appropriate rate, if they felt it was unfair; and, of course, whether the removal of the triple-lock safeguard is therefore appropriate at the current time?

5190

Thank you, Mr President.

**Standing Order 1.2(2) suspended
to continue sitting until 10 p.m. or end of Item 17 and reassess**

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The President: Hon. Members, any further progress tonight is a matter entirely for yourselves. I will accept any proposal.

Mr Cregeen.

Mr Cregeen: Mr President, I beg to move that we sit until 11 p.m. and assess

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A Member: Ooh!

The President: Could you say that again, please. Ten o'clock?

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Mr Cregeen: Ten o'clock and reassess at 10 p.m.

The President: Mr Watterson.

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Mr Watterson: I was going to suggest 10 o'clock or the end of this Item, whichever is the sooner.

Several Members: No.

Several Members: Agreed.

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Mr Corkish: Mr President, I will second the proposition as detailed by Mr Cregeen.

The President: Which was 10 o'clock.

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Several Members: And reassess.

Mr Henderson: I will second Mr Watterson.

The President: We have two distinct propositions. We have: finish at 10 p.m. and reassess or finish at 10 p.m. –

Mrs Beecroft: Ten o'clock or when this finishes.

The President: When the debate finishes.

So we carry on with the debate and see where we are at 10 o'clock. (**Two Members:** Correct.) Is that agreed?

Several Members: Agreed.

Mr Watterson: That was not the motion, sir.

The President: Anyone to the contrary?

Mr Quirk: That was Mr Cregeen's.

Mr Watterson: That was not the motion I put, sir.

Mr Quirk: Not yours.

Mr Cregeen: It was the motion that I put, Mr President: that we sit until 10 o'clock and then reassess.

Mr Watterson: There are two motions.

Mr Malarkey: Can I put the motion that we finish this debate and then reassess, Mr President.

Mr Ronan: I second that. That makes sense.

Mr Watterson: Now you have got three motions.

The President: I think the mood of the Court seems to be that we go on. We are prepared to go on until 10 o'clock but there is a hope that if we finish by 10 o'clock then we will finish – no point, having finished, carrying on beyond 10 o'clock. Is that right?

Mr Watterson: If this Item was finished by 10 o'clock, that we would finish at the end of this Item. So, it is 10 o'clock or the end of this Item, whichever is the sooner.

A Member: Agreed. (*Interjections*)

The President: Right, I will put Mr Watterson's motion: we finish at 10 o'clock – and I will put an amendment to that: if we are finished sooner, we will reassess the position. How is that?

Mr Harmer: That is good. That is fine.

The President: Is that acceptable?

It was agreed.

The President: Agreed. Thank you very much.

**Future Manx State Pension Treasury Proposals –
Debate continued –
Amended motion carried**

5275

The President: Now, I call Mr Cregeen.

Mr Cregeen: Thank you, Mr President.

5280

There is a lot of confusion out there about these pensions and unfortunately it has not been helped by the mover of this motion. The first thing that he said was along the lines of, 'This will not do anything for pensioners until after the implementation of this Order.' Now, did he mean –

Mr Henderson: Existing pensioners.

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Mr Cregeen: – existing pensioners until after the implementation or does he mean this will only affect new pensioners after the implementation of this Order? It has not been clear. It is still confusing. I hope, before I carry on, Mr President, the mover will clarify –

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Mr Henderson: Eaghtyrane, I am quite happy to clarify Mr Cregeen's point. I have been saying what his understanding is until I am blue in the face for the past year.

Current pensioners will not be affected. That was the guarantee Treasury gave. It is pensioners who come into being pensioners after the April 2019 –

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Mr Cregeen: Yes, you never said that.

Mr Henderson: It is new pensioners after the date. I do not know how many times I have got to say that, Eaghtyrane.

5300

The President: Mr Cregeen.

Mr Cregeen: Mr President, I think you will find that *Hansard* says something different, but anyway.

5305

I beg to second the amendment by Mr Cannan and the reason being that Mr Cannan has looked into this, he has got his figures and he is confused. He is not sure what these figures are, and you can see from the Treasury Members who are disagreeing with the figures that he has brought forward ... If Mr Cannan is confused, how do you think the ordinary pensioner is going to understand what is going forward?

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Mr Henderson: Because we will be contacting them!

5315

Mr Cregeen: I have had a number of pensioners who were on the same thought, thinking that their pension is going to be reduced. I was in Colby the other day and I had a number of pensioners saying, 'You lot are going to take my pension off me' and I had to explain to them, 'No, your pension is fine. It is the people into the future; their pensions.' It is not clear out there. It is not clear –

Mr Henderson: It is.

5320

Mr Cregeen: It cannot be clear if people are still going round saying they do not understand it.

Mr Henderson: They are making their own mind up out of the media, Mr Cregeen.

5325 **Mr Cregeen:** The thing that you have to do is to ensure that this is going to be the best thing for the citizens of the Isle of Man and that is why, when I spoke to Mr Cannan regarding his amendment, I asked for the date of July 2017 to be put in so that we still have the opportunity for the implementation date. If all the figures are as the Treasury say are correct and it is fair, they can still implement the motion that that have here today.

5330 The last thing that we want, when we are trying to grow the economy of the Isle of Man, is for people to start thinking they will move over to the Isle of Man; start to work; and maybe in the future, when they get round to a pension age, they are going to be worse off by having come over here and worked than by staying in the UK. We have to be careful about how we pitch this.

5335 We have also got to be careful about the affordability of what we have. As we have seen with some motions come through here in the last day or so, we are still spending money that we probably think that we had years ago. Some of that spending has to be curtailed to make sure that we have got affordability for the pensions and the infrastructure we already have.

5340 By supporting this motion, I do not think you will be delaying the implementation date by that much. *(Interjections)* We went through this when the original motion was put forward that the select committee should actually work alongside the Treasury until this time. It was said during the debate that this will come forward at this time and another select committee will be told to come and be set up to review it. So here we are.

5345 The Council of Ministers defeated the motion then. We have now come to this date with the Order, with another select committee being proposed to scrutinise it – and this is a vitally important thing for the citizens of the Isle of Man – to ensure we have got it right. If we fail to scrutinise this part of our economy correctly, what hope has there been for anything else if we cannot get our pensions right?

I would urge Members to support the amendment. Let's see what the select committee does, because we do not want to be in a situation where we implement a pension scheme and then we are actually regretting it for years to come.

5350 Mr President, this is the time, now. It is no use delaying this and saying we will review it just before it is implemented. We have to do this now. We have put it off from before because Treasury did not want anybody else looking over it. That is what our duty here is: to scrutinise the legislation and motions put to us for the benefit of our citizens. If we fail to do it, we are failing our citizens.

5355 **The President:** I call on the Hon. Member for Peel, Mr Harmer.

Mr Harmer: Thank you, Mr President.

5360 I just wanted to clarify some misunderstandings which I think there may be before I move on to a couple of issues that I have had.

In actual fact, when it starts, it will be £170, but it is not that you get £53 extra on top of that. It is purely a starting position. I think there is a big misunderstanding by the Member for Michael.

5365 **Mr Cannan:** Will the Hon. Member give way?

Mr Harmer: Not really, I am trying to explain. You can come back in a minute, but I think there is a misunderstanding of where that ... It is not that you are getting the Manx Supplement on top of the Manx Supplement.

5370 I think what will actually happen is that over a period of the next 20 years ... This is a bitter pill in one sense, because, effectively, in 20 years' times ... At the moment, we have a Manx Pension. We have £119; we have the Manx Supplement; you also get SERPS on top of that, so you could actually get up to £300, or whatever, for some people who earn over £25,000.

5375 In future, that will reduce because we are bringing in the single-tier. That is clearly what is going to happen. In effect, instead of being able to have SERPS, or second state pension, you will just get this fixed amount.

Perhaps I have not explained that, but I think if somebody from Treasury can actually explain that ... It is not that people are suddenly going to get £170 and another £53. In actual fact, what is going to happen is that maybe people who are already on a second pension which will be more than what the single-tier pension will be ...

If they can clarify, that would be good.

There is one issue that I just wanted to bring up and that is why I have brought an amendment:

To leave out the words, 'for those individuals whose SPA is increased to 67 between 2026 and 2028.'

5385 A number of people have suffered by the fact that we have kept changing the State Pension age and a number of women that were expecting to retire at 60 will now retire at 66 and so forth. So I have just proposed a small amendment, where it says:

investigate the feasibility of introducing a flexible claim date for the State Pension for those individuals whose SPA is increased to 67 between 2026 and 2028.

5390 just to drop the last line to say, 'investigate the feasibility of introducing a flexible claim date for the State Pension Age', because I think there is a whole number of people who have been disadvantaged over the years, that we should just investigate. Now that we are not completely directly linked with the UK, we can have our own rules and our own flexibility.

So I would just ask if it was possible that those people are considered, who have seen their pension age range from 60 to 66 and so forth, that they are also considered, that perhaps that would be a good idea that we could actually have a flexible pension age.

5395 The only comment I have – I know there will be lots and lots of contributions on this – the bottom line is we have a fixed pot. Some things that I might not like, other Members may come with other suggestions, but at the end of the day it is a funded pension scheme. If we have a triple lock, or do other things, or if we change to a qualifying period, then something else is going to have to fall. There is only so much money in the pot so at the end of day we have had lots of graphs, lots of analysis, and we need to really consider whether there are any alternatives.

5400 The final point that I just wanted to make was just on the workplace pensions. In some ways, I am disappointed that we have not got something now. We need to have something very, very soon because in effect, if you like, the pension that has been proposed here in the future will still be better than in the UK. It is £170 compared to £155 in the UK in 20 or 30 years. But at the end of the day, there are a lot of people, at least with the SERPS scheme who could have actually earned quite a bit more. We do not have a workplace pension scheme to replace that. We need to get moving with that because there are other factors on the Island – people who were not in a public pension cannot get a proper pension and for example, there are difficulties getting annuities for people who want to retire. So we have got nothing in its stead and all I would urge is that the Treasury look at that and look for a workplace pension scheme as soon as possible.

5410 With that, I conclude.

The President: Hon. Member for Ramsey, Deputy Speaker.

5415 **The Deputy Speaker:** Thank you, Mr President.

I also was confused, and when we had our briefing meeting, I also calculated the figure similarly to the way that Mr Cannan had calculated it. I then went to see a very, very patient, Mr

Ireland, who explained it to me in a different way. I think if this could be clarified, this might help Members.

5420 So I understand from the beginning of April 2019, the equivalent pension for somebody who is qualified for full pension is still £119. On top of that, they get their additional pension. That may well go over the £170, but if they qualify for a full pension, but because they have been lower earning, etc, if that figure does not go up to £170, it will be lifted to £170, and then the supplement goes on top of that.

5425 The other thing is that, whatever anybody has earned as an additional pension, by 2019 that is frozen, however long they work. That is where the savings are going to be made, because the additional pension will be frozen plus the drop of 5% per year in the Manx Supplement. Now, is that correct?

5430 **Mr Henderson:** I will answer when I wind up on it. (*Interjection*)

The President: We will find out in the summing-up.
Mrs Beecroft.

5435 **Mrs Beecroft:** Thank you, Mr President.

I do not think it is just the public who do not know what is going on here. (*Laughter*) I really don't! At the last presentation we had, we were all sitting chatting after it and not one person had the same idea about what was going on. (**Mr Cretney and another Member:** Hear, hear!) I said to the Treasury Minister, 'You need to produce a simple idiot's guide, frequently asked
5440 questions, so at least we have got it in black and white exactly what you are telling us' – and what have we got tonight? Everyone is disagreeing about what is actually going on!

Mr Henderson: It is on the Order Paper!

5445 **Mrs Beecroft:** It is quite outstanding, to be honest, and I think the previous speakers have just proven my point. We needed it explained in black and white exactly what was going on, (*Interjection by Mr Henderson*) so we were all singing from the same hymn sheet about the facts, before we entered this rather embarrassing debate. So I think it is not just the public; it is all of us in here as well.

5450 And I think Treasury itself actually do not know all of what is going on, if the papers are to be believed, (*Laughter*) because in last week's *Manx Independent*, it says:

The Treasury official said further work would be carried out to find out how many people will be disadvantaged by the reforms and to what extent.

So they do not even know how many and how much. So I really think that we need to support Mr Cannan's amendment, or Treasury need to withdraw it from today, because it is not in a fit place to be debated properly. There is too much confusion, nobody knows exactly what is
5455 going on, Treasury cannot tell us how many people are going to be disadvantaged and by how much – they are going to do further work before they can tell us.

How can we vote on this? I find it quite unbelievable that we are being asked to vote on it tonight.

I think that sums it up, Mr President, thank you. I will be supporting the amendment.

5460

The President: Hon. Member of Council, Mr Cretney.

Mr Cretney: Yes, thank you.

5465 I would like to second the amendment by the Hon. Member for Peel, Mr Harmer. I believe this is something that should be further properly considered. I do not think it has been, and it is something which I have been contacted about, as I am sure others have.

I predate by a considerable way the pensions triple lock – a considerable way. It came in during the year Conservative/Liberal alliance and my concerns go back or a lot longer than that.

5470 In 1984, I think it was, Norman Fowler broke the link between the increases being the Retail Price Index or wages, whichever was the higher, and I still believe and have believed all the time I have been in here and have always supported that, so I would be a bit dishonest if I was going to now go along with something which says something differently. But I do believe that that system, whereby either the increase in wages or the Retail Price Index – which is *not* the triple link; that is something different – is something which I think should be further considered, because we have not got that option at the moment. The option which is being put before
5475 Members is not that.

I also want to make the point that I made during the presentation, and I understand from the Member who is moving this that he has made it clear that further work is going to go on, but I do have an ongoing concern about people in manual employment, who are definitely not going
5480 to be able to continue working till they are aged 67. (**A Member:** Hear, hear.) It really is a problem and that needs to be resolved and there needs to be some certainty, in my opinion, because I do not think there is a great deal. Yes, you are going to do further work, but as things stand at the moment, people are really concerned about that, in my opinion. (*Interjection by Mr Henderson*)

5485 The other point that I raised in the presentation, I think what we should do is we should learn from history. Although I have got a great deal of respect for the Hon. Member, the Minister for the Treasury, I think we should learn from history and one of the things that is being said here is that people will work longer. I have been in here long enough to remember that we had to introduce schemes to encourage older people to retire, because young people were not getting
5490 jobs. There were particular schemes introduced for that, and I just worry that if we are encouraging people, saying that people have to work longer, then that may in time cause a problem for younger people, in terms of getting employment.

Those points remain a concern to me. I am obviously not going to go back on something that all my political life I have supported, which is not the triple lock, but it is the other mechanism,
5495 which eventually was put forward in the ... I think it was the mid-2000s by the then Labour government but was subsequently amended when the Conservative and Liberal Democrat coalition was in place at Westminster. I still believe that that is the right mechanism, rather than what is being proposed here.

5500 **The President:** Hon. Member for Glenfaba, Mr Boot.

Mr Boot: Thank you, Mr President.

I was originally going to rise to second Mr Harmer's amendment, but Mr Cretney has elegantly done that. However, I will speak to that amendment. If we are going to proceed
5505 tonight, I think that is a sensible way forward, to leave some flexibility.

With regard to the proposal generally, I entered this House having criticised the administration earlier for not taking any action on pensions, and I still believe that there was a golden period maybe four or five years ago, when action should have been taken. Since joining the House I have been to various presentations, actuaries, I have visited them solely, I have seen
5510 presentations, and I *still* remain confused – (*Laughter*) like the Hon. Member, Mrs Beecroft and Mr Cannan.

However, what is laid out in the paper is fairly specific, although I understand that there is still work ongoing, but I am still confused, and like Mrs Beecroft, I think that the thing should be withdrawn this evening and it should be brought back to new Tynwald after the election for
5515 clarification. The Hon. Member probably will not want to hear that –

Mr Henderson: I don't mind.

Mr Boot: With so much confusion and it is obvious around the Chamber that we are all confused ... or maybe Mr Henderson is not –

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Mr Henderson: We're not *all* confused.

Mr Boot: – and maybe Mr Shimmin is not, but I certainly am.

5525

I think if we go ahead with the main proposal, looking to the amendment offered by Mr Cannan, I think that is in essence the same as an adjournment, really. It is just pushing the thing into the long grass until after the election.

Mrs Beecroft: No, it's not. (*Interjections*)

5530

Mr Boot: Well, all right, okay, but we are then putting the thing back and we are placing it into a scrutiny committee of three Members who will make recommendations. Well, I would rather this whole proposition came back with better explanation in the new Tynwald, rather than doing that.

Thank you.

5535

The President: Hon. Member for Douglas South, Mr Malarkey.

Mr Malarkey: Thank you, Mr President.

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I was actually, like Mr Cretney and Mr Boot, going to jump up, because the only thing that seems to be quite clear in here at the moment is the amendment put through from the Hon. Member for Peel. I understand that bit!

5545

Mr President, we had a couple presentations and I thought I had just about got my head around everything, after the first presentation workshop, and I thought we had understood where we were going with this; and then a couple of weeks ago we were given another presentation which seems to have altered everything that was put before it.

5550

Coming to today, Mr President, I still was not clear in my mind, but from the debate that has gone on tonight, I am now totally confused, to be perfectly honest! I am certainly of the opinion that this is not the time to be making a decision on this. I certainly will not be voting for it in this form tonight – and I am quite sure there are many, many other Members in here who will not be voting for it, because we obviously have not got it clear in our minds exactly what it means, Mr President.

5555

I strongly recommend that it should go to a select committee. It would get independent review, and it might come out in real English so that we can actually understand where Treasury is trying to go with this. We are not time-restricted: 5th April 2019 – you have got plenty of time to make sure that ... If we do not understand it in here, how can the public be expected to understand it?

5560

I would seriously suggest that either the Treasury withdraws this now or I would prefer it to go to a vote and get this sent off somewhere so it can be properly scrutinised so that the next parliament can come forward and hopefully, when everybody votes, they know at least what they are voting for, Mr President.

Mr Henderson: It is on the Order Paper!

5565

Mr Malarkey: Yes, well you might understand it, Mr Henderson, but obviously lots of Members in here do not; neither do the press –

Mr Henderson: The press do understand. (*Interjection*)

Mr Malarkey: – and neither do the public – the people that we represent. We are here to represent the public and if we do not understand it, what chance do the public have?

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The President: I am not going to have cross-party discussion of this sort. Through the Chair, please.

Hon. Member for Ayre, Mr Teare.

5575

The Minister for the Treasury (Mr Teare): Thank you, sir.

I thought that herring shoals were things that we did not have round the coast of the Isle of Man – I know why now. They are all in here! I have not seen as many red herrings before.

5580

Mr Cannan gets on his hind legs and makes a very broad statement, acting as if he is an actuary: 'I have got these figures; I have done this, I have done that.' Well, these figures have been actually prepared using requests that Hon. Members put forward (**Mr Anderson:** Hear, hear.) to get the information so we could work up a scheme so we could develop it for you, and that is exactly what we have done.

At all stages we have moved forward in lock step with Hon. Members, and this is the result of the series of presentations that we have had with you.

5585

Now, this is a positive step. A positive step, in that we can give a reassurance to those generations who come after us that there will be a state pension there. We cannot close our eyes to the effect of people living longer. I have said this before, but I think it bears repeating: the average person now, excluding any contribution from the National Insurance contributions to health, gets £30,000 more back during their pensionable life than they paid in; and if they have got a pension supplement, that actually rises to £90,000. So that is a good deal, and it cannot go on. We have to acknowledge the facts and we have to deal with them.

5590

There is no point in shaking your head. (*Interjection*) If you do not believe it, read the literature, read the actuarial report.

5595

Now, I have seen a recent actuarial report which says that longevity now for a male is increasing to 90.3 years on average. We have to deal with that! In 1948 when this pension scheme was brought in, it was one year for a male. So let's move on and deal with it. We cannot put our heads in the sand. If we put our heads in the sand, it exposes our butts – with apologies to you, sir. We need to move on.

5600

The Hon. Member for Michael has produced spreadsheets. What I produced here, what Treasury produced is actuarial reports. Which do you trust? I just leave that to you.

Also, he raised the point that there would be nothing there for those with broken records – in effect, those who had caring responsibilities. This proposal we have here will protect those with caring responsibilities. (**Mr Henderson:** Yes, hear, hear.) It will give them credit for caring responsibilities – and it is quite clear in the Report. Read the Report.

5605

Going to Mr Cregeen, he says that if this is referred to committee, it will not delay the implementation date. I can tell you, it will. We are on a very tight timescale. We have got to draft primary legislation and get this through, and that will be subject to the agreement of another House anyway. So that 2019 date is in jeopardy. I will tell you that straight off.

5610

The amendment from Mr Harmer: I am quite content with it. He is correct in what he said. At the outset, this proposal will protect those people who have already paid in for additional pensions, because they were not contracted out of the state pension scheme. For example, the second state pension or SERPS – it has had various iterations over the last four decades. I acknowledge that some will be better off, but that is because of their contribution record. But once again, those with broken contribution records will be better off, as with those who are the long-term self-employed.

5615

Mr Singer gave a very helpful clarification. I would like to thank him for that.

Mrs Beecroft: 'I don't know what's proposed'. We have worked, we have tried our level best and obviously our level best is not good enough, and I apologise for that. But I do not know how much more we can actually explain. The feeling is we should say exactly whether Mr B or Mrs B

5620 is going to be better off or worse off. What I can tell Hon. Members is that if we do not move, and we do not move in a reasonable period of time, we are going to be faced with a cliff edge.

What we are proposing now is a gradual glide path that gives people time to plan and organise. I go back to Mr Harmer's assertion about married women – about ladies – and the rapid increase in their pension age. I cannot say that is fair, but if we have to wait until five or
5625 ten years down the road, then what have we got? We are in danger of reaching the age of people will get no notice that their pensions are going to change. They will not be able to plan.

The Hon. Member of Council, Mr Cretney, was kind enough to explain the background to the previous uprating. What we are saying now is that the triple lock has put us in the position whereby the average pensioner over the last five years since the triple lock was introduced by
5630 the coalition government, compared with those in workplace employment and their average earnings, has seen the difference between the two rise by 10%. Now is that fair? Is that fair across the generations? Is that fair just because the older section of the community vote? Let's be blunt about it!

I think really that we need to acknowledge the facts.

5635 The Hon. Member of Council raised the valid point of manual employment and an earlier retirement age. We have said we will look at that. But we have to have something that we can work on, to come back to this Hon. Court with the specifics. Please, agree this and then we can come back and build on it. At the moment, if you do not agree this, we have got nothing we can build on, so the work will stop. It will stop, and it will be passed over to a committee.

5640 What is that committee? With respect to the committee, it will be a committee of lay people. (Mr Robertshaw: Absolutely.) We have consulted actuaries; we have had four actuarial reports, and they all paint a very similar picture. The date of exhaustion of the National Health Insurance Fund is rapidly coming closer to us.

Now we can either dodge that train by taking action now, or we can stand there and take the
5645 full brunt. Your choice. Simple as that.

So, one of the concerns Mr Cretney was that if wrinklies like me were still working, there would not be job opportunities for the young people. But with the growth of the economy that we have got, we need to keep as many people as possible actively participating in the workforce because if we do not have people here who work, then we will have to bring in more and more
5650 immigrants into the Island, with pressure upon the social fabric of the Island. So the best way we can address our economic needs is to keep as many people as possible in the workforce. And we have to acknowledge that the population of the world as a whole is ageing, so we have to adapt and change to the ageing population.

So really, I think I would urge Hon. Members to support the motion as it is, and not to
5655 support the amendment put down by the Hon. Member for Michael. Now is the time; now is the hour; now it is your decision.

Mr Robertshaw: Hear, hear.

5660 **The President:** Hon. Member for Michael to speak to Mr Harmer's amendment.

Mr Cannan: Thank you, Mr President.

Clearly, Mr Harmer has brought forward an amendment that seems to have support, but that will impact somewhere, I guess, on the actuarial reports. Nobody is arguing about the actuarial
5665 reports. Nobody is arguing that we have been staring at grass for ages, and we can see clearly what is going to happen to the pension, Mr President, if we take Mr Harmer's amendment, in future years. We know that. What we do not know is what the human cost is going to be.

I was just listening quickly to the Treasury Minister there. He is trying to bounce us into that decision based on a timescale in three years' time. Why is there not enough time to draw up the
5670 legislation? Why is there not enough time to do the scrutiny? Interestingly enough, he said I was

trying to be an actuary. I am not trying to be an actuary; I am just trying to do what any other lay person would do and calculate what people are going to get from their pensions.

And just going back to Mr Harmer's –

5675 **The President:** Yes, Mr Cannan, you must address your remarks on Mr Harmer's amendment –

Mr Cannan: I am! I am going straight to it. (*Laughter*)

5680 **The President:** – not what Mr Teare was saying.

Mr Cannan: What was quite interesting about Mr Harmer's is that he has managed to do obviously clearly the sort of actuarial calculations that the Treasury Minister has been doing.

5685 Also just one final point is that in relation to the impact on the actuarial calculations that Mr Harmer's is going to bring forward, the Treasury Minister has almost verified in his remarks, that actually my figures in terms of the £30,000 a year extra that the individual is going to get for the extra state pension supplement is correct, and I ask again, is that fair?

5690 **The President:** I call on the Hon. Member of Council, Mr Henderson to reply.

Mr Henderson: Gura mie eu, Eaghtyrane.

A Member: Good luck!

5695 **Mr Henderson:** I am afraid I might have to exceed your 15 minutes' guideline to try and explain – (*Interjections*)

A Member: Needs must.

5700 **The President:** You have until 10 at least.

Mr Anderson: You have until 10 o'clock.

5705 **Mr Henderson:** Well, Eaghtyrane, if I can carry on.
I am absolutely *stunned*, to say the least, at some of the input that has been put in here tonight.

5710 As for Mr Cannan's 'Project Fear' – great Boris PR! You could not have done a better job, sir, and I take my hat off, Eaghtyrane, to Mr Cannan for producing the fear and wobble effect across the floor of our Hon. Chamber, and one or two other Members that have cottoned on to the coattails of that, and perhaps, I think there is something in the background here that is coming up in September that may have a lot to do with this.

5715 I think, Hon. Members, you have to have the strength of character that the Hon. Member for Ayre, Mr Teare just pointed out to you. The point is, whether you like it or not, the fund is going to run out. The Manx National Insurance Fund will run out around 2057, whether you like it or not. We have been told by Mercer's, we have been told by the Government Actuary's Department at least on two or three different times, with an ever-increasing slope downwards every time their report comes back. They are absolutely sincere in what they are saying on that.

5720 That is the issue we are facing, Hon. Members. It does not matter if you do not like what we are trying to put forward tonight. The point is we are trying to recognise the cliff face that is coming on a very shortly and that is something I feel that every responsible Member here needs to take on board.

What we have tried to do is to produce a pragmatic approach to the situation. The reason it has changed is because Hon. Members, Eaghtyrane, you told us to listen to your concerns. So we adjusted the figures and we put it back to the UK Government Actuary's Department to have it remodelled. That is why it has moved from £180 to £170, 40 years down to 35 years and so on. It is because we were listening to you. We listened to your concerns. We re-put them back into the situation for you.

And it is completely disingenuous to say we have not consulted enough, briefed Members enough, and I feel considerably upset with that comment, because we really have gone the extra mile to consult with Members. We have given you information after information after information.

Eaghtyrane, Hon. Members have been working with the UK Government Actuary's Department specialists – the first time that has happened as far as I know, in joint-working initiatives such as that. Every Hon. Member here, Eaghtyrane, has had the chance to put as many questions as they want to those actuarial pension specialists.

How many times have the Minister and myself made ourselves available to Hon. Members or come and see us any time you like to answer any questions you so wish?

At the end of the day, Eaghtyrane, there is nothing complicated here. Not really. What we are trying to do is extend the life of the Manx National Insurance Fund and give the next generation a pension.

The thing that may cause a little confusion is the transitional arrangements which are in but overview terms at the minute. It has to be worked up further. There is no double Manx pension payment, Hon. Members. That is the biggest red herring, and I think one of the most disingenuous comments, and I think it is unfair to throw that in. We have been trying our utmost best here with complete transparency, and consult with Members on the way.

One of the last things I want to finish on, Eaghtyrane, is this thing about we are being rushed into it. There is no further time for consultation. What will happen if this was approved, of course, is that our officers would have to go away and work up some more detail to this, which will take some considerable time in itself, and there is a question mark on the 2019 date to be able to do this at any rate, to be fair to the staff that are going to have to have the input, and not only that, Hon. Members – and I especially point the finger to the Hon. Member for Malew and Santon, Mr Cregeen, who has given all sorts of wild accusations here tonight. Yes, I am sure we will all read *Hansard*, because I read it from my notes what I was saying, Hon. Member, and the point is the consultation and work with Members is there for all to see.

But not only that, we would have to come back to Members with workshops, but what has been missed, Eaghtyrane – and I do not know whether it has been done deliberately or not – is the fact that primary legislation would have to be worked up as an end result to this, because you cannot just do what we are proposing here, by way of orders to Tynwald. There will be a new, or the potential for a new, 2019 Manx State Pension Act. That then has to go out to consultation, to Members, presentations to Members. It has to go through the stages of the Hon. House of Keys, and it has to go through Legislative Council – and that is the end result.

So the amount of work is only just starting really, Eaghtyrane, and I have to say that to Hon. Members. If we approve this tonight, it is not coming in tomorrow. It is just the start of the journey to give us the direction with further input, stage by stage by stage, including the clauses stage in the House of Keys of any new Bill that must be a requirement of this tonight.

So even at that point, Members would have a chance of input. It would be out to consultation, there would be more public input and I have to say, Eaghtyrane, when I did the press briefing for this originally well over a year ago, Isle of Man Newspapers reported on the front page of the *Independent* or the *Examiner* – I had the whole page to myself. Absolutely pinpoint accurate detail by detail, almost to the word of this motion tonight, apart from the slight changes. They had a full and proper understanding of what our ideas were. They were under no illusions and that was printed – and it has been continually trailed out now and again. What has set hares running is because this is on the Order Paper this week, Eaghtyrane, people

5775 starting to get worried now – oh, it is on the way, and some people have misunderstood what they are saying. Or what can happen – and I am just as guilty – you see a headline, and you make of it what you will, without reading the small print underneath, which I have talked to people about over the week. Of course they *had* got the wrong end of the stick because they have not bothered to read the rest of the article.

5780 So, what the newspapers reporting is absolutely accurate, and at the end of the day, what we are trying to do is to save the fund. There will be ... It is a capping mechanism. We have made no secret of that, Eaghtyrane. What we want to do is ensure that there is something there that is sustainable going forward, and for future generations, Eaghtyrane, and that is the whole point of it.

5785 **A Member:** Hear, hear.

The President: Now, Hon. Members, the motion before you is at Item 17. To it we have two amendments. We will take the amendment in the name of the Hon. Member for Peel, Mr Harmer first. Those in favour of Mr Hamer's amendment, please say aye; against, no. The ayes have it. The ayes have it.

Now Mr Cannan's amendment: those in favour, please say aye; against, no.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 8, Noes 14

FOR

Mrs Beecroft
Mr Cannan
Mr Cregeen
Mr Hall
Mr Karran
Mr Malarkey
Mr Quirk
Mr Thomas

AGAINST

Mr Bell
Mr Boot
Mr Gawne
Mr Harmer
Mr Joughin
Mr Peake
Mr Quayle
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Watterson

The Deputy Speaker: Mr President, the voting in the Keys is 8 votes for and 14 against.

In the Council – Ayes 2, Noes 5

FOR

Mr Cretney
Mr Turner

AGAINST

Mr Turner
Mr Anderson
Mr Coleman
Mr Corkish
Mr Crookall
Mr Henderson

The President: In the Council, 2 votes for and 5 against. Mr Cannan's amendment therefore fails to carry.

5795 I put the substantive motion as amended by Mr Harmer: those in favour, please say aye; against, no.

Mrs Beecroft: Mr President, could you just repeat what you said – what we are voting on?

5800 **The President:** We are voting on the motion at Item 17 as having been amended by Mr Harmer – the substantive motion. (**Mrs Beecroft:** Thank you.) Those in favour, please say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

In the Keys – Ayes 15, Noes 7

FOR

Mr Bell
Mr Boot
Mr Gawne
Mr Harmer
Mr Joughin
Mr Peake
Mr Quayle
Mr Robertshaw
Mr Ronan
Mr Shimmin
Mr Skelly
Mr Teare
The Deputy Speaker
Mr Thomas
Mr Watterson

AGAINST

Mrs Beecroft
Mr Cannan
Mr Cregeen
Mr Hall
Mr Karran
Mr Malarkey
Mr Quirk

The Deputy Speaker: Madam President, in the Keys, 15 votes for, 7 against.

In the Council – Ayes 5, Noes 2

FOR

Mr Anderson
Mr Coleman
Mr Corkish
Mr Crookall
Mr Henderson

AGAINST

Mr Cretney
Mr Turner

The President: In the Council, 5 votes for, 2 votes against. The motion therefore carries.

**Suspension of Standing Order 1.2(2) to continue till 10 p.m. –
Motion lost**

5805 **The President:** Hon. Member, as agreed, that debate having ended before 10 o'clock we said we would reassess the position.
Mr Cregeen.

5810 **Mr Cregeen:** I beg to move that we sit till 10.

Mr Quirk: I beg to second, sir. Ten o'clock is fine.

The President: Is that agreed, Hon. Members?

5815 **Several Members:** No! Divide.

The President: A proposal has been made. We will go to an electronic vote. The motion is that we sit till 10.

Electronic voting resulted as follows:

In Tynwald – Ayes 13, Noes 16

FOR

Mr Cannan
Mr Coleman
Mr Corkish
Mr Cregeen
Mr Crookall
Mr Hall
Mr Malarkey
Mr Quayle
Mr Quirk
Mr Ronan
Mr Teare
The Deputy Speaker
Mr Turner

AGAINST

Mr Anderson
Mrs Beecroft
Mr Bell
Mr Boot
Mr Cretney
Mr Gawne
Mr Harmer
Mr Henderson
Mr Joughin
Mr Karran
Mr Peake
Mr Robertshaw
Mr Shimmin
Mr Skelly
Mr Thomas
Mr Watterson

The President: The motion fails to carry, 22 votes would be required in support.

5820 Hon. Members, that therefore concludes the business of the day and the Court will stand adjourned until tomorrow morning at 10.30.

The Court adjourned at 9.04 p.m.