

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2010 (P.117/2009): FIFTH AMENDMENT (P.117/2009 Amd.(5)) – COMMENTS

**Presented to the States on 21st September 2009
by the Council of Ministers**

STATES GREFFE

COMMENTS

The Council of Ministers believe it is appropriate that the States have the opportunity to debate the components of the net capital expenditure allocation for 2010.

Comment

The effect of the Deputy of Grouville's amendment is to transfer £500,000 from the Jersey Car Parking Fund to a new capital project called Eastern Cycle Route. As correctly stated in the report to the proposition, this will reduce the operating surplus in 2010 and, hence, the transfer to the Trading Fund for that year.

A 25 year financial model has recently been updated and is being used to forecast the effect of known maintenance and car park replacement programmes and, specifically, the North of Town Masterplan which will seek to replace a number of town car parks. If the balance in the Trading Fund is reduced, the amount available for capital projects such as the contribution to the North of Town Masterplan (currently £15 million) will be reduced by £500,000 or car park charges will need to be further increased (over and above that proposed in this Business Plan) to maintain the current balance.

Transport and Technical Services is keen to progress an Eastern Cycle Route and is working with other departments to identify a possible route linking main residential areas and, importantly, the schools in Grouville/St. Clements – Grouville School, Le Rocquier/St. Clement's School, Samares School. The £500,000 being requested by the Deputy will provide for the estimated construction costs of Phase 1 of the Eastern Cycle Route from Gorey to Grouville School – the build costs of the whole scheme are likely to be in the order of £2 million. No allowance has been made for land purchase or conveyancing/legal costs which are currently unknown. This first phase may be possible given willing landowners and Deputy Labey has done a great deal to progress this part of the scheme and Transport and Technical Services has already completed detailed design for the most northern part of the route adjacent to Gorey Common.

A sum of £50,000 has been allocated from the 2009 budget Transport and Technical Services received for environmental initiatives (£500,000) and this will begin the upgrade of the current footpath alongside Gorey Common. If further funds are approved from Environmental Taxes in 2010, it is likely that additional monies will be allocated to continue these works. In addition, should the De La Mare Nursery site be redeveloped, Transport and Technical Services would be seeking a development obligation to provide a cycle track around the site which would greatly contribute to this first phase of the project.

Proposals for an Eastern Cycle Route, together with other initiatives to encourage the use of cycling, will be incorporated in the Sustainable Transport Plan (STP) which will shortly be published for public consultation. Funding for the STP has yet to be discussed but the schedule of estimated costs will include the Eastern Cycle Route scheme.

Financial implications

The financial impact of the amendment on the Consolidated Fund is neutral. The detailed comment highlights that the reduction in the balance on the Jersey Car Parking Trading Fund will affect the contribution it can make to known maintenance

and car park replacement programmes. However, further increases in car parking charges could be considered if necessary.

A specific proposal for an Eastern Cycle Route was not put forward by the department for the Capital Programme, which may reflect its priority relative to other schemes in the proposed capital programme. However, Transport and Technical Services have confirmed that it will be incorporated in the Sustainable Transport Plan (STP).