

SARK REPOPULATION INITIATIVE RESULTS AND OUTLOOK 2021

GUEST CONTRIBUTION BY SWEN LORENZ

There are a lot of new faces on the island, and some are curious about the precise results and plans of my initiative to bring new residents to Sark. To create transparency and keep everyone informed, I wanted to publish a few figures about my recent work. Given that the year-end is upon us, the following also includes an updated set of end-of-year figures.

OVERALL RESULTS OF THE CAMPAIGN

101 people decided to purchase my relocation service package; which most recently I sold for GBP 1,400 each.

Of those 101 clients, 55% subsequently proceeded to rent a place and register on Sark.

These 55 parties resulted in 87 adults and 20 children moving to Sark.

The adults are mostly in the age group 30-50, with outliers to either side. The youngest ones are 26, the oldest in their early 70s. The children include babies and teenagers, i.e. not all of them will go to the Sark School (yet).

The mix of nationalities is significantly tilted to German but also includes French, Spanish, Belgian, Danish, Finnish, Austrian, Swiss, Croatian, Polish, Ukrainian, Canadian, Chinese, Singaporean, and Korean (those who do not fall under the EU Settlement Scheme are married partners of EU citizens who can move to Sark under the spousal visa scheme).

Peoples' approach to moving to Sark differs from case to case. While some people bought a one-way ticket and already live here permanently, others visited briefly to look at properties and register, but they need more time to prepare the actual move (e.g. because children should finish the school year in their existing school). A few people solely registered to have Sark as an option; they haven't decided yet whether they will actually move in 2021.



It is quite likely that in 2021, some of the new residents will decide that Sark is not for them after all. This is par for the course when dealing with such a large number of people moving to a small, remote island community at short notice. I strongly believe, though, that the vast majority (>70%) will stay and build a life on Sark. I also feel that some of the new arrivals will inspire family and friends to live here, too, which could make up for some of those who leave.

LESSONS LEARNED

When I take my relocation service forward to a phase 2, it will be with an adjusted messaging based on existing client feedback.

Learning #1: Less focus on taxes, more focus on lean, benign government

Interestingly, most of my clients found Sark's tax system not nearly as much an attraction as I (and others) had anticipated. There are many jurisdictions nowadays with advantageous tax systems or special deals, including in Europe. In terms of its tax system, Sark is now merely an also-ran. Where Sark scores extremely well, though, is its low level of bureaucracy and the friendliness of its government. My clients love simplifying their life as far as administration is concerned. People appreciate that Sark is a place with a government "by the people and for the people".

Learning #2: Expectation management about housing stock

Another point to make clearer when marketing Sark is the state of much of the housing stock. Many new arrivals found it hard to fathom to what degree houses had fallen into disrepair or remained stuck on a standard that is several decades behind. I will make it clearer to potential new residents that the availability of quality living space will heavily depend on a willingness to purchase and renovate.

The good news is that this will now become easier thanks to the Sark Land Reform. Also, the first previously uninhabitable property is now being done up, and I believe we will see similar cases soon. Such rebuilds and refurbishments will add to the housing stock.

Learning #3: Concerns about Sark's long-term viability

Much as there is a legitimate question what new residents do for Sark, one also has to ask what the islands needs to do in order to keep these new residents. Many of my clients have concerns about Sark's long-term viability. What is Sark's strategy to deal with upcoming financial challenges such as its ailing infrastructure or the significant number of uninsured elderlies in need of healthcare?

Why does Sark allow the management of immigration – an essential subject for any jurisdiction – to be defined mostly by policies set in the UK and Guernsey? Does Sark really want to remain independent from Guernsey or is it gradually losing its will to self-govern? These are valid concerns that anyone who comes to Sark will raise eventually. I can alleviate some of these concerns in my work with clients by providing them with factual, often hard-to-find information that counters some of the more ill-informed narratives flying around the island's rumour mill. However, the power to truly do away with such concerns lies with Sark and Chief Pleas, and requires tackling some long-standing structural weaknesses.

MY NEXT STEPS

I had always expected strong interest in my relocation initiative, but the ultimate demand exceeded even my optimistic forecast by far.

My work going forward will primarily entail the following:

#1 Take a break!

In addition to those residents that I helped bring to Sark, there have also been many new residents who didn't come through me – often from the UK or Guernsey, but also from further afield. My best guess is that Sark had 150 new residents register during the second half of 2020. Depending on which previous population estimate you choose, that is an increase in population of 25% to 35% in the space of just six months.

Such a sudden, significant increase in population size brings a number of challenges, ranging from integrating everyone socially to adjusting the

school's budget. Also, much of the available empty housing stock has now been taken up which creates a bottleneck for bringing in more people.

It's evident that now is the time to let things settle for a bit.

I have stopped selling my relocation service package for now, and merely accept registrations of interest.

#2 Present the available immigration options (properly!)

On 31 December 2020, the EU Settlement Scheme will end, and residents of the EU/EEA/Switzerland will no longer be able to easily move to Sark. Instead of filling out a simple five-page form to be granted a five-year residence, they will have to go through a complex visa procedure and fulfil many criteria. This looming deadline was one of the key reasons why my marketing campaign generated such a rush.

The application of the EU Settlement Scheme on Sark nicely illustrates that Sark doesn't have its own immigration law. Instead, it latches onto the immigration regulation of Guernsey, which in turn heavily leans on the immigration regulation of the UK.

After the end of 2020, residents of the Common Travel Area (UK, Ireland, Isle of Man, Channel Islands) can continue to move to Sark without restrictions. The degree to which an island of 500-odd residents is open to immigration from a catchment area of 73m people is a stunning fact. As far as I can tell, there's more than just one British journalist who already has an eye on the story. Watch this space for a potential tsunami of interest from the UK.

Outside of that, Sark (and the Bailiwick) remain open to new arrivals from around the world if they fulfil specific criteria and apply for a visa. Not all of these options are widely known. E.g., there is the "Entrepreneur Visa", which grants access to the Bailiwick (including Sark) if someone invests in setting up a local business and commits to creating a range of economic benefits, such as jobs for existing residents.

I may never proceed with a phase 2 of my relocation service, e.g. if there was such a tsunami of public, media-driven interest from the UK that further marketing of Sark wouldn't be required (or even feasible). However, having someone create a clear overview of these different paths to immigration should also help Sark and Chief Pleas decide whether the island should continue

to apply the immigration system of Guernsey and the UK. I will soon share an overview of these regulations in the Sark Newspaper and beyond, since very few residents of Sark are even aware of these various routes to immigrating to the island.

My view is that Sark should create its own immigration system; one that is based purely on the needs and limitations of Sark, and which is given legitimacy through Sark's electorate rather than St Peter Port or London. It always appeared mind-boggling to me that Sark allowed this particular area of concern to be driven by powers that lie elsewhere. Anyone raising concerns about the sudden influx of recent times needs to consider that Sark simply left the door wide open.

To regulate this area anew and put in place suitable limitations, Sark could make a start by studying best practices applied in other micro-jurisdictions that faced similar challenges. Another important first step could be to relaunch the effort to have Chief Pleas create the long-overdue legal definition of a Sark resident. The current legislation of Sark still enables people to legally claim Sark residency even if they spend 0 days on the island.

#3 Facilitate investment, job creation, and community efforts

The influx of new residents is an incredible opportunity for Sark:

One couple has already created two new jobs for existing residents, and they are planning to continue hiring locally. I sense that further job creation by other new residents is on the horizon. That is outside of new residents continuously injecting purchasing power into local businesses such as restaurants, shops, construction, and Sark Shipping.

The new residents bring along expertise about many areas where Sark could do with a bit of help and fresh thinking, including some very practical aspects. E.g., additional doctors living on the island (of which there will be three) could help out the island's existing doctor during holidays.

Sark has worthwhile organisations and groups that can do with more members. E.g., quite a few of my clients recently joined the *Soci t  Sercquaise*, after I've asked them to do so.

Making everyone integrate and join in is vital. Back in November, I organised an event at Hathaway's, where 20 of the new residents met with 20+ existing residents – a great time was had by all. Sark Estate Management very generously organised a second, even larger event at Lou-Lou's. At both events, all of my clients who were on the island at that time attended. Such gatherings can of course only be one step towards everyone getting to know each other, but they are a start.

As and when I restart marketing Sark as a place to live, I will focus on a small number of high-value candidates and put more emphasis on facilitating investment and job creation on Sark. My work will focus on bringing businesses to Sark that do not compete with existing local operations in retail, hospitality and tourism. With few exceptions, my current clients operate Internet-based businesses or pursue remote work.

Also, I will emphasise on making all incomers aware of the various organisations and community efforts they can join or support, such as the incredibly valuable efforts undertaken by the Sark Dairy team. Who knows, maybe some of the organisations that fell by the wayside for lack of members – such as the Sark Musical Society – can one day be revived? There are so many opportunities on Sark.

THANK YOU FOR YOUR SUPPORT

As part of my work, I got to know many of you better (or even for the first time).

I've received an incredible amount of support, without which none of this would have worked. Our Seigneur, Christopher Beaumont, was always willing to make time for giving me advice. Kevin Delaney generously provided me with editorial space in the Sark Newspaper. The team at Sark Estate Agents shared their unrivalled knowledge of Sark's property market with me. Many others helped in innumerable ways.

I've also received critical input, which I used to improve my messaging further.

For all of this support, I am incredibly grateful.

Please do keep the feedback coming, both praise and criticism. It all helps me to fine-tune my efforts and create the best outcome for Sark.

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