

Scrutiny Review of the Government Plan: 2021 - 2024

Environment, Housing and
Infrastructure Scrutiny Panel Report

2nd December 2020

S.R.12/2020



**ENVIRONMENT,
HOUSING &
INFRASTRUCTURE**

**2021-24
GOV PLAN
SCRUTINY
REVIEW**

States of Jersey
States Assembly



États de Jersey
Assemblée des États

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Government Plan Review

1. Panel membership

The Panel comprised of the following States Members:



Constable Mike Jackson (Chair)



Constable John Le Maistre (Vice-Chair)



Constable Sadie Le Sueur-Rennard



Deputy Kirsten Morel



Deputy Inna Gardiner

2. Chair's Foreword



The Panel has endeavored to review the proposed plan and spending proposed for the next 3 years in some depth.

Timeframes have been extremely tight for the Government to produce their plan and, as a consequence, challenging for it to be scrutinized adequately.

I am therefore grateful to those Ministers who have responded to our requests for added information to enable us to take an informed view as elaborated and rated in the report.

The Panel's work is unusual in that we have the remits of several Ministers to consider and this has made us aware of a need for more collaborative working within the Government.

It can't go without saying that the work to achieve our report in such a short time is in a large part the result of the diligent work of our scrutiny officer and the States Greffe team to all of whom we are grateful.

Constable Mike Jackson
Chair,
Environment, Housing and Infrastructure Scrutiny Panel

3. Methodology

The proposed [Government Plan](#) sets out the approach the Government of Jersey has taken in responding to Covid-19 whilst continuing to invest in the Common Strategic Policy priorities:

1. Put children first
2. Improve Islander's wellbeing and mental and physical health
3. Create a sustainable, vibrant economy
4. Reduce income inequality and improve the standard of living
5. Protect and value our environment.

The Plan outlines the investment proposed in each of these five strategic priority areas and also includes a number of proposed efficiencies within the Government.

The Government Plan Financial [Annex](#) has also been lodged which contains supporting information for the Government Plan 2021 – 2024.

The Scrutiny review of the Government Plan has taken a thorough approach, looking at the projects identified for Additional Revenue Expenditure and Capital Expenditure last year, as well as new projects requiring Additional Revenue Expenditure and Capital Expenditure in 2021. The Panel has undertaken this review in as much detail as possible with the information provided by Government.

A summary table of all Business Cases previously reviewed by this Panel is provided in Section 6. Additionally, a summary table of new revenue initiatives which the Panel has been allocated to scrutinise for 2021 is provided in Section 8. It should be noted that there are no ongoing 'Actions' from last year's Government Plan.

In line with the methodology used during its review of the Government Plan 2020 – 2023, all Scrutiny Panels have agreed to use a common system to report on the status of each project, as follows:



This status means that the Panel has reviewed the background information on the project and is satisfied with it.



This status means that the Panel has reviewed this and either has concerns or considers that it needs more work, or further detail should be provided. It might also mean that the Panel considers it too early to make an informed decision. This may or may not lead to recommendations and/or amendments.



This status means that the Panel has reviewed this and is not satisfied or does not agree with the proposal. This may or may not lead to an amendment.

4. Findings and Recommendations

Findings

FINDING 1

The removal of the economy function from the IHE Departmental Budget is the main contributing factor in the 20k reduction in Heads of Expenditure from the previous Government Plan, although there are various other small changes to the budget which make up the 20k figure

FINDING 2

The projected income in the IHE Departmental Budget is reduced largely as a result of the “growth” item in 2020 for waste charges (£6.9m) being classified as expenditure growth in the GP 20-23, but reclassified in base budgets in 2021 as a reduction in income. The Panel is advised that the net impact of this reclassification is nil.

FINDING 3

The funding proposal for the Housing Policy Development Board – Long-Term Plan has been cut by half and whilst the Chief Minister has provided assurances that the level of funding should be sufficient, it remains to be seen as what key outcomes this will deliver. The Board is also yet to publish its report setting out recommendations for a long-term housing policy.

FINDING 4

The funding proposal for the Tenants’ Rights programme has been cut by half and whilst the Chief Minister has provided assurances that the level of funding should be sufficient, it remains to be seen if this will be the case. The Board is also yet to publish its report setting out recommendations for a long-term housing policy.

FINDING 5

External stakeholders were not consulted at an early stage on the plans to introduce a new Housing Advice Service and therefore have not contributed to shaping how the new service will be delivered.

FINDING 6

The Panel’s initial concerns that at least one initiative (strengthening environmental protection against Japanese knotweed as an invasive species) which proposed to be funded by the Climate Emergency Fund did not appear to meet the Terms of Reference of the Fund. These concerns have been alleviated and the Panel is satisfied that these initiatives are linked to responding to the impact of climate change.

FINDING 7

The Minister for the Environment is the lead Minister for the ‘assessment of public infrastructure and resources’ programme. However, there is uncertainty as to how much joined up working there is between the Minister for the Environment and the Minister for Infrastructure in relation to the crossover of remits within this programme.

FINDING 8

Progress is being made in relation to the objectives of the Jersey National Park project, however, due to the Covid-19 restrictions there have been limited opportunities for education and interpretation events.

FINDING 9

There are concerns of inadequate support being provided to Jersey National Park with it being noted that there is a lack of contact and participation on a practical level from the IHE Department.

FINDING 10

There is a lack of clarity as to whether the reduction in funding from £1.5m to £1m in 2021 will be sufficient to meet the aims of the Drainage Foul Sewerage Extensions capital programme which seeks to extend and enhance the sewerage network to keep pace with continued growth in population size.

FINDING 11

There are substantial reductions proposed in relation to funding for the Island Public Realm capital project and a lack of clarity as to whether the revised funding will be sufficient to meet the project's aims.

FINDING 12

The Minister for the Environment was not aware of the reductions in funding for the Island Public Realm capital project, suggesting a lack of collaboration and joint working with the Minister for Infrastructure who is lead Minister for this capital project and raising concerns of an ongoing silo approach within Government.

FINDING 13

There has been a funding increase from what was projected in the last Government Plan for the Replacements and Minor Capital for 2021 (2,862,000) to what is now being requested for 2021 (£3,500,00), however, the Panel is advised that even this amount might not be sufficient to meet the project's aims and that realistically £5,000,000 is required.

FINDING 14

Funding of £3.7m which was projected in the capital programme for 2022-23 for refurbishment works of Elizabeth Castle in the 2020 Government Plan has been cut in the 2021 Government Plan projections. No explanation was provided for this in the Government Plan, however the Minister for Economic Development, Tourism, Sport and Culture has indicated that there are other possible funding options available.

FINDING 15

The Vehicle Testing Facility Capital (Major) Project has been deferred in full, including the associated funding. The outcome of the Options Appraisal study is likely to be known in March 2021.

FINDING 16

There is a lack of clarity in the reduced funding proposal for the deferred status of the Courtroom 1 – Magistrates Court capital project in relation to a discrepancy of a reduction in £10k which does not appear to be accounted for.

FINDING 17

Although it is accepted that there is an expectation that the prefeasibility study for the Picquet House Family Court capital project is unlikely to conclude and that the project is unable to be undertaken, without the outcome of the feasibility study being known, there remains a degree of uncertainty in regard to whether the funds would be sufficient for the project's requirements.

FINDING 18

With the outcome of the prefeasibility study currently unknown, there remains a degree of uncertainty in regard to whether the funds would be sufficient for the requirements of the eventual Rouge Bouillon site outcome.

FINDING 19

In relation to Fleet Management, there have been delays experienced in committing to new or replacement vehicle assets and the associated revenue leasing charge. As well as a resultant carrying forward of unallocated budgets, there is a degree of uncertainty regarding the allocations.

FINDING 20

The Jersey Car Parking Fund has suffered a loss of income due to the Covid-19 pandemic which is likely to impact significantly on its capacity to fund capital refurbishment of the parking estate going forward.

FINDING 21

The exact future use of the 28-30 Parade office building is uncertain at present and assurances could not be provided as to how this arrangement would ensure value for money for the taxpayer.

FINDING 22

The Covid-19 Bus Contract is a new programme in the Government Plan 2021-24 which seeks approval for additional revenue funding of £2m in 2021 to subsidise the bus operator to enable them to break-even due to the significant impact on bus ridership resulting from the impact of the pandemic.

FINDING 23

The bus operator is a social enterprise and has returned a profit share to Government of in excess of £1.4m in the last five years, however due to the impact on its commercial operations it is not envisaged that there will be profit share return for the period April 2020 – March 2021 and it will depend on Covid-19 restrictions in place in any given financial year and the levels of ridership as to whether this will be the case for future Government Plans.

FINDING 24

It is not entirely clear how the 1.4m profit share returned from the bus operator to Government has been spent and that prior to 2020 will have been consumed within the year and included within the revenue income and expenditure of the IHE Department.

FINDING 25

The business case contained within the Government Plan 2021-24 was unclear as to what the proposed funding would be spent on. It was identified during the Panel's review that the funding will cover various water management initiatives.

FINDING 26

The funding bid for Marine Resources Management proposes to fund a vessel monitoring system, in addition to the recruitment and retention of two fisheries officers, in response to foreseeable implications related to Brexit.

FINDING 27

Government currently utilises independent research through third party organisations and university bursaries in relation to Marine Resources matters, although the Minister advised there is a move to internalise this work where possible.

FINDING 28

Spend reductions in relation to the maintenance and upkeep of condition of the government's property estate are likely to impact on the prioritisation of sites for maintenance and repair and this could lead to maintenance being delayed on some sites which may be deemed less or a pressing priority for repair.

FINDING 29

There are no efficiencies assigned to the Minister for the Environment, only a joint efficiency with the Minister for Infrastructure and Minister for Economic Development, Tourism, Sport and Culture in relation to the Target Operating Model for the Infrastructure, Housing and Environment Department.

FINDING 30

The £25k spend reduction by deferring policy development under the Housing Policy Development Board is not considered to have an impact on the overall housing programme.

Recommendations

RECOMMENDATION 1

The Chief Minister, together with the newly appointed Minister for Children and Housing, should publish the findings and recommendations of the Housing Policy Development Board's report as soon as practical.

RECOMMENDATION 2

The Minister for Children and Housing should ensure, going forward, that engagement and consultation with external stakeholders (such as social housing providers and private landlords) happens in the early stages of policy development in order to provide valuable contributions to the delivery of policy outcomes.

RECOMMENDATION 3

The Minister for the Environment and the Minister for Economic Development, Tourism Sport and Culture should, by the end of Q1 2021, put in place suitable protocols to ensure a more collaborative approach to their involvement in the Jersey National Park project and in the support extended to the Jersey National Park.

RECOMMENDATION 4

The Minister for Infrastructure should, by end of Q1 2021, provide the Panel with a detailed analysis on how the foul sewerage system together with the surface water system is coping with demand, as well as further details on the rationale for the decrease in funding in this area, given projections of growing population size.

RECOMMENDATION 5

Given the extensive crossover between the two remits of Infrastructure and Environment, both Ministers should put in place suitable protocols to ensure more joined up working, with a greater emphasis on breaking down silos and adopting a more collaborative approach. Both Ministers should report back to the Panel by the end of Q1 2021 with an action plan as to how this will be achieved going forward.

RECOMMENDATION 6

The Minister for Economic Development, Tourism, Sport and Culture should clearly outline, in writing, the reasons and potential detrimental effects of the cut in funding to the Elizabeth Castle capital programme in the Government Plan 2021-24 to both the Panel and Jersey Heritage before the end of December 2020.

RECOMMENDATION 7

The Minister for Economic Development, Tourism, Sport and Culture should investigate other possible sources of funding to facilitate the refurbishment project and inform both the Panel and Jersey Heritage, in writing, of any such outcome before the end of Q2 2021.

RECOMMENDATION 8

The Minister for Economic Development, Tourism, Sport and Culture should, without delay, ensure that suitable protocols are put in place to ensure open lines of communication with Jersey Heritage, as well as all key stakeholders, to ensure proper engagement and consultation is carried out.

RECOMMENDATION 9

The Chief Minister should, by end of Q4 2020, provide an explanation as to the rationale for the £10k reduction in funds from what was anticipated in the 2020 Government Plan to what is being requested now. Further consideration should also be given as to how, in future Government Plans, the figures can be provided with clear explanation as why they might differ from previous year's projections.

RECOMMENDATION 10

The Minister for Infrastructure should provide the Panel, by the end of Q4 2020, with further information as to how the proposed funds have been calculated and determined given that the outcome of the prefeasibility and the future use for the Rouge Bouillon site is unknown.

RECOMMENDATION 11

The Minister for Infrastructure should ensure that further detail be provided in future Government Plans in relation to the distribution of funds across the Fleet Management programme.

RECOMMENDATION 12

The Minister for Infrastructure should, by the end of Q1 2021, provide further information to the Panel regarding the potential impact the lack of sufficient funds is likely to have on the allocation of funding for the Jersey Car Parking Fund in future Government Plan bids.

RECOMMENDATION 13

The Minister for Infrastructure should ensure that further information is provided in the next Government Plan Progress Review update, as well as any future Government Plans, as to how 28-30 The Parade will be utilised and how the arrangements will provide the best value for money.

RECOMMENDATION 14

The Minister for Infrastructure should ensure that going forward any future profit share returned to Government under the bus contract is, for transparency, clearly accounted for in terms of demonstrating how this money is invested back into sustainable transport initiatives for the benefit of the island. Furthermore, the Minister should ensure there is greater transparency surrounding the sum returned by the bus operator to its UK parent company so that a clear distinction can be made between what is reinvested for the benefit of the island and what sum is distributed out of the island back to the parent company in the UK.

RECOMMENDATION 15

The Council of Ministers should ensure that all future Government Plan bids include detailed information of what the funding is intended to cover, why the funding is needed and a breakdown of all associated costs. This should be rolled out in time for the Government Plan 2022.

RECOMMENDATION 16

The Minister for the Environment should seek to ensure going forward that a wide variety of reputable, independent research on marine resources related matters is drawn upon by Government, and given the implications arising from Brexit, endeavour to find ways to collaborate and engage with voluntary and third sector organisations to form mutually beneficial partnerships and new, innovative ways of working.

RECOMMENDATION 17

The Minister for the Environment should seek to ensure that, now and post-Brexit, suitable engagement and support is extended to the fishing industry, given the significant implications this will inevitably have for the industry.

5. Departmental Budgets

Departmental Budgets

The Environment, Housing and Infrastructure Panel scrutinises the work of three Ministers; the Minister for the Environment, the Minister for Infrastructure and the Minister for Children and Housing. Therefore, the project policy work contained in the various actions, programmes and capital projects assigned to the Panel predominantly sit under:



Minister for the Environment, Deputy John Young



Minister for Infrastructure, Deputy Kevin Lewis



Minister for Children and Housing, Senator Sam Mézec resigned from his position as Minister for Children and Housing on the 9th November 2020



Minister for Children and Housing, Deputy Jeremy Maçon was appointed as Minister on 17th November 2020

Departmental Heads of Expenditure

In the Government Plan 2021 - 2024, the States Assembly has been asked to approve the proposed amount to be appropriated from the Consolidated Fund for 2021, for each head of expenditure. The tables below provide a summary of the proposed “Heads of Expenditure” allocated to the Departments for 2021 and estimates produced for 2022 - 2024:

| Table 10 Heads of Expenditure 2021-24 | | | | |
|---|------------------------------|----------------------------|----------------------------|----------------------------|
| | 2021 Allocation (£000) | 2022 Estimate (£000) | 2023 Estimate (£000) | 2024 Estimate (£000) |
| Infrastructure, Housing and Environment | 44,571 | 44,723 | 44,503 | 49,253 |

| Summary Table 5(i) Proposed 2021 Revenue Heads of Expenditure ¹ | | | |
|--|------------------|-------------------------------------|----------------------------------|
| | Income (£000) | Expenditure Allocation (£000) | Head of Expenditure (£000) |
| Infrastructure, Housing and Environment | 32,592 | 77,163 | 44,571 |

A further breakdown of these figures was provided on page 22 of the Annex to the Government Plan 2021-24²:

| Service Area | 2021 | | | | | |
|-----------------------------|------------------|---------------|---|---|---|-----|
| | Income (£000) | DEL (£000) | Net Revenue Expenditure (£000) | Non Cash Net Revenue Expenditure (£000) | Total Net Revenue Expenditure (£000) | FTE |
| Office of the DG | (900) | 107 | (793) | - | (793) | 11 |
| Sport | (4,798) | 6,924 | 2,126 | 170 | 2,296 | 76 |
| Natural Environment | (716) | 4,932 | 4,217 | 93 | 4,310 | 46 |
| Operations & Transport | (13,943) | 41,535 | 27,592 | 21,547 | 49,139 | 317 |
| Property & Capital Delivery | (4,672) | 15,683 | 11,011 | 25,100 | 36,111 | 51 |

¹ Government Plan 2021 – 2024 Table 11 p.179

² Annex to the Government Plan 2021-24, p.22

| | | | | | | |
|--------------------------------|-----------------|---------------|---------------|---------------|---------------|------------|
| Regulation | (7,533) | 7,951 | 418 | 89 | 508 | 98 |
| Net Revenue Expenditure | (32,562) | 77,133 | 44,571 | 47,000 | 91,571 | 599 |

The 2021 resources allocated to the Ministers which fall under the Panel's remit are as follows:

| Resources mapped to Ministerial portfolios³ | |
|---|-------------------------------|
| Minister | 2021 Allocation (£000) |
| Minister for the Environment | 5,778 |
| Minister for Infrastructure | 43,817 |
| Minister for Children and Housing | 31,169 |

In written questions, the Panel asked the Minister for the Environment that aside from the removal of Economy, what the other reasons were for the £20,000,000 drop in the Heads of Expenditure between the two Government Plans, despite the considerably lower drop in project income. The Minister responded that after taking account of the transfer of the Economy function (which is the major driver for the reduction in Head of Expenditure), changes to the departmental budget included:

| Changes to the Departmental Budget⁴ | |
|--|---------------|
| | (£000) |
| Efficiency / Savings proposals in 2020 | (£1.45m) |
| Net service transfers from / (to) other departments | £1.3m |
| Growth in the Housing portfolio (reduced compared to GP20) | £0.25m |
| Additional Investments: | |
| Natural Environment – Water | £0.3m |
| Natural Environment – Marine Resources | £0.25m |
| Property – Rental 28-30 The Parade | £1.14m |
| Technical adjustment – GST – LibertyBus | £0.4m |
| Impacts of Pay awards and Pension contributions | £1.6m |

³ Government Plan 2021 – 2024 Table 11 p.126

⁴ Minister for the Environment, Response to Written Questions

| | |
|---|-----------------|
| Efficiency / Savings proposals for 2021 | (£5.3m) |
| Transfer of Economy function (net of efficiency/growth) | (£18.3m) |
| Net adjustment 2020 base to 2021 | (£19.8m) |

The Panel was further advised that the projected income is reduced largely as a result of the “growth” item in 2020 for waste charges (£6.9m) being classified as expenditure growth in the GP 20-23 but reclassified in base budgets in 2021 as a reduction in income. The net impact of this reclassification is deemed nil.



FINDING 1

The removal of the economy function from the IHE Departmental Budget is the main contributing factor in the 20k reduction in Heads of Expenditure from the previous Government Plan, although there are various other small changes to the budget which make up the 20k figure.



FINDING 2

The projected income in the IHE Departmental Budget is reduced largely as a result of the “growth” item in 2020 for waste charges (£6.9m) being classified as expenditure growth in the GP 20-23, but reclassified in base budgets in 2021 as a reduction in income. The Panel is advised that the net impact of this reclassification is nil.

6. Previously Reviewed Actions, Programmes and Capital Projects (Government Plan 2020 – 2023)

The Panel completed its review of the Government Plan 2020 – 2023 and the various actions, projects and capital projects that were assigned to it by the Government Plan Review Panel. This section provides an overview and update on each of the projects and capital projects reviewed last year.

The tables immediately below identifies the projects included in the Government Plan 2020-2023, that will continue to be invested in in 2021, and indicates whether the projects are 'Complete', 'On Track', 'Reduced', 'Delayed', 'Deferred' or subject to 'Partial Deferral'.

| Actions (Government Plan 2020 – 2023) | | | | |
|---|---------------|-------------|-------------------------|---|
| Action | CSP reference | Page number | Six-Month Report Status | Scrutiny RAG Status |
| Protect the environment – Enhance the St. Helier Urban Environment ⁵ | - | N/A | N/A |  |
| Produce a Shoreline Management Plan ⁶ | - | N/A | N/A |  |

| Programmes (Government Plan 2020 – 2023) | | | | | | |
|---|---------------|-------------|---|-------------------------|-----------------------------------|----------------------------------|
| Programme | CSP reference | Page number | Scrutiny RAG Status | Six-Month Report Status | 2021 Allocation (£000) (original) | 2021 Allocation (£000) (revised) |
| Housing Policy Development Board and Long-Term Plan | CSP4-2-01 | 18 |  | On track | 1,425 | 725 |
| Tenants' Rights | CSP4-2-02 | 22 |  | On track | 680 | 300 |
| Climate Emergency Fund | CSP5-1-01 | 25 |  | On track | 3,000 | 2,700 |
| Assessment of Public Infrastructure and Resources | CSP5-2-01 | 31 |  | Delayed | - | - |
| Countryside Access | CSP5-1-02 | 34 |  | Partial deferral | 215 | 200 |

⁵ It was identified in the previous 2020 Government Plan Review that this Action is linked with the Island Public Realm Capital Programme and so has been scrutinised in the analysis on this programme.

⁶ The Shoreline Management Plan was produced and agreed in January 2020

| | | | | | | |
|----------------------|-----------|----|---|---------|-----|-----|
| Jersey National Park | CSP5-1-02 | 36 |  | Reduced | 150 | 100 |
| Island Plan Review | CSP5-3-01 | 43 |  | Delayed | 650 | - |

| Capital Projects (Government Plan 2020 – 2023) | | | | | | |
|--|---------------|-------------|---|-------------------------|-----------------------------------|----------------------------------|
| Programme | CSP reference | Page number | Scrutiny RAG Status | Six-Month Report Status | 2021 Allocation (£000) (original) | 2021 Allocation (£000) (revised) |
| Prefeasibility Vote – Central Planning Reserves | | | | | | |
| Jersey Instrumental Music Services Premises | 1 | 45 |  | Deferred | - | 100 |
| VCP Replacement School | 1 | 45 |  | Deferred | - | 150 |
| North of St. Helier Youth Centre | 1 | 45 |  | Deferred | - | 350 |
| Le Squez Youth Centre/Community Hubs | 1 | 45 |  | Deferred | - | 250 |
| Rouge Bouillon Site Review | 1 | 45 |  | Partial deferral | - | 50 |
| Mont a l'Abbe Secondary School | 1 | 45 |  | N/A | - | - |
| Review of Greenfields | 1 | 45 |  | N/A | 100 | 100 |
| Piquet House – Family Court | 3 | 45 |  | Deferred | - | 150 |
| Further Education Campus | 3 | 45 |  | Partial deferral | - | 150 |
| Infrastructure Funding | 014 | 45 |  | - | - | 300 |
| Infrastructure Including the Rolling Vote | | | | | | |
| Rolling Vote | 5 | 47 |  | Partial deferral | 12,370 | 10,232 |
| Sewage Treatment Works | 5 | 49 |  | On track | 4,000 | - |

| | | | | | | |
|---|---|----|---|------------------|-------|-------|
| Sewage Treatment Works Odour Mitigation (P.115/2017) | 5 | 52 |  | N/A | 1,500 | - |
| Bellozanne STW Outfall Rehabilitation | 5 | 53 |  | N/A | - | - |
| First Tower Pumping Station Upgrade | 5 | 54 |  | On track | - | - |
| Inert Waste Site Feasibility | 5 | 54 |  | Deferred | - | - |
| La Collette Waste Site Development | 5 | 56 |  | On track | 500 | 500 |
| Island Public Realm, Including St Helier | 5 | 57 |  | Partial deferral | 2,500 | 1,000 |
| Drainage Foul Sewer Extensions | 5 | 50 |  | Deferred | 1,500 | 1,000 |
| Replacement Assets | | | | | | |
| Refit and Replacement of Fisheries Protection Vessel and Auxiliary Vehicles | 5 | 60 |  | On track | - | - |
| Replacement Assets and Minor Capital | 5 | 61 |  | Partial deferral | 2,862 | 3,500 |
| Estates Including New Schools | | | | | | |
| Jersey Instrumental Music Services Premises | 1 | 64 |  | N/A | - | - |
| VCP Replacement School | 1 | 64 |  | N/A | - | - |
| Le Squez Youth Centre/Community Hubs | 1 | 64 |  | N/A - | - | - |
| North of St Helier Youth Centre | 1 | 64 |  | N/A | - | - |
| St Aubin Fort Upgrade | 1 | 64 |  | N/A | - | - |
| Mont a l'Abbe Secondary School | 1 | 64 |  | N/A | - | - |

| | | | | | | |
|---|----------|----|---|-------------------------|-------|-------|
| Review of Greenfields | 1 | 64 |  | N/A | - | - |
| Elizabeth Castle Development | 5 | 65 |  | N/A | - | - |
| Vehicle Testing Centre (Major Project) | 5 | 68 |  | Deferred | 2,000 | 2,000 |
| Prison Improvement Works – Phase 6b | 2 | 72 |  | On track | 90 | 90 |
| Prison Phase 7 | 2 | 64 |  | N/A | - | - |
| Prison Phase 8 | 2 | 73 |  | N/A | 666 | 666 |
| Conversion Courtroom 1 – Magistrates Court | 2 | 74 |  | Deferred | - | 440 |
| Dewberry House (Sexual Assault Referral Centre) | 2 | 78 |  | Partial deferral | 1,550 | 1,800 |
| Piquet House – Family Court | 2 | 76 |  | N/A | 1,071 | 1,071 |
| Five Oaks Refurbishment | 2 | 79 |  | On track | 1,500 | 2,550 |
| Rouge Bouillon Site Review Outcome | 2 | 82 |  | N/A | - | 2,000 |
| Trading Funds | | | | | | |
| Jersey Fleet Management | CSP5-C10 | 84 |  | On track | 1,000 | 1,000 |
| Jersey Car Parking | CSP5-C11 | 85 |  | Deferred | 22 | - |

7. Update Reports on Previously Reviewed Actions, Programmes and Capital Projects

This section provides an update on the Actions, Programmes and Capital Projects that were previously reviewed by the Panel during its review of the Government Plan 2020 – 2023.

Actions

There are no ongoing actions which are not already linked to programmes or capital projects.

Programmes

| CSP4-2-01 – Reduce Inequality – Long-term housing policy (Housing PDB and Long Term Plan) | | | |
|--|--|-----------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Publish the Housing Policy Development Board's review ➤ Extend the key worker accommodation | <ul style="list-style-type: none"> ➤ Nurturing a diverse and inclusive society ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Preparing for more Islanders living longer | Minister for Children and Housing |  |

The purpose of this programme is to publish the Housing Policy Development Board's wide-ranging review of housing in Jersey and begin to develop detailed plans to implement the agreed recommendations. The Board is taking a long-term view of the housing market and is considering options:

- to ensure appropriate renting and ownership choices are available in Jersey;
- to help with housing costs; to increase the supply of land and finance;
- to maximise the use of existing stock and to consider options to reduce the cost of building new homes.

Additionally, to undertake a review of the key worker accommodation and take actions during 2020 to extend the number of units available. The review will also provide a clear definition of the roles to be included in the key worker scheme.⁷

Six Monthly Report Status – On track

Previous Scrutiny RAG Rating – Amber

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the Housing Policy Development Board undertook significant research during 2019 and was close to the production of a final report when the Board was suspended due to the pandemic. Work will restart soon to finalise the Board's recommendations to the Chief Minister before the end

⁷ [R.91/2019 – Government Plan 2020-2023: Further Information on Additional Revenue Expenditure and Capital and Major Projects Expenditure – 24th July 2019 – Pg. 78](#)

of 2020. This work will be completed in-house with a saving provided against anticipated consultancy fees.

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000) :

| 2020 | 2021 | 2022 | 2023 |
|------|-------|-------|-------|
| 140 | 1,425 | 1,450 | 1,450 |

Funding allocation requests in Government Plan 2021-2024 (£000) :

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 725 | 950 | 950 | 700 |

Observing that R.91/2019 noted the Board would publish its report in the spring of 2020 for consideration by the States Assembly in 2020, and the progress update provided in the Government's 6-month progress review highlighting that the work on the final report was suspended due to the pandemic, in written questions to the Minister for Children and Housing, the Panel requested further information on the progress of this work and reasons regarding its delay.⁸ It should be noted that due to the resignation of the Minister for Children and Housing from his role, responses in relation to housing were provided by the Chief Minister in the absence of a Minister for Housing at that time. The Panel was advised that the Board had submitted its report to the Chief Minister and a date for publication would be later determined. The Panel also asked what the challenges had been that had led to the considerable delay and was advised:

The Covid-19 public health crisis delayed the work of the Board. The Board's work had been nearing completion prior to lockdown in March 2020. The Board re-convened in September to complete its work. The Board judged that it was important to consider if the impact of Covid-19 on Jersey's economy/housing market had affected any of its recommendations before submitting the report. A Covering Note on the Board's conclusions around the impact of Covid-19 will be published alongside the Board's report.⁹

The Panel requested information for the breakdown of the spend to date for the £140,000 allocation for 2020 and was advised:

The £140,000 2020 allocation was to fund staff costs (£75,000) and consultancy fees (£65,000). Although a member of staff occupied the related housing post in Q1 2020, staff member was not funded from this allocation and the staff post is currently vacant. Consultancy fees to Altair in 2020 amounted to £45,988. Total spend/savings on the project can be summarised as follows:

⁸ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

⁹ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

| Total Spend/Savings ¹⁰ | | | |
|-----------------------------------|-----------------|----------------|----------------|
| Housing PDB and long-term plan | Budget | Actual | Savings |
| Staff Costs | £75,000 | - | £75,000 |
| Non-Staff Costs | £65,000 | £45,988 | £19,012 |
| Total | £140,000 | £45,988 | £94,012 |

Regarding the saving provided against anticipated consultancy fees through work being carried out in-house as was stated in the progress update provided in the Government's 6-month progress review, the Panel requested information on the amount of savings that had been made and whether the savings would be put towards reducing costs:

The finalisation of the Housing Policy Development Board's report, including the Board's response to Covid-19, was carried out in-house and reflects the £19,012 saving identified in Question 3. The saving will not be drawn down.¹¹

Moreover, the Panel requested further detail regarding the rationale for shifting to in-house rather than using external consultancy support as was initially planned. The following questions were asked in written questions, and responses provided.¹²

The Environment, Housing and Infrastructure Panel:

Is there a reason why external consultancy was planned for in the first instance?

The Chief Minister:

The need for specialist external advice was identified at the start of the project. Altair (external consultants) were appointed; their knowledge and analysis of national and international housing markets formed a significant part of the input from which the Board formed their recommendations.

The Environment, Housing and Infrastructure Panel:

Is it your aspiration to achieve work in-house where at all possible instead of incurring the extra expense of consultants?

The Chief Minister:

SPPP provides an in-house policy resource that supports ministers across a range of portfolios. The need to draw on external expert policy advice will be carefully considered in respect of each individual policy project. External contacts are only awarded where specialist knowledge and expertise are not available from internal resources.

The Environment, Housing and Infrastructure Panel:

¹⁰ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

¹¹ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

¹² [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

For what ongoing, or future, planned work might it be deemed necessary to call upon external consultants?

The Chief Minister:

This is decided on a case by case basis for each project. There are currently no external expert contracts in place with respect to housing policy tasks.

Noting that the Government Plan 2021-24 allocates funding of £725,000 for 2021 which is a reduction from the estimated amount allocated for 2021 in the Government Plan 2020-23, in written questions, the Panel requested the breakdown of the 2021 funding in relation to what it would cover and as to why the reduction in funding had been made.

Of the £1,425,000 requested under the “HPDB and long-term plan” allocation, £725,000 has been re-profiled with a revised total of £700,000 submitted in 2021. The breakdown is as follows:

- *Housing strategic coordination (IHE): £250,000*
- *Housing policy development (SPPP): £150,000*
- *Grant to Shelter Trust (CLS): £300,000*

Moreover, as the reduction is significant, reduced by half, the Panel questioned whether the funding will be sufficient to meet the aims of the project.

*Yes. The Board’s recommendation points to the need for better coordination between housing supply and delivery across Government departments and arm’s lengths organisations. The level of funding for this role is considered sufficient. The grant to the Shelter Trust reflects a Government assessment of the Trust’s financial need based on the number of service users it receives annually.*¹³

Within written questions the Panel asked what the Minister hoped to achieve by this time next year if this funding was secured. It was explained that with respect to the activities highlighted above, to which the £725,000 funding had been allocated towards, business cases had been submitted for the following:

- *Recruitment of one senior officer, one support officer and project costs for the introduction of Housing strategic coordination.*
- *Provision of a grant to Shelter Trust to help fund staff resource requirements and operational costs.*
- *Support for ongoing need for new housing legislation and policy advice.*¹⁴

Regarding the extension of key worker accommodation, the Panel queried what progress had been made and how funding would be apportioned to this aspect of the project.

SPPP does not have any 2021 plan for key worker accommodation. The work is in transition from agreed policy into delivery. Phase 2 of the Altair review of key worker accommodation - modelling potential demand and costs for key worker accommodation for the introduction of key worker housing products - will be transferred to IHE to progress with work and coordinate with Property Holdings, HCS and Andium

¹³ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

¹⁴ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

*Homes. Hue Court, St. Helier, has been refurbished of 90 homes in delivery has been completed all of which have been allocated to Health and Community Services as Keyworker accommodation. Further opportunities to provide key worker accommodation will be considered as part of the strategic coordination role with Andium Homes as part of their ongoing development plans.*¹⁵

On reviewing all the information available and the responses to written questions received, the Panel maintains its amber RAG status for this programme. Due to the substantial reduction in funds, the Panel will monitor the Board’s progress throughout 2021 to determine whether the funds are sufficient to deliver the aims of the project and ultimately positive outcomes for housing affordability in Jersey.



FINDING 3

The funding proposal for the Housing Policy Development Board – Long-Term Plan has been cut by half and whilst the Chief Minister has provided assurances that the level of funding should be sufficient, it remains to be seen as what key outcomes this will deliver. The Board is also yet to publish its report setting out recommendations for a long-term housing policy.



RECOMMENDATION 1

The Chief Minister, together with the newly appointed Minister for Children and Housing, should publish the findings and recommendations of the Housing Policy Development Board’s report as soon as practical.

| CSP4-2-02 – Reduce Inequality – Rights for tenants (Tenants’ Rights) | | | |
|---|---|--|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Improve support and protection of tenants | <ul style="list-style-type: none"> ➤ Nurturing a diverse and inclusive society ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Preparing for more Islanders living longer ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | <p>Minister for Children and Housing</p> | |

The purpose of this programme is to strengthen the legal protection afforded to tenants in the private and social rented housing sector. The project includes a number of separate actions,

¹⁵ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

which together enhance the statutory framework for letting residential property in Jersey. Not all of the measures will require additional funding.¹⁶

Six Monthly Report Status – On track

Previous Scrutiny RAG Rating – Amber

Panel analysis

The progress update provided in the Government's 6-month progress review explains that significant support was provided to tenants during the initial stages of the pandemic. Emergency powers were used to freeze private sector rent levels and to prevent eviction proceedings. An emergency housing team worked with local housing providers and charities to provide additional accommodation. In the second half of 2020, work is planned on the implementation of the Affordable Housing Gateway Review, to include a simplification of the banding system and the development of an advice service for housing issues.

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 110 | 680 | 380 | 380 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 300 | 380 | 380 | 380 |

In written questions, the Panel requested a breakdown of the allocated funding for 2020 and how it had been spent to date. The following response was provided.

£80,000 of this funding was deferred from 2020 to 2021. This was recommended to the Housing Minister by the CLS Director General following reviews of the Government Plan proposals following the Covid-19 crisis. The remaining £30,000 has been allocated towards development of a system to support the Housing Support Officer. We are currently in negotiations with a supplier for the system, so this budget has not been spent. We are anticipating that approx. £25,000 of this budget will be spent in [sic] before the end of 2020.¹⁷

The Minister confirmed as affirmative to the Panel's understanding that of the £300,000 requested funding for the Tenants' rights programme for 2021, the apportionment for Housing Advice Service will cost £110,000 annually was correct.¹⁸

Within written questions the Panel requested the breakdown for how the remaining £190,000 would be spent. The following response was provided.

The breakdown of the bid for the remaining £190,000 is as follows:

¹⁶ [R.91/2019 – Government Plan 2020-2023: Further Information on Additional Revenue Expenditure and Capital and Major Projects Expenditure, p.80](#)

¹⁷ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

¹⁸ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

- *One off funding bid of £70,000 in 2021 to support policy development and consultation, including potential legislation and the creation of a rent stabilisation function (e.g. rents officer or tribunal).*
- *One off funding bid for £60,000 in 2021 to comprise policy work to investigate the Housing First model and other homelessness support approaches*
- *Funding bid to recruit Housing First staff to maintain a caseload of clients and provide personal support to individuals with multiple, high and complex needs and help them to sustain a tenancy. £60,000 would be spent on staff member in 2021.*¹⁹

The Panel noted that the £110,000 funding will, in part, cover the cost of a full-time member of staff to fill the post of a dedicated support officer and asked, within written questions, whether the Minister considered this to be sufficient manpower for the operational delivery of the Housing Advice Service and was advised that it was.²⁰

Regarding the reduction in funds allocated for 2021, compared to the amount that was estimated for 2021 in last year's Government Plan, the Panel queried what impact this might have on the delivery of the project:

*The use of the funding has changed and the £300,000 on tenants' rights requested in 2021 is not just for one project. The breakdown of the £300,000 is set out in the Question 10, divided across rent stabilization, Homelessness and the Housing Advice Service. £300,000 is considered sufficient to meet the aims of the proposed activities. The reduction in the amount required can be attributed to a decision not to bring the tenancy deposit scheme in-house because the existing provider successfully re-bid for the contract and continues to provide this service. This released the budget that had been put aside for this potential cost.*²¹

The Panel queried whether the reduced allocation of funding, £300,000, would be sufficient to meet the aims of the project. The Minister anticipated that it would.²²

The Panel queried what form of consultation had taken place, noting that consultation in relation to the Housing Advice Service had taken place across Government and the Citizens Advice Bureau but not with other external stakeholders, such as housing providers. The response was as follows.²³

The Housing Trusts (external social housing providers) will be shown a demonstration of the Housing Advice Service website before it goes live. Their feedback will be used to improve the service. Private landlords have not been consulted, however, all feedback, including from the public, will be encouraged. There will be clear signposting on how to submit feedback on the website.

Whilst the Panel notes that there has been engagement with social housing providers in other areas, such as the simplification of the Affordable Housing Gateway banding system, the decision not to consult with housing providers on the introduction of a Housing Advice Service until such time as it is being delivered is questionable. It is arguably conceivable that these stakeholders could have provided valuable input into the planning and scoping process, in

¹⁹ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

²⁰ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

²¹ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

²² [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

²³ [Chief Minister re Housing, Response to Written Questions, 13 November 2020](#)

order to best shape what such an advice service might look like, as well as helping to form a view of what level of resourcing and manpower might be required.

On reviewing all the information available and the responses to written questions received, the Panel maintains its amber RAG status for this programme. Due to the substantial reduction in funds, the Panel will monitor any progress made throughout 2021 to determine whether the funds are sufficient to deliver the aims of the project and whether the Housing Advice Service in particular is adequately resourced.



FINDING 4

The funding proposal for the Tenants’ Rights programme has been cut by half and whilst the Chief Minister has provided assurances that the level of funding should be sufficient, it remains to be seen if this will be the case. The Board is also yet to publish its report setting out recommendations for a long-term housing policy.



FINDING 5

External stakeholders were not consulted at an early stage on the plans to introduce a new Housing Advice Service and therefore have not contributed to shaping how the new service will be delivered.



RECOMMENDATION 2

The Minister for Children and Housing should ensure, going forward, that engagement and consultation with external stakeholders (such as social housing providers and private landlords) happens in the early stages of policy development in order to provide valuable contributions to the delivery of policy outcomes.

| CSP5-1-01 – Protect Our Environment – Climate Emergency Fund | | | |
|---|------------------------------------|--|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Tackle the climate emergency ➤ Develop a new Sustainable Transport Plan ➤ Fully design and propose changes to how we price and cost pollution ➤ Enhance environmental protection | Not provided in full business case | Minister for the Environment / Minister for Infrastructure | |

The Climate Emergency Fund (CEF) was established to fund various initiatives to tackle the climate emergency. It was established with an initial allocation, in 2020, of £5million from the Consolidated Fund. Plus, an additional income stream of £2million anticipated from raising revenue from road fuel duty.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Amber

Panel analysis

The progress update provided in the Government's 6-month progress review explains that:

The Climate Emergency Fund is constituted by a States Assembly decision and is not yet fully operational. The Government Plan allocated £2m to be credited to the fund in 2020. This represented the forecast raised from fuel duty in 2020. The estimated £2m will likely need to be adjusted to account for the reduced levels of achievement in fuel sales and as a result of the lockdown and consequent reduced travel. The Government Plan allocated funds from the climate emergency fund for expenditure in 2020 as set out in CSP5-1-1[1] and these remain in place, although delivery dates will be adjusted. Where there are unspent funds from the proposed programme in 2020, the funding will remain in the Fund for expenditure in accordance with the Terms of Reference of the Fund, for future years. Additional expenditure from the Climate Emergency Fund will need to be agreed through the government plan process or through specific amendments agreed by the Assembly as set out in the States agreed terms of reference for the fund.²⁴

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|---|-------|------|-------|
| 2,000 (revenue raised from fuel duty) | 3,000 | 4000 | 4,000 |
| 5,000 (one off transfer from the Consolidated Fund) | | | |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 2,700 | 4,000 | 4,000 | 4,000 |

The Climate Emergency Fund proposes to fund the following expenditure in 2021:

- Policy development on Carbon Neutral and Sustainable Transport Plan - **£500,000**
- Initiatives to strengthen environmental protection - **£295,000**
- Sustainable transport initiatives - **£3,150,000**
- Strengthening protection of the Natural Environment - **£458,000²⁵**

The Government Plan 2021-24 provides the following financial information on predicted income and expenditure for 2021-24.²⁶

²⁴ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

²⁵ Government Plan 2021-24, p.168

²⁶ Government Plan 2021-24, p.167

| | 2021 (£000) | 2022 (£000) | 2023 (£000) | 2024 (£000) |
|------------------------|----------------|----------------|----------------|----------------|
| Opening balance | 5,100 | 3,397 | 3,757 | 4,107 |
| Income | 2,700 | 4,000 | 4,000 | 4,000 |
| Expenditure | (4,403) | (3,640) | (3,650) | (4,310) |
| Closing balance | 3,397 | 3,757 | 4,107 | 3,797 |

Table 41 – Climate Emergency Fund

The Panel requested a breakdown of the spend to date for the various expenditure and was provided with the following table:

| Spend area | Spend to date | 2020-year end spend (cumulative) | 2021 forecast spend |
|--|-----------------|----------------------------------|---------------------|
| CNS policy development | £94,171 | £199,676 | £500,000 |
| STP policy development | £8,695 | £55,120 | |
| STP Strong Start | £4,450 | £82,228 | £3,150,000 |
| Strengthening Environmental Protection | £72,416 | £199,964 | £415,000 |
| Additional expenditure to strengthen the protection of the natural environment | £0 | £0 | £458,000 |
| TOTAL | £179,732 | £536,988 | £4,523,000 |

In the public hearing with the Minister for the Environment, the Panel was advised that in respect of the Carbon Neutral and Sustainable Transport Policy Development, preliminary costs had been incurred and work to progress on the Citizen's Assembly which was due to take shape in February / Spring 2021. In addition, part of the costs would cover the post of a Senior Policy Officer for Sustainable Transport.²⁷

In relation to sustainable transport initiatives, the Panel questioned the Minister for Infrastructure as to what progress had been made and was informed:

Head of Transport, Infrastructure, Housing and Environment:

...Works were significantly hampered by COVID and also by the Government's response to COVID. We had to have staff that were assigned to other duties for a period. Budgets were also frozen for a period and so we are now just really starting to reconsolidate what we will be doing. The schemes are as set out within the Strong

²⁷ [Public hearing with the Minister for the Environment, 27 October 2020, p.4-5](#)

Start document, but we are also trying to find or are in the process of identifying and developing schemes that can be brought forward at pace as well to supplement those. The money is rolled over in the fund and it is envisaged that it will be spent in future years. The budget for 2021 is, I think, £3.15 million and we have got a series of schemes that we are in the process of developing. Also, if the Minister is happy for me to mention it, the Minister will also be bringing forward a document in the near future which will detail out some of those schemes for Members.²⁸

In relation to the proposed additional expenditure of strengthening the protection of Natural Environment the Panel was advised:

Director, Natural Environment/Acting Group Director, Regulation:

...we have scheduled in a soil health PhD. We also have scheduled in the recruitment of officers to strengthen our biosecurity offering, particularly in areas such as marine invader species, human and animal disease vectors, and Asian hornets. Really, we have to instigate something that was intended this year, which was the creation of an invasive species strategy. We had funds allocated to us last year which because of COVID we were not able to continue the work on, but that is now taking shape and will be pursued this year. But in addition to that and within the funding that the Minister is mentioning, we also then have habitat management marine research, which is proving increasingly more important, particularly from an invasive species perspective, and also funds to the implementation of the new wildlife law. So that is that £458,000 broken down, as it were.

This raised some concern with the Panel, specifically around the funding for invasive species, as it was noted that some of these invasive species, such as Japanese knotweed, were not a result of the effects of climate change:

Deputy K.F. Morel:

...I asked the question regarding the climate emergency fund and this biosecurity initiative, so to speak. Essentially, I am concerned that the climate emergency fund will be used for ordinary work that should be undertaken by the Environment Department, and one of the things that came up there was Japanese knotweed as an invasive species. Now, Japanese knotweed is not here as a result of anything to do with the changing climate, so I would like to understand, number 1, to ensure that you will not be spending any money from the climate emergency fund on dealing with Japanese knotweed as an invasive species, but also how will you ensure that funds from the climate emergency fund are only used to deal with work to do with the climate emergency and will not be used for other areas which should come out of other parts of the department's own spending?

The Minister for the Environment:

I think it is an excellent question and, of course, it was discussed at C.O.M. (Council of Ministers) during the development phase of the Government Plan. The advice given to the Council of Ministers is that the terms of reference that were agreed in the States last year for the climate emergency fund were sufficiently broad to include a number of environmental purposes which are, in the advice of the officers given, within that.

²⁸ [Public hearing with the Minister for Infrastructure, 27 October 2020, p.6](#)

So I was clear as Minister that we would work within the bounds of those terms of reference, but obviously I do not have them immediately to hand here and I think we could take place in a long conversation. I think your question is a good one, but the direction that I was given by the Council of Ministers was clearly that they saw the logic that these items should be included. Obviously, there is absolutely no shortage of things to do. I personally do not believe that you can divide up the challenges into nice little boxes and I think even form the funding boxes. Even though you have heard, I think, the degree in which all of these issues are interrelated, sustainable transport is infrastructure but it is also environmental, in the same way I think there are a number of areas within biosecurity, the changes in our planet are causing species to come into Jersey waters which are unknown, that potentially could bring pathogens and so on, and I am advised that we need to upgrade our efforts on biosecurity. That does not even address the need to be able to prepare ourselves post-Brexit where we absolutely know that the focus of attention on us will be on how well we deliver our obligations to deal with those things. I think in the past we have not had the resourcing in place and we need to do that. About Japanese knotweed, I am just going to pass on that...

...

The Connétable of St. Brelade:

Minister, can I just ask you: in my view, if I can call it sidling money off from the climate emergency fund to mainstream expenditure requirements dilutes the importance of the climate emergency fund and I suspect will affect the willingness of States Members to agree to contribute to it. Would you not agree with that?

The Minister for the Environment:

No, I do not, absolutely not. I think that what you have seen in there is we are building that fund. It is a ring-fenced fund. It has a broad range of terms of reference. I have asked that that is a debate I think will need to take place subsequent. At the moment I would not accept that. If that is an issue of importance to the panel, then obviously we are going to have to follow it up and investigate it in much greater depth. But, of course, personally I am going to say this. Look, in our new Council of Ministers there are many things that I do not feel quite comfortable about in the way that we now operate as a government, but in the area of the environment we are achieving much greater integration across government functions than we have ever done. The idea that we are forced into putting very strict boundaries and artificial boundaries in front in that way I do not buy into. I think we are talking about very modest sums of money which are hugely important and are going to make a big contribution to the way in which Jersey looks after the environment because frankly ...

The Connétable of St. Brelade:

I would not disagree with that ...

The Minister for the Environment:

... Chairman, it has been neglected. It has been neglected for decades.

The Connétable of St. Brelade:

*Nobody would disagree with you, Minister, but realistically if funds are approved and allocated by the States Assembly for specific purposes, surely that is what they must be for. If they are to be used for other purposes, that needs to be declared at the outset.*²⁹

The Panel was concerned that biosecurity initiatives, specifically those relating to Japanese knotweed were seemingly unrelated to climate change and therefore not in keeping with the Terms of Reference of the Climate Emergency Fund.

However, on seeking further clarification from the Minister for the Environment following the public hearing, the Panel is satisfied that this type of initiative is in line with the [Terms of Reference](#)³⁰ of the Climate Emergency Fund:

*Japanese knotweed, although long established on the island, disrupts natural eco-systems by nature of its smothering growth pattern. Its impact is to reduce the natural resilience of eco-systems and /or eradicate them entirely. This can, and has, occurred at broad scale. The erosion or loss of these naturally functioning local eco-systems reduces their ability to absorb carbon as well as diminishing or eradicating their intrinsic biodiversity.*³¹

Furthermore, the Minister explained:

...biodiversity initiatives legitimately respond to the climate emergency and thus fulfil the principles of the fund, specifically i.e.:

- i. They respond to the climate emergency by protecting and enhancing natural eco-habits and biodiversity including by ameliorating or building resilience against the negative impact that climate change has on eco-systems (in parallel with other detrimental factors including land-use change, species exploitation and the invasion of non-native species – the latter sometimes being driven or exacerbated by climate change) and /or*
- ii. Natural healthy local diverse ecosystems themselves form an important mitigating response to the climate emergency through emission reduction by acting as carbon sinks (carbon sequestration).*³²

In relation to road fuel duty which is intended to provide income to the Climate Emergency Fund, the Panel questioned the Minister for the Environment as to what revenue had been achieved to date and was advised that the fund has not been credited with Impôts duty receipts (as at November 2020) and that work would be undertaken prior to year-end to finalise the amount which would be transferred to the fund. It was anticipated that £1.3m would be achieved by end of 2020. In addition, the Panel questioned what impact a reduction in funds received from fuel duty revenue would have on the CEF. The Panel was advised that the issue was mainly around timing as delivery of initiatives would be delayed rather than lost. Balances remaining at the end of 2020 are anticipated to be rolled forward to 2021 to fund future initiatives.³³

²⁹ [Public hearing with the Minister for the Environment, 27 October 2020, p.8-10](#)

³⁰ [Appendix B – R.92/2019 Tackling the Climate Emergency: initial report](#)

³¹ [Minister for the Environment, Response to Additional Questions re the Climate Emergency Fund](#)

³² [Minister for the Environment, Response to Additional Questions re the Climate Emergency Fund](#)

³³ [Minister for the Environment, Response to Written Questions](#)

On the basis of the information provided, the Panel is satisfied to designate a green RAG rating to this programme.



FINDING 6

The Panel’s initial concerns that at least one initiative (strengthening environmental protection against Japanese knotweed as an invasive species) which proposed to be funded by the Climate Emergency Fund did not appear to meet the Terms of Reference of the Fund. These concerns have been alleviated and the Panel is satisfied that these initiatives are linked to responding to the impact of climate change.

| CSP5-2-01 – Protect Our Environment - Assessment of Public Infrastructure and Resources | | | |
|--|--|------------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Review our public and infrastructure and natural resources | <ul style="list-style-type: none"> ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Exploring the opportunities offered by digital ➤ Improving transport and infrastructure links. ➤ Promoting and protecting Jersey’s interests, profile and reputation internationally ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | Minister for the Environment | |

The purpose of this programme was to secure revenue funding for the procurement of an external partner to develop an infrastructure model, carry out assessments and develop a future Island Infrastructure Plan.

Six Monthly Report Status – Delayed

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government’s 6-month progress review explains that the Stage 1 report has been completed and is under internal review. Stage 1 is, basically, a ‘state of the nation’ report looking at the Island’s existing infrastructure provision and demand. This will inform a Stage 2 report, looking at future infrastructure needs. The work was delayed by

the pandemic and now the remit has changed slightly owing to the three-year bridging Island Plan concept that is under development.³⁴

The funding which was approved in last year's plan is indicated in the table below:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 150 | - | - | - |

The funding requested in 2020 was a 'one-off' spend and it is therefore noted there is no funding bid for 2021. The Panel requested a breakdown of the breakdown and spend to date and was provided with the following forecasted amounts³⁵:

| Phase | Product | Total forecast to year-end 2020 | Anticipated spend by end 2021 |
|-------|---|---------------------------------|-------------------------------|
| 1 | Infrastructure Capacity Study (Part 1) | £37,975 | |
| 2 | Infrastructure Capacity Study (Part 2) | £23,975 | |
| 2 | Integrated Minerals, Waste and Water study (mineral resources and waste infrastructure component) | £40,000 | |
| 3 | Infrastructure plan | | £50,000 |
| | Total | £101,950 | |

When asked in the public hearing as to whether the funding was sufficient to meet the aims of the programme or if future funding bids would be anticipated, the Panel was informed:

Head of Place and Spatial Planning:

I think the first 2 phases will serve the purposes of the Island Plan review and they can be delivered within the £150,000 envelope. I think the third phase of the work will need to be scoped in more detail once the phase 2 requirements are known, but I think currently we would envisage that that could be funded within the £150,000 envelope and delivered in 2021.³⁶

In the public hearing, the Panel asked the Minister for the Environment how the work would be carried out within the parameters of a shorter 3-year Bridging Island Plan. The response given was:

Head of Place and Spatial Planning:

...we are working through 2 phases of that report. The first one was a sort of state of the nation report looking at the condition and capacity of much of the Island's

³⁴ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

³⁵ [Minister for the Environment, Response to Written Questions](#)

³⁶ [Public hearing with the Minister for the Environment, 27 October 2020, p.3-4](#)

*infrastructure, and then the second phase was looking at future requirements of that infrastructure. We will use that for planning purposes to identify if there are any immediate requirements in the near term, as the Minister has indicated, and if so, they will be addressed in the bridging Island Plan. If there are longer-term implications, they will be acknowledged in the bridging plan but likely addressed in the subsequent Island Plan.*³⁷

The Minister for the Environment acknowledged the need for a longer term view of infrastructure in the Island Plan, and that whilst some areas would be addressed in the Bridging Island Plan, a 3-year period was not ideal.³⁸ The Panel asked the Minister for Infrastructure about this programme in a public hearing, and specifically, what impact the delay would have on the future delivery of infrastructure services.³⁹ A response was not provided and no concerns were brought to the attention of the Panel. The Panel is therefore uncertain as to how much joined up working there is between the Minister for the Environment and the Minister for Infrastructure in relation to this programme.

On the basis of the information provided and in relation to the funding, the Panel is satisfied to maintain the green RAG rating for this programme. However, the Panel strongly advocates that there should be more collaboration and joined up working between the Minister for the Environment and the Minister for Infrastructure and their respective teams within the Department. This programme is an example of where there is significant cross over between two ministerial remits and the Minister for Infrastructure should arguably be more involved with this programme than presently appears to be the case. The Panel would like to see more evidence of Ministers and the teams they work with, breaking down silos and adopting a more collaborative approach.



FINDING 7

The Minister for the Environment is the lead Minister for the ‘assessment of public infrastructure and resources’ programme. However, there is uncertainty as to how much joined up working there is between the Minister for the Environment and the Minister for Infrastructure in relation to the crossover of remits within this programme.

³⁷ [Public hearing with the Minister for the Environment, 27 October 2020, p.3](#)

³⁸ [Public hearing with the Minister for the Environment, 27 October 2020, p.2](#)

³⁹ [Public hearing with the Minister for Infrastructure, 27 October 2020, p.3](#)

| CSP5-2-02 – Protect Our Environment - Countryside Access | | | |
|--|--|------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Improve countryside access | <ul style="list-style-type: none"> ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Promoting and protecting Jersey’s interests, profile and reputation internationally ➤ Preparing for more Islanders living longer ➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | Minister for the Environment |  |

The purpose of this programme is to obtain additional revenue to fund research to identify how people currently use the countryside path network and how to best adapt it to future leisure activities. In addition to this, the funding would be available for maintenance of the paths as well as to enable additional routes and clear signage / route marking.

Six Monthly Report Status - Partial deferral

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government’s 6-month progress review explains that a recent survey of users of the countryside during Covid-19 lockdown instruction indicated that almost two-fifths of respondents visited the countryside more during lockdown. Over threequarters said that there was an increase in visitors during lockdown and almost everyone (97%) said they were likely to continue to visit once Covid-19 restrictions are lifted. The usual volunteer force (mainly Probation Service and the Back to Work Scheme) could not operate due to the Covid-19 restrictions. There was concern that paths and infrastructure would fall into disrepair. Footpath contracts have been re-tendered to ensure paths are maintained in a safe condition for users. Some of the allocated funds were used to keep these in good repair and compliant with health and safety concerns.⁴⁰

In the public hearing, the Panel asked the Minister for the Environment what aspects of the project had been partially deferred. The response was:

Director, Natural Environment/Acting Group Director, Regulation:

⁴⁰ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

...as I recall from last year's bid we retained somewhere in the region of £650,000 over 4 years. Interestingly, as part of our cost-saving measures over into this year's Government Plan, we have lost £40,000 from that to balance the revenue of Government. The Minister is right, we had huge problems implementing the work that was associated with year 1 of that programme. This is work that is intent on mitigating against the requirements of the 2016 Countryside Access Strategy, that we were to be approving and agreeing signage work, we were to be completing the construction of mapping for both single-use and joint-use pathways, extending pathways and countryside access, creating new and uprating, all of which has been significantly hit and shunted on, I would suggest, by a year. So the works that have not been undertaken over the last year are being rolled forward with the permission of the funding strategy, as it were, to make sure that it will eventually be carried out within the Government Plan process.⁴¹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 195 | 215 | 165 | 90 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 200 | 160 | 90 | 90 |

The Panel asked the Minister for the Environment for the spend to date for the 2020 allocation agreed in last year's Government Plan and was advised:

Expenditure to the end of October 2020 was £107,838, with a forecast spend to the end of 2020 of £169,800. Projects include maintenance and improvement of the Island's footpath network, fencing and tree surveys and associated works.⁴²

The Panel notes that the spend forecast by the end of 2020 is lower than the £195k allocation agreed last year, which as alluded to in the public hearing, will be the result of works which were unable to be undertaken this year. However, it is expected that works will be rolled forward to ensure the works are eventually carried out within the Government Plan's life cycle. On the basis of the information provided, the Panel is satisfied to maintain the green RAG rating for this programme for the time being. Particular attention will be paid to scrutinising the progress made in 2023-24 when it is noted that funding is projected to drop off significantly.

⁴¹ [Public hearing with the Minister for the Environment, 27 October 2020, p.12](#)

⁴² [Minister for the Environment, Response to Written Questions](#)

| CSP5-2-03 – Protect Our Environment – Jersey National Park | | | |
|--|--|---|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link to action | <ul style="list-style-type: none"> ➤ Nurturing a diverse and inclusive society ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Preparing for more Islanders living longer ➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage ➤ Exploring the opportunities offered by digital ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | Minister for Economic Development, Tourism, Sport and Culture |  |

The purpose of this programme is to conserve and enhance the natural beauty, wildlife and cultural heritage of areas within the Jersey National Park (JNP). Additionally, to promote opportunities of the understanding and enjoyment of the special qualities of the JNP by the public.

Six Monthly Report Status – Reduced

Previous Scrutiny RAG Rating – Amber

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the Francis Le Sueur Centre is closed due to pandemic restrictions. Preparation for reopening and delivery of activities are underway.⁴³

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 100 | 150 | 200 | 250 |

⁴³ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 150 | 200 | 250 | 250 |

In written questions to the Minister for Economic development, Tourism, Sport and Culture the Panel requested a breakdown of the spend to date of the funds allocated for 2020.

Spend to the 30 September was £66,718. The organisation has appointed a part time officer, agreed the lease on property which can be used for educational and interpretation purposes; this government owned property is being refurbished by the organisation. A number of marketing and promotion initiatives have been carried out in 2020, some of which have been in conjunction with Visit Jersey⁴⁴

A breakdown of the spend was provided as follows.⁴⁵

| Breakdown of Spend 2020 | |
|--|---------------|
| Expenditure to September 30 2020 | £ |
| Personnel Costs (Part time Officer) | 25,900 |
| Bank Charges | 59 |
| Website Hosting and Adjustments | 876 |
| Marketing, Freedom Media | 8,117 |
| Advertising (Ports, Bus Station, What's on, JEP) | 5,636 |
| Leaflets | 1,319 |
| Discover Campaign | 13,293 |
| Picnic in the Park August Campaign | 5,661 |
| Display boards FLS Centre | 2,005 |
| Market research park awareness | 1,258 |
| Rates, Rent and Electricity FLS Centre | 1,083 |
| Materials redecoration FLS Centre | 1,285 |
| General Expenses | 226 |
| Total Expenses | 66,718 |

In a [submission](#) received from JNP, the Park updated the Panel on its progress made thus far in 2020 and detailed where elements had been delayed or postponed and the reasons why.

The JNP explained that despite 2020 being a problematic year and despite the inevitable difficulties it had faced due to the Covid-19 restrictions, solid progress had been made towards the vast majority of the major objectives detailed in the JNP Plan. However, due to the Covid-19 restrictions there had been limited opportunities for education and interpretation events were a major disappointment. It was noted that much preparatory work for the future had been undertaken which would translate into action as soon as some degree of normality had returned. Regarding planned marketing initiatives, they had all been delivered and full participation in all the critical areas of relevant Government policy review had been secured. The JNP noted that some of the longer-term aspirational objectives had been significantly advanced.

⁴⁴ [Minister for Economic Development, Tourism, sport and Culture, Response to Written Questions](#)

⁴⁵ [Minister for Economic Development, Tourism, sport and Culture, Response to Written Questions](#)

Regarding opportunities to enhance biodiversity and habitats, the JNP commented much progress remained to be made. The JNP noted that there had been considerable success in securing financial and CSR support from a number of sources.

The latest “big win” has been in securing pro-bono support from the JEC for a full carbon / energy survey to be conducted on the Centre with a view to developing a plan which in 2021 might allow us to take forward retro-fitting adjustments to an ecologically sound building to reduce significantly its carbon footprint. If the required financial support to make adjustments can be secured it can be held up as an exemplar of what is possible in a Government owned building to others.⁴⁶

JNP anticipates that all will be achieved except where there is direct impact from Covid-19 restrictions.

...having agreed a full set of KPI's with the funding Department for 2020 it is assured at this stage in the year that all will be achieved except where the direct impact of Covid-19 restrictions, in the case of events and volunteer activity for example, prevented plans being carried through.⁴⁷

In response to written questions, the Minister for Economic Development, Tourism, Sport and Culture provided a detailed breakdown of how the additional funding of £150k for 2021 would be used as follows.⁴⁸

Achievable with existing resources (2021 committed Government funding) and within JNP's control

- *Build and develop relationships with key stakeholders of the Jersey National Park through Board membership organisations, local businesses within the Park, Government of Jersey ministers & officers, parish authorities and existing contacts*
- *Deliver the 2021 Marketing Plan.*
- *Complete the refurbishment of the Frances Le Sueur centre commenced in 2020*
- *Establish accounting system and bookkeeping records for the increasing Jersey National Park activities.*
- *Recruit pro-bono secretarial support and ad-hoc legal assistance.*
- *Open the Frances Le Sueur centre as the headquarters of Jersey National Park and as an information, education and events centre. Establish operating terms, opening hours, the provision of information and the holding of educational events. Determine the scope of information, education and events activity in conjunction with awareness and promotional campaigns.*
- *Review the authority and powers of the Jersey National Park and its obligations, eg, becoming a statutory consultee for planning applications within Park boundaries.*
- *Represent the interests of the Jersey National Park in contributing to consultations and updates to Government of Jersey Strategies and policies including: - Island Plan, Rural Economy Strategy, Sustainable Transport Policy, Carbon Neutrality Energy Policy, Countryside Access Strategy.*

⁴⁶ [Jersey National Park Submission](#)

⁴⁷ [Jersey National Park Submission](#)

⁴⁸ [Minister for Economic Development, Tourism, sport and Culture, Response to Written Questions](#)

- *In respect of the Bridging Island Plan, support the increase in boundaries of Jersey National Park to include marine foreshore and RAMSAR sites.*
- *Establish cleaning and maintenance contracts for the inside spaces and the outside windows of the FLSC and the adjacent pond habitat area. • Update signage for the FLSC to add Jersey National Park.*

Aspirational

- *Develop the north area of the Frances Le Sueur Centre site into an outdoor educational space and establish new fencing for that area and also the eastern boundary of the site.*
- *Obtain sole occupancy of the Frances Le Sueur Centre by becoming the only licensee of the building (apart from the rear storeroom used by the Back to Work team).*
- *In conjunction with Jersey Electricity Company, establish plans to install energy efficient and renewable energy solutions at the Frances Le Sueur Centre. Seek corporate partnership(s) to assist financially with implementation and installation.*
- *In conjunction with the GoJ Natural Environment Team, identify biodiversity habitats and associated maintenance programme at La Mielle de Morville.*
- *Explore opportunities for corporate sponsorship, charitable and philanthropic donations, and volunteer opportunities, identifying specific projects, events, habitat maintenance and the associated benefits, together with setting out acceptable criteria for association with Jersey National Park*
- *Investigate opportunities for the Jersey National Park to assist the Rural Economy Strategy for mutual economic and awareness benefit.*
- *Develop the relationship with National Parks UK, through existing associate membership.*

Jersey National Park:

...We have started to revisit and adjust our Business Plan for 2021/24 which will be used as the basis for revisiting the proposed grant agreement with its attendant proposed funding should the Assembly see fit to support the Plan. We are determined to build on our current progress, tighten and develop our stakeholder and commercial support base and hopefully persuade the new reporting lines in Government to become more pro-active in engaging with us to the benefit of all...⁴⁹

The Panel recalled that in last year's Government Plan 2020 it was anticipated that a portion of the funding would go towards creating a position for a Jersey National Park Manager. In written questions to the Minister for Economic Development, Tourism, Sport and Culture the Panel asked whether the position had been filled. The Minister affirmed that it had.⁵⁰

Within the submission received from the JNP, it was confirmed that the Park Officer was in the role and was well established.

...Our Park Officer is well established in role and is providing much needed secretarial support and a pro-bono qualified treasurer has been identified. Governance and Board

⁴⁹ [Jersey National Park Submission](#)

⁵⁰ [Minister for Economic Development, Tourism, Sport and Culture, Response to Written Questions](#)

representation reflective of all major stakeholders progresses and alliances with other like-minded organisations are building all the time...⁵¹

Noting that the Environment Minister is not the Lead Minister for this programme, however, as limited information was provided in the Government's 6-month progress review regarding the progress that had been made for this programme, during the public hearing with the Minister for the Environment, the Panel asked for the Minister's views.

The Minister for the Environment:

Well, I think we have covered this a number of times on our other quarterly hearings and I am quite happy to do so. As I personally see the work we have been doing in the countryside is first of all updating the Island Plan in both the boundaries of our planning zones, and it is the planning zones that I think are really important, identifying where the special areas are and the planning policies that we need to have, but of course as well as that we have a separate pot of funding which the Minister for Economic Development was keen to have leadership of. There should also be funds available to promote the use of that land or those areas for recreation and enjoyment and leisure and, indeed, for economic exploitation purposes. So I am content that we certainly work jointly, and the officers do. We fully co-operate with that group and provide advice and guidance, but am I in the lead in terms of how that money is spent? No. My own preference is to spend money on conserving that area, so I cannot give you an update on how another ministry is allocating that. I do not know if any of my officers are a little bit more aware. I have supported those initiatives, I am not against them, but I think they are very much, if you like, ancillary to our prime role, which is conserving and looking after those areas.⁵²

Regarding the re-zoning of land to the Jersey National Park, the Panel asked in written questions to the Minister for Economic Development, Tourism, Sport and Culture whether it would occur in alignment with the Bridging Island Plan 2022-24, or if would be deferred to the next 10- year plan.

Work has been commissioned, as part of the Island Plan Review, to review the definition of the current boundary of the Coastal National Park; and it is envisaged that the output from this work will inform the preparation of the Island Plan 2022-2024.⁵³

Jersey National Park:

Full participation in the early stages of the Island Plan review had seen progress at least at a proposition level to rationalise and enhance the Park boundaries including extending same in the Marine Environment.⁵⁴

In the public hearing with the Minister for the Environment, the Panel asked the Minister whether he felt the funding of £150k for this programme for 2021 was sufficient.⁵⁵

The Minister for the Environment:

⁵¹ [Jersey National Park Submission](#)

⁵² [Public hearing with the Minister for the Environment, 27 October 2020, p.12 -14](#)

⁵³ [Minister for Economic Development, Tourism, Sport and Culture, Response to Written Questions](#)

⁵⁴ [Jersey National Park Submission](#)

⁵⁵ [Public hearing with the Minister for the Environment, 27 October 2020, p.12 -14](#)

Well, I do not know. I do know that there was I think the gestation of that original sum, which was put into last year's plan, and I do not know whether any of it has been spent. I do hear that the building to Frances Le Sueur Centre has been allocated to the team. I understand that there is a proposal to spend some money doing improvements on it. I think there is a planning application potentially in the wings and I have read about their ideas. I think that is good because previously they were formed by the Minister for the Environment minus 2, I think. They were asked to do a job and they were asked to do a job with no funds, which I thought was a pretty poor do. I think eventually as part of last year's Government Plan some money was enabled, not a great sum, but I think when I listened to the team from the countryside national park - that is Mr. Stentiford and Mr. Hopley - with that start it was good to make a start and they could formulate their plans and obviously keep that under review.

When the same question was posed to the Minister for Economic Development, Tourism, Sport and Culture, he responded to the Panel's written questions that he was confident the level of funding requested for 2021 would be sufficient to enable the project to meet its stated aims.⁵⁶

Considering that this work for this programme crosses both remits for the Minister for the Environment as well as that of the Minister for Economic Development, Tourism, Sport and Culture, the Panel queried whether there was adequate joined up working between the departments. Moreover, whether ongoing adequate support was being provided to JNP regarding its work.

The Connétable of St. Brelade:

Do you meet them regularly? (Referring to Mr. Stentiford and Mr. Hopley)

The Minister for the Environment:

When they ask to about advice and guidance, absolutely, of course we do, and they will be consulted as part of ... I think here my Assistant Minister is going to tell us his wisdom on this.

Assistant Minister for the Environment:

Just that I have seen them about 3 days ago, just at the end of last week, so I have had a complete update on what they have been doing and, most importantly, their work on the Frances Le Sueur Centre. So it is something that we will probably help them with because the other occupants of the centre, Trees for Life, are looking for another place to go and occupy. That is a planning issue, so we are trying to move the pieces around so that the park can use the Frances Le Sueur Centre exclusively.⁵⁷

Within their submission, the JNP highlighted its frustration regarding the delays involved for the full refurbishment and equipping of the nominal Park HQ at the Frances Le Sueur Centre. Moreover, the lack of support and involvement for this project from the controllers of the site, the IHE Department, and the managers, Jersey Property Holdings. It was noted that the work was undertaken, despite the lack of support, and funding had been secured from a non-

⁵⁶ [Minister for Economic Development, Tourism, Sport and Culture, Response to Written Questions](#)

⁵⁷ [Public hearing with the Minister for the Environment, 27 October 2020, p.12 -14](#)

governmental source to equip the facility. It is hoped that the site will be fully operational by early 2021.⁵⁸

Regarding ongoing Government engagement with the project in 2020, the JNP commented that although at a strategic level, particularly of late, this had been forthcoming there had been a frustrating lack of contact and participation on a more practical level.

...The work we have had carried out on the Centre for example has been done despite the IHE Department rather than in conjunction with them. Relationship's with Economy and Partnerships are much better and developing which hopefully will auger well for the future of the Project.⁵⁹

On the basis of the information provided the Panel is minded to maintain its amber RAG rating. The Panel commends the hard work of the Jersey National Park in achieving what they have to date, but is concerned to hear that there appears to be inadequate ongoing support being provided to the JNP and believes a more joined up approach between the Minister for the Environment, the Minister for Economic Development, Tourism, Sport and Culture and Departments is required.



FINDING 8

Progress is being made in relation to the objectives of the Jersey National Park project, however, due to the Covid-19 restrictions there have been limited opportunities for education and interpretation events.



FINDING 9

There are concerns of inadequate support being provided to Jersey National Park with it being noted that there is a lack of contact and participation on a practical level from the IHE Department



RECOMMENDATION 3

The Minister for the Environment and the Minister for Economic Development, Tourism Sport and Culture should, by the end of Q1 2021, put in place suitable protocols to ensure a more collaborative approach to their involvement in the Jersey National Park project and in the support extended to the Jersey National Park.

⁵⁸ [Jersey National Park Submission](#)

⁵⁹ [Jersey National Park Submission](#)

| CSP5-3-01 – Protect Our Environment – Island Plan Review | | | |
|---|---|------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> ➤ Develop the draft Island Plan 2020-30 ➤ Publish a new Island Plan for the period 2021-30 | <ul style="list-style-type: none"> ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Preparing for more Islanders living longer ➤ Improving transport and infrastructure links ➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | Minister for the Environment |  |

The purpose of this programme is to develop a draft Island Plan 2020-2030, with a view to lodge the new Plan by mid-2021.

Six Monthly Report Status – Delayed

Panel analysis

The progress update provided in the Government’s 6-month progress review explains that as a result of the impact that the pandemic has had on the previously agreed Island Plan programme, Ministers have agreed a new strategy to develop a ‘bridging’ Island Plan. Work is underway to develop the bridging Plan to an adjusted programme.

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 650 | - | - | - |

The funding requested in 2020 was a ‘one-off’ spend and it is therefore noted there is no funding allocated for 2021.

In written questions to the Minister for the Environment, the Panel requested a breakdown of the use of funds allocated to this programme for 2020. The following breakdown was provided in response⁶⁰. A further detailed breakdown of the total confirmed and forecast year end expenditures can be found in [Appendix A](#) of the response.

⁶⁰ [Minister for the Environment, Response to Written Questions](#)

| Forecast Year End Position 2020 – Island Plan Review | | | |
|--|---|----------------------|---------------------------------|
| Year | Budget | Actual Spend to date | Confirmed and forecast year end |
| 2019 | £350,000 | £166,839 | £166,839 |
| 2020 | £650,000 | £361,392 | £520,000 |
| 2021 | £325,000 (subject to Gov Plan approval) | - | - |
| Total | £1,325,000 | £528,000 | £686,839 |

In the Government Plan 2021-24 a potential one off spend increase of £325,000 has been allocated with the reason given - deferred Island Plan Review activity from 2020.⁶¹

During the Government Plan public hearing with the Minister for the Environment, the Panel queried how the finances for 2020 would be apportioned, considering the programme had been delayed.

The Connétable of St. Brelade:

...The Island Plan review, Minister, we are aware of the reasons for the delay in this project, but so that we can understand how the finances are being apportioned, could you clarify whether the £650,000 that was approved in the 2020 Government Plan will be required in full for expenditure relating to the 3-year bridging Island Plan or will a proportion of this amount be ringfenced and moved on to the 10-year plan?⁶²

The Minister for the Environment:

No, I am absolutely certain that the funds that we have allocated will be required. I think what will be ... so any notion that somehow or other what we are producing is a cut-down plan, it is not a full plan, that is not correct. The foundations of the plan require a huge amount of building up of evidence. I think a lot of that evidence is going to last beyond the boundaries of the 3-year transitional plan and is going to mean that those pieces of work will not need to be repeated in any subsequent Island Plan. So I really feel very confident that that will be the case. So, yes, there will be some costs as a result of having to do an update or a follow-on for the remaining 10 years, but I think that can be contributed very much to the COVID. So I could give you a bit more detail, Chairman, but we do not have a lot of time. If you want a little bit more, Mr. Pilley could list all the various evidence areas, and we have had to spend that money.⁶³

On the basis of the information provided, the Panel is satisfied to maintain a green RAG rating for this programme.

⁶¹ [Government Plan – 2021-24 – Pg.97](#)

⁶² [Public hearing with the Minister for the Environment, 27 October 2020, p.14](#)

⁶³ [Public hearing with the Minister for the Environment, 27 October 2020, p.14](#)

Capital Projects

| Pre-feasibility votes (Central Planning Reserves) | | | | | | |
|---|-------------------------------------|-------------------------|-------------------------|---|---|---|
| Project | Funding allocated in GP-2020 (£000) | Six-month report status | 2021 Funding bid (£000) | Current spend as at end of September 2020 | Additional information | Scrutiny RAG Status |
| Minister for Education⁶⁴ | | | | | | |
| Jersey Instrumental Music Service Premises | 150 | Deferred | 100 | £6,304.00 | Funds spent on fees recharged by Jersey Property Holdings Architects. The pre-feasibility study has resumed as from October 2020. |  |
| VCP Replacement School | 150 | Deferred | 150 | None | No recharges have been received as no significant pre-feasibility has been completed. |  |
| North of St. Helier Youth Centre | 500 | Deferred | 350 | £12,352.00 | Funds spent on fees recharged by Jersey Property Holdings Architects. The pre-feasibility study is ongoing, a number of sites are being reviewed. |  |
| Le Squez Youth Centre/Community Hubs | 250 | Deferred | 250 | £5,659.00 | The pre-feasibility study is ongoing and presently working with the community on the brief. |  |
| Mont à l'Abbé secondary school | None | N/A | None | None | None |  |
| Review of Greenfields | None | N/A | 100 | None | |  |
| Further Education campus | 400 | Partial deferral | 150 | £30,000.00* | *work due to be carried out by 2020 year end with an estimated cost of £30,000 |  |

⁶⁴ [Minister for Education – Response to Written Questions](#)

| Chief Minister ⁶⁵ | | | | | | |
|---|-----|------------------|-----|---------------------|---|---|
| Picquet House – Family Court | 150 | Deferred | 150 | No figures provided | Funds have been deferred to 2021 as part of the Judicial Greffe response to Treasury's invitation to reduce expenditure where possible. |  |
| Minister for Infrastructure ⁶⁶ | | | | | | |
| Rouge Bouillon site review | 150 | Partial deferral | 50 | No figures provided | Money was added in pre-feasibility to allow for a site review to be undertaken. Once that review has been done, the best scheme for that site will be asked to re visit their business case and funding needs will form part of that refresh. |  |
| Infrastructure funding | 500 | Deferred | 300 | None | No money has been spent on this project in 2020. This project was put on hold during 2020 due to Covid. Government Plan 2021-2025 includes funding for 2021 to make progress next year. |  |

The Panel notes that the above requests for funding are based on pre-feasibility studies. The Panel has assessed the requests for funding along with all available supporting information and deems those rated green status to be satisfactory.

The Mont à l'Abbé secondary school pre-feasibility study does not include a request for funding in 2021 and therefore the Panel has highlighted this amber to indicate that it will be revisited by the Panel in a future Government Plan when funding is being requested. Therefore, in this instance, the amber rating indicates 'awaiting further information'.

Infrastructure including the Rolling Vote

⁶⁵ [Chief Minister – Response to Written Questions](#)

⁶⁶ [Minister for Infrastructure – Response to Written Questions](#)

| Rolling Vote | | | |
|-----------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders | Minister for Infrastructure |  |

The purpose of this programme is to secure funding for infrastructure related services, including maintenance and replacement of the sewerage network (pipes, manholes, storm water storage); roads, footways, traffic lights, streetlights; and sea defences.

Six Monthly Report Status - Partial deferral

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review provides the following summary of progress up until August 2020:

Liquid Waste:

Projects consist of surface water separation schemes; foul and surface water improvements; and, investigations into the effects of climate change on inland surface water management. Design of all projects has commenced. However, funding pressures due to the pandemic has meant funds have been diverted to other critical areas and the delivery of some drainage projects have been put on hold.

Transport:

Planned upgrades to the traffic signalling and street lighting of the Island's highway network. The design and development of all projects has started. However, funding pressures due to the pandemic have meant funds have been diverted to other critical areas and the delivery of some planned transport projects have been put on hold.

Infrastructure:

Projects consist of slope stabilisation, maintenance and replacement of roadside structures and sea defences, which include condition assessment and investigation into the effects of climate change and sea level rise. Some projects are complete, others are ongoing, and some have been put on hold due to funds being diverted as a result of the pandemic.⁶⁷

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|--------|--------|--------|--------|
| 12,650 | 12,370 | 13,650 | 13,650 |

⁶⁷ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|--------|--------|--------|--------|
| 10,232 | 11,318 | 12,715 | 12,650 |

The Panel requested and was provided with a breakdown of:

2020 budget allocation: £9,552,346

Spend to date: £7,165,604 (as at end of Oct 20)⁶⁸

A full and detailed breakdown was provided in the *Summary of Capital Heads of Expenditure – IHE* table which can be found in the appendix to the Minister for Infrastructure's [response](#) to written questions.

Noting the reduction in funds from what estimated as required for 2021 in last year's plan (£12,370,000) to what is now being requested for 2021 (£10,232,000), the Panel asked the Minister for Infrastructure:

The Connétable of St. Brelade:

Do you think this might exacerbate the continued historic underfunding in this area that seems to have prevailed in previous years? Will we continue to have a problem with underinvestment in our infrastructure?

Acting Director General, Infrastructure, Housing and Environment:

No, I do not think so. I think the number for 2021, it comes in at just over £10 million. It does creep back up to the sort of just under £13 million mark, so it is an area that we constantly keep an eye on. It is a big number in the capital programme and it covers quite a variety of spend within that area. I think within I.H.E. we are always balancing between repairs and things that get worn out in our replacement assets lines, as John has said. At the moment we are comfortable with the number that we have got there, but it is something we do need to keep an eye on just to make sure that we are reinvesting back into these assets to keep them running.

On the basis of the information provided, the Panel is satisfied to maintain the green RAG rating for this capital programme.

⁶⁸ [Minister for Infrastructure, Response to Written Questions](#)

| Sewage Treatment Works (Existing Major Project) | | | |
|---|--|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Promoting and protecting Jersey's interests, profile and reputation internationally | Minister for Infrastructure |  |

The purpose of this programme is to secure funding for a replacement Sewage Treatment Works.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that:

Construction of the new tanker import facility is complete. The commissioning of process equipment has commenced and is in the final stages of reliability testing. Takeover of the new tanker import facility is anticipated in September 2020. Production and progress of the new sewage treatment works is ongoing and generally in line with the accepted overall programme. Construction of all main process structures and civil infrastructure has commenced, and some areas are nearing completion. The installation of mechanical, electrical and ICA equipment and plant commenced in June 2020. A programme delay of approximately 12 weeks is anticipated due to the impact of COVID-19, with additional delays due to inclement weather. Commissioning of the works are expected to be carried out in stages with the first Phase being completed by late 2021. Due to the need to commence commissioning of the main treatment process in 2021, discussions are ongoing with a view to meet the key dates irrespective of the delays. The overall project is expected to be completed by the end of 2022 as planned.⁶⁹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|------|------|
| 7,850 | 4,000 | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|-------|------|------|
| - | 4,000 | - | - |

⁶⁹ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

Noting a potential discrepancy between the 6-month progress review designating this project as ‘on track’, however the £4m funding appearing to have been deferred until 2022, the Panel asked the following in the public hearing with the Minister for Infrastructure:

The Connétable of St. Brelade:

The sewage treatment works, we notice that the 6-monthly progress report says that it is on track and to be delivered before the end of 2022. We see there is no further funding allocation provided in the 2021 Government Plan. In last year’s plan it was indicated £4 million would be allocated to the project in 2021. This appears to have been deferred until 2022. What is the reason for that? Is it the case that the works are on track, is it simply a cash flow discrepancy?

Head of Finance Business Partnering, Infrastructure, Housing and Environment:

It is, Chairman. As part of all of the work looking at capital, both in-year and future years, partly in relation to coronavirus and partly in relation to the overall sums available, we have looked at the cash flows on all of our major projects. Most of the funding for sewage treatment works has already been allocated and the budgets approved. This is the final sort of very last stages of the project and because of timings it is possible to push that into 2022 without causing any issues on the project, so it was seen sensible to do that as it released funding for other areas within 2021.⁷⁰

On the basis of the information provided, and that funding is not being requested for 2021, the Panel is satisfied to maintain a green RAG rating for this capital programme.

| Drainage Foul Sewer Extensions | | | |
|-----------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey’s interests, profile and reputation internationally ➤ Preparing for more Islanders living longer | Minister for Infrastructure |  |

The purpose of this programme is to secure funding for extensions and enhancements to the sewerage network will be required to sustain projected increases in population.

Six Monthly Report Status - Deferred

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government’s 6-month progress review explains that this project has been deferred as the funding has been reallocated to Covid-19 Emergency

⁷⁰ [Public hearing with the Minister for Infrastructure, 27 October 2020, p.18-19](#)

Funding. The reduced funding as a result of the pandemic will need to be recovered in full in 2021-2024 Government Plan.⁷¹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|-------|-------|
| 1,500 | 1,500 | 1,500 | 1,500 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 1,000 | 1,000 | 1,000 | 1,000 |

Noting the deferral of funding the Panel asked the Minister for Infrastructure the following in the public hearing:

The Connétable of St. Brelade:

Drainage and foul sewer extensions: once again this has been deferred and the funding allocated to the emergency fund. How do you hope to recover the funds in the course of the 2021 to 2024 Government Plan? I know, Minister, the extension of foul sewers is a keen area of yours. How are we going to get the funding back for it? Is there any indication where that might come in?

Acting Director General, Infrastructure, Housing and Environment:

I can answer for the Minister, if that is okay. Again, the focus for the department is to concentrate on the assets that we currently have and also to complete the projects underway, including the sewage treatment works. I think there is a debate longer term about whether we increase the drainage network and connect more properties. We would advocate at this very point in time that we focus our funds on the assets that we currently have rather than creating new assets in this area, mainly due to the fact that we would like the sewage treatment works also be completed within that window, thereby increasing capacity as well.

The Minister for Infrastructure:

I have mentioned, Chairman, that it is my desire before I leave office to have as many people as possible on mains drains as we can and, wherever possible, working with our colleagues in Jersey Water to lay fresh water to every house as well, as much as possible. I think we are at 94 per cent of the Island at the moment or thereabouts, but we have still got a way to go to get everyone on mains water and mains drain. But that is my desire before I leave office, to have as many people as possible on them.⁷²

The Panel requested and was provided with a breakdown of:

⁷¹ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

⁷² [Public hearing with the Minister for Infrastructure, 27 October 2020, p.20-1](#)

2020 budget allocation: £350,000

Spend to date: £655 (as at end of Oct 20)⁷³

On the basis of the information provided, the Panel has revised its RAG rating to amber, due to a lack of clarity as to whether the requested funding will be sufficient to meet the project's aims i.e. to extend and enhance the sewerage network to keep pace with continued growth in population size.



FINDING 10

There is a lack of clarity as to whether the reduction in funding from £1.5m to £1m in 2021 will be sufficient to meet the aims of the Drainage Foul Sewerage Extensions capital programme which seeks to extend and enhance the sewerage network to keep pace with continued growth in population size.



RECOMMENDATION 4

The Minister for Infrastructure should, by end of Q1 2021, provide the Panel with a detailed analysis on how the foul sewerage system together with the surface water system is coping with demand, as well as further details on the rationale for the decrease in funding in this area, given projections of growing population size.

| Sewage Treatment Works – Odour Mitigation (P.115/2017) | | | |
|--|------------------------------------|-----------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | Not provided in full business case | Minister for Infrastructure | |

The purpose of this programme is to secure funding in 2022 for the covering of the primary settlement tanks at Bellozanne in order to address odour issues in the Bellozanne and First Tower area.

Six Monthly Report Status – N/A

Previous Scrutiny RAG Rating – Amber

Panel analysis

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|-------|------|------|
| - | 1,500 | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|-------|------|------|
| - | 1,500 | - | - |

⁷³ [Minister for Infrastructure, Response to Written Questions](#)

No funding is requested for 2021, indicative funding for 2022 of £1,500,000 has been provided. Therefore, a decision on funding is not required at this time. The Panel has designated this business case as amber until the figure is confirmed and an assessment is undertaken for future Government Plan approval.

| Bellozanne Sewage Treatment Works Outfall Rehabilitation | | | |
|--|--|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Making St. Helier a more desirable place to live, work, do business and visit | Minister for Infrastructure |  |

The purpose of this programme is to secure funding in 2023 to carry out rehabilitation work required to prevent deterioration on the downstream outfall pipe that carries treated effluent from the sewage treatment works down to St Aubin's Bay.

Six Monthly Report Status – N/A

Previous Scrutiny RAG Rating – Amber

Panel analysis

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|-------|
| - | - | - | 1,000 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|-------|------|
| - | - | 1,000 | - |

No funding is requested for 2021, indicative funding for 2023 of £1,000,000 has been provided. Therefore, a decision on funding is not required at this time. The Panel has designated this business case as amber until the figure is confirmed and an assessment is undertaken for future Government Plan approval.

| First Tower Pumping Station Upgrade | | | |
|-------------------------------------|------------------------------------|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | Not provided in full business case | Minister for Infrastructure |  |

The purpose of this programme was to secure previous funding of £650,000 for 2020 to upgrade and refurbish the existing station, including new increased capacity pumps.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the upgrades are currently in progress. All pumping station upgrades, and asset replacement are programmed commenced in June. The current programme indicates that production and progress is in line with the accepted project programme and that the contract dates will be achieved.⁷⁴

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 650 | - | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| - | - | - | - |

On the basis of the information provided, and that no further funding is being requested in 2021, the Panel is satisfied to maintain a green RAG rating for this capital programme.

| Inert Waste Site Feasibility | | | |
|-----------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Improving transport and infrastructure links | Minister for Infrastructure |  |

⁷⁴ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

The purpose of this programme is to secure funding for a feasibility study to confirm a future strategy for the local management of inert construction waste.

Six Monthly Report Status – Deferred

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government’s 6 month progress review explains that as La Collette reclamation site reaches capacity, the intention is to investigate options for either a new reclamation site or prolonging the life of the existing site. Progress has been made in raising awareness of Jersey’s inert waste needs to the Island Plan team and other projects that could benefit from clean infill material have been identified and are being supported. To support the Government cash flow pressures relating to the pandemic it has been proposed that this capital project is deferred until 2021.⁷⁵

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 500 | - | - | - |

In response to written questions, the Minister for Infrastructure advised the Panel:

Around £200,000 of the £500,000 funding for this project will be used in 2020 to support strategic project development that delivers the same solution via a different route, i.e. instead of supporting a new inert waste site, the same benefits can be delivered by supporting other projects that are looking for significant volumes of inert waste.

The funding to complete this important strategic feasibility project will be allocated from the 2021 Rolling Vote, if not available from carry forward from 2020. This is a developing key strategic project for GoJ with multiple benefits.

The change in focus of the project has occurred as a result of focusing on the outcomes and deliverables rather than simply trying to progress a new waste site.

The status of this project as “deferred” relates to the original outline project business case as the objectives are intended to be delivered by alternative means, subject to States approval.⁷⁶

The Panel asked the Minister if he anticipated that a further bid for funding would be made for this project in a future Government Plan. The Minister responded as follows:

The project being assessed for feasibility will deliver all the benefits originally planned but due to its scale will require a number of years of design and planning. As such, a bid to re-allocate this funding has already been made via a Business Case variation. This requested that the £500,000 funding allocated for 2020 to be split and proportioned over the remaining 3 years of the Government Plan. This variation bid was not included in the proposals in the Government Plan 2021 and no project specific

⁷⁵ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

⁷⁶ [Minister for Infrastructure, Response to Written Questions](#)

funding has been allocated to future years. Funding will come from the Infrastructure Rolling Vote, should it not be possible to carry forward unused funds at the end of 2020.⁷⁷

On the basis of the information provided, and that no further funding is being requested in 2021, the Panel is satisfied to maintain a green RAG rating for this capital programme.

| La Collette Waste Site Development | | | |
|------------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Promoting and protecting Jersey's interests, profile and reputation internationally | Minister for Infrastructure |  |

The purpose of this programme is to secure funding of £500,000 per annum to allow the La Collette waste site to continue being developed to receive construction waste. The funding will enable the creation of new hazardous and contaminated waste cells.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the project concerns providing storage capacity for any hazardous or contaminated soils delivered to site from construction projects and developments. Lockdown measures put in place to delay the spread of the virus has reduced the amounts of waste being delivered, meaning that existing capacity is good.⁷⁸

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 500 | 500 | 500 | 500 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 500 | 500 | 500 | 500 |

The Panel requested and was advised that the spend to date (as at end of October) was £439,366.⁷⁹ A full breakdown of this cost was provided in the Minister's [response](#) to written questions.

⁷⁷ [Minister for Infrastructure, Response to Written Questions](#)

⁷⁸ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

⁷⁹ [Minister for Infrastructure, Response to Written Questions](#)

On the basis of the information provided, and that no further funding is being requested in 2021, the Panel is satisfied to maintain a green RAG rating for this capital programme.

| Island Public Realm, Including St. Helier | | | |
|---|------------------------------------|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | Not provided in full business case | Minister for Infrastructure |  |

The purpose of this programme is secure funding to improve village and urban environments throughout the island and St Helier. It is envisaged that the schemes would allow a more accessible town and encourage sustainable travel modes such as walking, cycling and public transport throughout the island.

Six Monthly Report Status - Partial deferral

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government’s 6-month progress review provided limited information stating that scoping work has been delayed due to the pandemic, however that work will be progressed during the next quarter.⁸⁰

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|-------|-------|-------|
| 400 | 2,500 | 5,000 | 6,500 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 1,000 | 1,000 | 1,000 | 1,000 |

Noting the substantial reduction in funding for 2021 as well as that being forecasted for 2022-24, the Panel asked the Minister for Infrastructure whether the reason for the reduction was due to the impact of the Covid-19 pandemic:

The Connétable of St. Brelade:

The Island public realm, including St. Helier, we note from the 6-month reports that this project is partially deferred due to the pandemic. We also note the requested funding is being sought for approval in 2021. The Government Plan has been reduced to £1 million. In last year’s plan, indicative funding was given as £2.5 million for 2021. Is this

⁸⁰ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

reduction once again just purely down to COVID? If so, what impact will this have on the aims of the project and can it still be achieved or delivered?

Acting Director General, Infrastructure, Housing and Environment:

Certainly, the reduction in numbers is twofold, really. One was primarily around the rebalancing agenda of our Government funds in terms of where we think our priority for capital should lie. A big priority has gone - in our area, certainly - into those areas which need maintaining and repairing of the assets that we currently have. That has been the primary driver between the difference in the numbers. It is about delivering within that cash envelope and prioritising this against other areas in the capital programme.⁸¹

Given the significant crossover within remits, the Panel raised this subject with the Minister of Environment, who advised the Panel that he was not aware of the budget reduction and that this investment is needed and should be increased:

The Connétable of St. Brelade:

Moving on to Island public realm, including St. Helier, we are aware this falls under the Minister for Infrastructure as lead Minister but we would nevertheless like to hear your views. What impact will the proposed spend reductions have on the aims of the projects and what can be achieved or delivered in your view? Is £1 million sufficient to make a meaningful improvement to the Island public realm?

The Minister for the Environment:

Well, I am going to put my hands up here, I really do not know about the Minister's budget reduction there. What I have been concentrating on is that we have to find money for our public realm. The investment needs to be increased. There are 2 particular projects that I am wanting to bring forward. One is enhanced planning obligations, and I think it is an open secret in the Island Plan submissions - I have made it plain - that we are definitely looking for some mechanism to capture a proportion of the increase in land values as a result of development consents to be going into that fund...

Director General, Infrastructure, Housing and Environment:

Yes, the public realm lines in the capital programme have been reduced to currently £1 million per annum, which is a large reduction in those programmes mainly due to reprioritisation against other lines in our capital programme which are considered at this point in time more important. That is not saying that public realm is not important, it is just a prioritisation exercise as to where the money needs to be focused on other assets or other projects. I think what the Minister for the Environment has rightly said is that there does need to be a consideration on the infrastructure levy potentially again and how wide a development that uplift can fund improvements around development sites. I think that is an answer moving forward. I also think it is something that benefits all development sites in any case. It adds to value of those sites and it increases the value of our built environment.

⁸¹ [Public hearing with the Minister for Infrastructure, 27 October 2020, p.20](#)

The Minister for the Environment:

I wonder, Chairman, if I can make what you might see as a bit of a political point. I have said that we are doing much better as a Government joining up things across, but there is still work to do. I think particularly with the Island Plan coming forward it is really important - and I cannot overstate this, how important it is - that our future Government Plans do provide a proper framework of resourcing to ensure that the vision and work that is produced in the urban area and making St. Helier and the St. Helier town as good a place to live and work as we can and cope with an extra-large, really increased population, we need to have those funds. So that is where I am looking in future Government Plans. I am disappointed, frankly, to hear that that has been cut back...⁸²

The Panel asked the Minister for Infrastructure whether he felt the reduced funding of £1m was sufficient to make meaningful improvements to the Island Public Realm. The response was:

The scope of the programme is being reviewed to ensure it focuses upon the movement corridors where the highest benefit can be achieved. Doing this will ensure the schemes deliver meaningful public realm improvements. The work will also be coordinated with development sites in order that planning obligation agreements can be leveraged to contribute to the overall public realm benefit to be achieved.⁸³

The Panel questioned further as to whether, given the reduction in funds, the project would focus on making improvements in specific priority areas, such as St. Helier. The Panel was advised that it was intended that the first tranches of the project would focus on St Helier.⁸⁴

The Panel requested and was advised that the spend to date (as at end of October 2020) was £64,750.⁸⁵

On the basis of the information provided and the concerns surrounding a lack of clarity and assurance as to whether the funding will be sufficient to meet the project's aims, in addition to the fact it is evident from the Panel's findings that there is a lack of collaboration between the Minister for Infrastructure and the Minister for the Environment on these issues, the Panel has therefore revised its RAG rating to amber. As already highlighted earlier in this report, there should be greater efforts made within Government to break down silos and adopt a more collaborative approach.

**FINDING 11**

There are substantial reductions proposed in relation to funding for the Island Public Realm capital project and a lack of clarity as to whether the revised funding will be sufficient to meet the project's aims.

**FINDING 12**

The Minister for the Environment was not aware of the reductions in funding for the Island Public Realm capital project, suggesting a lack of collaboration and

⁸² [Public hearing with the Minister for the Environment, 27 October 2020, p.19-20](#)

⁸³ [Minister for Infrastructure, Response to Written Questions](#)

⁸⁴ [Minister for Infrastructure, Response to Written Questions](#)

⁸⁵ [Minister for Infrastructure, Response to Written Questions](#)

joint working with the Minister for Infrastructure who is lead Minister for this capital project and raising concerns of an ongoing silo approach within Government.



RECOMMENDATION 5

Given the extensive crossover between the two remits of Infrastructure and Environment, both Ministers should put in place suitable protocols to ensure more joined up working, with a greater emphasis on breaking down silos and adopting a more collaborative approach. Both Ministers should report back to the Panel by the end of Q1 2021 with an action plan as to how this will be achieved going forward.

Replacement Assets

| Refit and Replacement of Fisheries Protection Vessel and Auxiliary Vessels | | | |
|--|---|------------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Promoting and protecting Jersey's interests, profile and reputation internationally | Minister for the Environment | |

The purpose of this capital programme was to secure funding for the refurbishment and replacement costs of Marine Resources vessels. These consist of a 15-metre aluminium patrol vessel, the Norman Le Brocq and two rigid hulled inflatable boats. £580,000 was allocated in 2020 with a further estimated £2,800,000 not forecast until 2023.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the refit work for the Norman Le Brocq is being scoped as part of competitive tendering process and the work is envisaged to be complete by the end of 2020.⁸⁶

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|-------|
| 580 | - | - | 2,800 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|-------|------|
| - | - | 2,800 | - |

⁸⁶ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

In the public hearing, the Panel asked the Minister for the Environment what the spend had been to date from the funds allocated in 2020. The Panel was advised:

The Minister for the Environment:

Yes. In principle, obviously the advice I have been given is we have to keep that vessel up to date with proper standards for operations, with marine safety standards and so on. My understanding is there has been some refitting work recently. Ultimately, though, there is a plan to replace the vessel and I think, frankly, the whole direction of travel with the ways of going with Brexit and our separation from Europe indicates we are going to have to invest a lot more in our own regulatory capability and equipping ourselves better for that is important. Could I again ask Mr. Peggie to fill in the details, please?

Director, Natural Environment/Acting Group Director, Regulation:

Certainly, thank you. Yes, we have raised a purchase order so far to the tune of £177,600 and paid that, just to answer your question, Chair. We also have to pay a balance on that refurb work on completion of the same amount, so that is £177,600. Also, recognising what the Minister is saying in terms of uprating of our assets, the R.I.B.s (rigid inflatable boats) that we have been using commercially reached the end of their usable safe life and so we are required to uprate that to a new R.I.B., which was another £83,000 all told. So that is the spend thus far.⁸⁷

On the basis of the information provided the Panel is satisfied to maintain a green RAG rating for this capital programme.

| Replacement Assets and Minor Capital | | | |
|--------------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Improving transport and infrastructure links | Minister for Infrastructure |  |

The purpose of this capital programme is to fund the replacement of Infrastructure, Housing and Environment (IHE) assets and minor capital including major elements of the Energy Recovery Facility, maintenance and renovation of pumping stations, replacement of key fixed assets at La Collette Waste Site, and replacement or servicing of key assets at the Bellozanne Sewage Treatment works.

Six Monthly Report Status - Partial deferral

Previous Scrutiny RAG Rating – Green

Panel analysis

⁸⁷ [Public hearing with the Minister for the Environment, 27 October 2020, p.18-19](#)

The progress update provided in the Government’s 6-month progress review explains that this programme is made up of the replacement of IHE assets and minor capital across Liquid and Solid Waste Sections, including pumping stations, Sewage Treatment Works and the Energy Recovery Facility. The programme is currently on track for delivery.⁸⁸

In written questions to the Minister for Infrastructure, the Panel asked for clarity regarding the delivery of this project, noting that the 6-month progress report provided a partial deferral status for the project, however, the narrative suggested the programme was on track for delivery.

The Minister for Infrastructure:

The funding covers a number of areas including Energy Recovery Facility major maintenance, pumping station replacement assets and refurbishment, plant and equipment replacement etc.

Whilst many projects are continuing, some delays in procurement and supply are being experienced and this will impact on delivery dates of significant plant and machinery. It is hoped that some of the funding can be rolled forward at year end to cater for deliveries which may fall into the following financial year.⁸⁹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|-------|-------|
| 4,333 | 2,862 | 2,668 | 2,565 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 3,500 | 3,500 | 3,500 | 4,000 |

The Panel requested a breakdown of how the 2020 allocation of £4,333 million had been spent and was provided with the following information in a response to written questions from the Minister for Infrastructure.⁹⁰

- £100,000 for HRRC Waste Bin items were classified as revenue items within the Head of Expenditure.
- As part of COVID reprioritisation of capital £164,184 was ‘deferred’ bringing total available funding to £4.068m
- A total of £2.0m was budgeted for ERF Maintenance to ensure the plant is maintained and processing waste. Of this funding a total of £1.592m (at Sept 30) has been spent and /or committed with the remaining funding expected to be used by year-end subject to off-island contractors being able to travel under COVID restrictions.
- £1.4m of capital funding was allocated for Pumping Station and Sewage Treatment Works maintenance to ensure the flows of sewage from around the island can get to Bellozanne and be treated. As of Sept 2020, £0.66m of this funding remained un-used

⁸⁸ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

⁸⁹ [Minister for Infrastructure, Response to Written Questions](#)

⁹⁰ [Minister for Infrastructure, Response to Written Questions](#)

but further amounts will be used prior to year end. Some of this unspent funding will be unrequired contingency due to good risk management.

- *£0.5m was allocated to Replacement of Assets at La Collette Recycling Park, e.g. the Compost Turner (now due for delivery in 2021) and Billing Software.*

Regarding the requested funding for 2021, the Panel noted an increase on last year's projected indicative funding from £2,862,000 to £3,500,000. In written questions to the Minister for Infrastructure, the Panel asked for the reasons for this increase.

The Minister for Infrastructure:

To meet the needs of the Replacement Asset programme, £4.5m was requested as part of the Government Plan Business Cases. Initially the allocated amount was £2.862m. On review with Treasury, this figure has been raised to £3.5m, which is still £1m short of the funding requested for 2021. In addition, pressure on this funding has increased further by the addition of Parks & Gardens capital funding of an estimated £500,000 to replace the pool at Coronation Park. It is highly likely that the original amount of £4.5m will be needed plus the £0.5m for Coronation Park. This leaves Replacement Assets with only £3.5m of the estimated required £5m funding in 2021. Given that this funding is required to keep the Energy Recovery Facility running and Pumping Stations & Sewage Treatment Works in good operating condition, this is a key operational funding area for IHE that currently does not meet anticipated needs.⁹¹

During the Public Hearing with the Minister for Infrastructure it was noted that additional resource had been allocated to this project funding had been increased and that not all funding diversions or changes in funding have been as an impact of the Covid-19 Pandemic.

Head of Finance Business Partnering, Infrastructure, Housing and Environment:

... You will note that there is additional resource allocated to replacement assets and minor capital, for example. We saw that there was a problem with some of our allocations in terms of the overall amounts, that there has been a little bit of a rejig between some of those areas. Replacement assets in particular is one that was giving us cause for concern in terms of overall levels of funding.⁹²

The Panel requested a further breakdown of proposed funding of £3,500,000 for 2021, which the Minister for Infrastructure provided in his response to written questions. A further breakdown of the areas provided in the table below can be found in the Minister's [response](#).⁹³

⁹¹ [Minister for Infrastructure, Response to Written Questions](#)

⁹² [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.18](#)

⁹³ [Minister for Infrastructure, Response to Written Questions](#)

| Breakdown of Proposed 2021 Allocation of Funding for Replacement Assets and Minor Capital | |
|---|-------------|
| | 2021 (£000) |
| Sewage Treatment Works | 365 |
| Pumping Stations | 1,589 |
| Energy Recovery Facility | 1,916 |
| La Collette Recycling Park | 66 |
| Parks & Gardens | 500 |
| Total | 3,500 |

On the basis of the information provided and the clear indication from the Minister that funding is not deemed to be sufficient in this area, the Panel has revised its RAG rating from green to amber. The Panel will monitor this capital project and the related expenditure closely when the next six-month progress review is published, as well as any further funding bids in the next Government Plan for 2022.



FINDING 13

There has been a funding increase from what was projected in the last Government Plan for the Replacements and Minor Capital for 2021 (2,862,000) to what is now being requested for 2021 (£3,500,00), however, the Panel is advised that even this amount might not be sufficient to meet the project's aims and that realistically £5,000,000 is required.

Estates including new Schools

| Estates including new schools (no funding requested in 2021) | | |
|--|------------------------|---------------------|
| Project | Minister(s) | Scrutiny RAG Status |
| Jersey Instrumental Music Service Premises | Minister for Education | (!) |
| VCP replacement school | Minister for Education | (!) |
| Le Squez Youth Centre/Community Hubs | Minister for Education | (!) |
| North of St. Helier Youth Centre | Minister for Education | (!) |
| St. Aubin Fort upgrade | Minister for Education | (!) |
| Mont á l'Abbé secondary school | Minister for Education | (!) |

| | | |
|------------------------------|---------------------------------------|---|
| Review of Greenfields | Minister for Education |  |
| Elizabeth Castle development | Minister for Infrastructure |  |
| Prison – Phase 7 | Minister for Justice and Home Affairs |  |

Panel analysis

The Panel has categorised the above capital programmes for estates including new schools as amber, to indicate that they will be revisited in a future Government Plan when funding is requested. Therefore, amber indicates ‘awaiting further information’. However, the Panel does note particular concerns in the Government Plan 2021-24 in relation to the entire removal of funding for the Elizabeth Castle refurbishment project as outlined below.

Elizabeth Castle Development

Last year, the Government Plan 2020-23 indicated there would be future funding provision in 2022-23 as follows:

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------|------|------|------------|------------|------|
| GP-2020 | 0 | 0 | £1,265,000 | £2,425,000 | - |

The purpose of this future bid for funding was laid out in the 2020 business which explained that the funding would cover:

- Renovation of Victorian Military Hospital as visitor attraction and venue hire
- Renovation of Coal Store as multi-purpose function facility
- Provision of temporary event facilities on the Green
- Renovation of Officers’ Quarters as rental self-catering accommodation
- Pontoon Ferry Access⁹⁴

The 2020 business case also stated:

The building is derelict, economically redundant and deteriorating and has been regarded by the Government of Jersey as a priority for refurbishment since 1980.

The Panel wrote to the Minister for Infrastructure on 6 November to seek clarity on the reason for the removal of this future funding and was advised on 12 November that this particular capital programme fell within the remit of the Minister for Economic Development, Tourism, Sport and Culture. The letter was forwarded onto the Minister to seek further clarity on the matter, however, as at the time of writing this report a response had not been received.

⁹⁴ [R.91/2019](#)

The Panel also wrote to Jersey Heritage to seek their views and to ask what engagement and consultation there had been from Government. The Panel was advised:

We were not involved in discussions on the implications of change during the development of the Plan. We were advised of the final outcome verbally but have received no formal written confirmation of the reasons for the removal or of alternative plans for funding the work.⁹⁵

The topic of funding cuts was raised in an Economic and International Affairs Panel public hearing held with the Minister for Economic Development, Tourism, Sport and Culture on 6 November 2020:

Deputy K.F. Morel:

Thank you. One question is about cuts. I know with some of the projects you have reduced the spend in them and that has been highlighted to us. Have there been any projects that you have chosen to just say: “No, we cannot go ahead with this in order to save money following COVID” or: “We will relook at that in 2 years’ time”, something along those lines? Are there any standout projects?

The Minister for Economic Development, Tourism, Sport and Culture:

...I think the Elizabeth Castle project is an example here where technically we have not made provision for it in the Government Plan but there is a strong support for it from both myself and the Assistant Minister. We have other options. We have fiscal stimulus options that we could apply for. There has been an increase of about £10 million generally in the heritage, arts and culture uplift in funding. That was a result of Deputy Tadier’s proposition to provide 1 per cent of revenue expenditure towards that organisation.

Then I have asked officers to make sure they work more closely with Jersey Heritage because I understand the total money which was requested was not required all in one lump sum. So I think, if I understand it rightly, £1.5 million would be required next year to start the project off and then, of course, I know they have submitted their planning application today for part of it. So there is still a lot of planning and process on that stage...⁹⁶

...

The Minister for Economic Development, Tourism, Sport and Culture:

We have provided for Jersey Heritage, as I understand it - and officers can correct me or fine tune my figures after if I am slightly out - but approximately £1.3 million of additional funding has been provided to Jersey Heritage to help them through COVID-19 because there was a significant impact on their revenue because of it. We have the following bids for fiscal stimulus lined up: refurbishment to the Opera House £1.5 million; refurbishment to the Arts Centre £1.5 million; new agriculture museum and learning centre at Hampton £1.6 million; National Trust project, a refurbishment of

⁹⁵ [Jersey Heritage Submission](#)

⁹⁶ [EIA public hearing with the Minister for Economic Development, Tourism, Sport and Culture, 6 November, p.4-5](#)

Morel Farm £2.5 million; National Trust project ... sorry, that is Morel Farm. That is 2 parts of the £2.5 million, and of course the Elizabeth Castle refurbishment. So outside of the £1.3 million over and above the budget that they have had this year we are planning those fiscal stimulus funding and programmes but we have some more discussions to have around those. This is, of course, subject to the States approving the fiscal stimulus.

Deputy K.F. Morel:

Absolutely, and then there is a process behind fiscal stimulus so they have to go through those processes as well. I did not catch the amount for Elizabeth Castle?

The Minister for Economic Development, Tourism, Sport and Culture:

Well, at the moment we have £1.5 million for 2021 as that is the amount of money we understand they need to get the project up and running, because the fiscal stimulus funding, as you know, has to be out next year, and then the plan is then to revisit the balance of that in next year's Government Plan for 2022 onwards.

...

Assistant Minister for Economic Development, Tourism, Sport and Culture:

One way forward is that we could provide, like the Minister said, £1.5 million for next year to get the work started on Elizabeth Castle. So the total budget for what they would like to do there with the officers' quarters and the old hospital block is £6 million. So we think that the officers' quarters would cost £2.6 million for that whole project and then £3.4 million for the hospital block.⁹⁷

In their submission Jersey Heritage states:

...we remain mindful of the usufruct which states that "In the event of repairs whether urgent or otherwise being required to the Castles or to either of them which will exceed in cost the whole of the Fund the trust may apply to Finance and Economics for additional funding." We consider it our duty under the usufruct to propose investments to maintain the archaeological and historic integrity of the castles and develop their potential for public value. We cannot determine how best such an application for investment is accounted for by the Government. We would welcome any opportunity to work closely with Government in order to identify appropriate means to funds this very long overdue investment programme.⁹⁸

It is clear to the Panel that Jersey Heritage makes a strong case in their detailed [submission](#), as to the benefits Government funding for the refurbishment of Elizabeth Castle could bring to the island. It also appears to be the case from the public hearing with the Minister for Economic Development, Tourism, Sport and Culture that there is a commitment from Government to identify funds, although it does not appear that there has been adequate engagement and communication of this with Jersey Heritage. On this basis, the Panel makes the following recommendations.

⁹⁷ [EIA public hearing with the Minister for Economic Development, Tourism, Sport and Culture, 6 November, p.17-18](#)

⁹⁸ [Jersey Heritage Submission](#)



FINDING 14

Funding of £3.7m which was projected in the capital programme for 2022-23 for refurbishment works of Elizabeth Castle in the 2020 Government Plan has been cut in the 2021 Government Plan projections. No explanation was provided for this in the Government Plan, however the Minister for Economic Development, Tourism, Sport and Culture has indicated that there are other possible funding options available.



RECOMMENDATION 6

The Minister for Economic Development, Tourism, Sport and Culture should clearly outline, in writing, the reasons and potential detrimental effects of the cut in funding to the Elizabeth Castle capital programme in the Government Plan 2021-24 to both the Panel and Jersey Heritage before the end of December 2020.



RECOMMENDATION 7

The Minister for Economic Development, Tourism, Sport and Culture should investigate other possible sources of funding to facilitate the refurbishment project and inform both the Panel and Jersey Heritage, in writing, of any such outcome before the end of Q2 2021.



RECOMMENDATION 8

The Minister for Economic Development, Tourism, Sport and Culture should, without delay, ensure that suitable protocols are put in place to ensure open lines of communication with Jersey Heritage, as well as all key stakeholders, to ensure proper engagement and consultation is carried out.

| Vehicle Testing Centre (Major Project) | | | |
|--|---|-----------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage ➤ Making St. Helier a more desirable place to live, work, do business and visit. ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Improving transport and infrastructure links. | Minister for Infrastructure | |

The purpose of this major project is to create a regime of vehicle testing in order to comply with the UN Vienna Convention on Road Traffic, which was extended to the Island in March 2019. This is an existing major project included in the Government Plan 2020.

Six Monthly Report Status – Deferred**Previous Scrutiny RAG Rating – Amber****Panel analysis**

The progress update provided in the Government’s 6-month progress review explains that this project is on the list of items to be deferred to 2021 in order to release cash-flow.⁹⁹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|-------|-------|-------|
| 250 | 2,000 | 2,925 | 1,300 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|------|
| 2,000 | 3,175 | 1,300 | - |

In written questions to the Minister for Infrastructure, the Panel asked the Minister to provide the spend to date for this project and any further details of how the spend had been allocated. The Minister provided the following response.

Minister for Infrastructure:

Funding was moved to 2021 under the rebalancing proposals¹⁰⁰

Nothing has been spent to date from this capital budget. The Options Appraisal work is in now in progress, but this is not funded from the major capital project¹⁰¹

During the Government Plan public hearing with the Minister for Infrastructure a project update was asked of the Minister.

The Connétable of St. Brelade:

Minister, moving on to the vehicle testing centre, we have funding approval. It indicates that there is a deference until 2021. Can you give us an update on this? Has any of the funding allocation approved in last year’s plan been spent or has the entire project been halted so that the full expenditure is deferred? Where are we with this?¹⁰²

Head of Finance Business Partnering, Infrastructure, Housing and Environment:

There is some work that has been undertaken in the last quarter on the options appraisal. That feeds into this project. Originally it was intended that there would be some design work potentially being undertaken in 2020, partly as a result of - again, like everything else - coronavirus and various projects being temporarily put on hold.

⁹⁹ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

¹⁰⁰ [Minister for Infrastructure, Response to Written Questions](#)

¹⁰¹ [Minister for Infrastructure, Response to Written Questions](#)

¹⁰² [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.19](#)

Some of that work has fallen a bit later in the year, so it is really the options appraisal that is being undertaken at the moment and that will lead into this being kicked off in the early parts of 2021, once that has been considered and the way forward approved.¹⁰³

Noting that a foundation of the business case is to comply with the UN Vienna Convention, the Panel queried how the deferral of this project might impact upon Jersey's obligations. During the Government Plan Public Hearing the following was asked of the Minister for Infrastructure.

The Connétable of St. Brelade:

How does the deferral of this project impact upon our obligations to introduce vehicle testing in compliance with the Vienna Convention?¹⁰⁴

Acting Director General, Infrastructure, Housing and Environment:

I can certainly answer that, Chairman. We have commenced compliance with the Vienna Convention by virtue of motorcycle testing, so that is taking place. We are starting to test those types of vehicles and we have put it in law, so that is the other part of the main compliance for us as a jurisdiction and we are working towards that delivery. We are compliant and we are working towards, I guess, full compliance or full delivery of that promise. Yes, we are comfortable where we are from a legal perspective.¹⁰⁵

The Business case for this project explained that an options appraisal study would be undertaken to determine the best option for delivery. It was anticipated that an agreed business case and delivery model would be established before the end of 2019.

The Panel asked within written questions to the Minister for Infrastructure when the options appraisal was due to be completed.

The Options appraisal project began in March 2020, but was quickly deferred as a result of Covid. It has recently been restarted and the current programme identifies that this work will be completed in March 2021.

Within the proposed Government Plan 2021-24 it explains that a phased approach to inspections has been agreed and it is currently anticipated that periodical technical inspection of all vehicles in Jersey will be in place by 2022. It further explains that the funding request addresses a likely scenario that a test centre will be required to undertake inspections on this scale. Although it is expected that the test centre will be self-funding, it also assumes that government will be required to provide the initial capital funding required for construction, which will commence in 2021.¹⁰⁶

Considering the assumption that the government would be required to provide the initial capital funding for construction, which will commence in 2021, the Panel asked whether the Minister

¹⁰³ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.19](#)

¹⁰⁴ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.19](#)

¹⁰⁵ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.19](#)

¹⁰⁶ [Proposed Government Plan 2021-24](#)

was confident that the construction would be able to commence in 2021 without the options appraisal being completed. The Minister provided the following response.

*The actual construction of a vehicle test centre (if required) will not begin in 2021. However, if a test centre is required, planning and design will have to begin in 2021, which will require a budget for design team and other consultant fees. In addition, if the requirement can be met through alternative means than construction (such as the purchase or rental of an appropriate building), then budget will be required to support this approach.*¹⁰⁷

The Panel enquired whether any consultation had been undertaken with the motor industry in relation to the options appraisal and procurement process prior to the deferral of the project. The Minister provided this response.

*Consultation with the industry is an integral part of the options appraisal project and was originally planned during April and May 2020. The deferral of the project at a very early stage meant that this did not take place. Now the project has recently been re-started, consultation with the industry is in the process of being planned and will take place through a survey and the opportunity to attend open forums (subject to any Covid restrictions).*¹⁰⁸

Regarding the skills required to deliver the vehicle testing regime the Panel queried what consideration was being given to ensure the skills shortage would be addressed. Additionally, whether consideration had been given to whether the funding was adequate to deliver education and training in this area of expertise. Noting that this aspect of the project would include the remit for the Minister for Education, the Panel questioned whether there was joined up working with the Minister for Education regarding this.

*Conversations with Skills Jersey & Highlands have not taken place yet, but form part of the Options Appraisal project. DVS is currently in the process of identifying the skills requirements and training required for the inspection of vehicles and this requirement will form part of the consultation with the industry. It is also planned that these skills requirements will be discussed with Skills Jersey and Highlands College to enable the consideration of options for developing the required skills going forward.*¹⁰⁹

On the basis of the information provided, the Panel maintains its amber status until further information can be provided, primarily the outcomes from the options appraisals study, and ultimately once it is confirmed as to whether the testing facility and associated costs are required.



FINDING 15

The Vehicle Testing Facility Capital (Major) Project has been deferred in full, including the associated funding. The outcome of the Options Appraisal study is likely to be known in March 2021.

¹⁰⁷ [Minister for Infrastructure, Response to Written Questions](#)

¹⁰⁸ [Minister for Infrastructure, Response to Written Questions](#)

¹⁰⁹ [Minister for Infrastructure, Response to Written Questions](#)

| Prison Improvement Works – Phase 6b | | | |
|-------------------------------------|---|---------------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Promoting and protecting Jersey's interests, profile and reputation internationally | Minister for Justice and Home Affairs |  |

The purpose of this project is to fund the Prison Improvement Works Phase 6b which involves the demolition of A, B and C wings and the relocation of the Atlas Lock Hub.

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that La Moye Prison opened in 1974. In 2002 work started on a redevelopment plan to bring the facilities in line with current Home Office standards and best practices. Phase 6B includes the demolition of some disused cell blocks. A planning permit has been granted for the work which is on track.¹¹⁰

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|------|------|------|
| 1,714 | 90 | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 90 | - | - | - |

Within written questions to the Minister for Home Affairs the Panel asked the Minister to clarify the spend to date, noting that the progress update provided in the Government's 6-month progress review had given a status for the project of 'on track'. The Minister provided this response.

Minister for Home Affairs:

*The current spend is £7026.00 and relates to consultant/planning fees. A planning application was submitted in June 2020. A number of queries have recently been raised and these are presently being resolved. Accordingly, planning permission remains outstanding.*¹¹¹

¹¹⁰ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

¹¹¹ [Minister for Home Affairs, Response to Written Questions](#)

The Panel queried whether the funding allocation of £90,000 for 2021 would be sufficient for the work required and if it was the Ministers expectation that the work would be completed before the end of 2021.

Minister for Home Affairs:

It is envisaged that the tender process will be completed by mid/end December – with a commencement date (on site) in early January 2021. The contract period is estimated at between 8 and 10 months – so it is anticipated that the works will be fully completed by the end of 2021. At this stage, there is no reason to expect it will not be delivered within budget.¹¹²

Noting that the funding allocations has remained unchanged for 2021 and having reviewed the supporting information provided, the Panel is satisfied at this time to maintain the green RAG rating for this project.

| Prison – Phase 8 | | | |
|-----------------------------------|---|---------------------------------------|--|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Promoting and protecting Jersey's interests, profile and reputation internationally | Minister for Justice and Home Affairs |  |

The purpose of this project is to create a new Out Placement Unit (on the Prison Estate, but outside the main security fence) and the replacement of the outer security fence (which will be circa 50 years old, and requires replacement due to weathering / rusting of main upright posts) and completion of the hard landscaping for the Gate House and the out placement unit. The proposed new building will be situated in the car park area and could commence on completion of Phase 6.

Six Monthly Report Status – N/A

No funding was requested for this project in the Government Plan 2020-23, so no update was provided in the Government's 6-month progress review for this project.

Previous Scrutiny RAG Rating – Amber

Panel analysis

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|-------|------|
| - | 666 | 1,609 | 133 |

¹¹² [Minister for Home Affairs, Response to Written Questions](#)

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|-------|------|------|
| 666 | 1,609 | 133 | - |

Within written questions to the Minister for Home Affairs the Panel requested a breakdown of use of the £666,000 funding that was requested for 2021 from the Minister. The Minister provided this response.

*The £666K will cover feasibility, planning and initial enabling work costs.*¹¹³

Noting that the business case for this project anticipated for it to commence on completion of Phase 6, the Panel queried the rationale for progressing Phase 8 prior to Phase 7 which involved requesting of funding for Phase 8 in 2021 with indicative funding given for Phase 7 in 2023. In a response to the Panels written questions the Minister provided the following response.

*Phase 7 in the Master Plan was the ‘consolidated’ multi-purpose building that included the new workshops, segregation and healthcare units. Phase 8 was the pre-release unit. It was subsequently agreed (after the Master Plan was completed and during the bidding process) that the pre-release unit was more of a priority for the Prison and that it could be constructed at the end of phase 6 and would allow all of the external works to be completed.*¹¹⁴

As funding had not been requested for 2020, the Panel had given this project an amber RAG rating in last year’s Government Plan to indicate it would be revisited when funding was requested. The funding allocation of £666,000 put forward in the Government Plan 2020-23 has been maintained at the same amount for 2021 in the Government Plan 2021-24. On reviewing the supporting information available, the Panel is satisfied to provide a green RAG status for this project.

| Conversion Courtroom 1 – Magistrates Court | | | |
|--|---|----------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ Promoting and protecting Jersey’s interests, profile and reputation internationally | Chief Minister |  |

The purpose of this project is to enhance the capability of Courtroom 1 within the Magistrates Court Building to accommodate an Assize trials (Jury Trial). At present only the Royal Court Building can accommodate an Assize trial.

Six Monthly Report Status – Deferred

Previous Scrutiny RAG Rating – Green

Panel analysis

¹¹³ [Minister for Home Affairs, Response to Written Questions](#)

¹¹⁴ [Minister for Home Affairs, Response to Written Questions](#)

The progress update provided in the Government’s 6-month progress review explains that the Project is intended to increase the size and functionality of Court Number 1 in the Magistrate’s Court to allow it to be used as a Jury Trial room. No work has yet to be undertaken and it has now been deferred to 2021.

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
| 450 | - | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 440 | - | - | - |

It was unclear as to whether the difference between the 2020 and 2021 funding allocations was due to a reduction in the funding allocation of £10,000, or if additional funding was being sought. The project had been deferred from 2020 to 2021 and the progress update specified that no work had yet been undertaken in 2020.

For clarity, in written questions to the Chief Minister, the Panel requested further information regarding the project’s progress and the funding allocated to it for 2020 and 2021 as follows.¹¹⁵

The Environment, Housing and Infrastructure Panel:

We note this capital programme has been deferred in full with no work due to be undertaken until 2021. Has the funding of £450,000 approved for this in the 2020 Government Plan been ring-fenced or diverted? If diverted, how and when do you expect this will be recovered?

The Chief Minister:

As part of the “Halt, Defer, Reduce” programme initiated in 2020 to help provide funding for the unexpected costs of dealing with the pandemic, we were advised that very little work would be undertaken in 2020. The request sum of £440,000 is included in Government Plan 2021-2024.

The Environment, Housing and Infrastructure Panel:

Additional funding of £440,000 is being sought in the 2021 Government Plan. Please could you advise what this will cover and the rationale as to why further funding is required?

The Chief Minister:

Again, this is not additional funding but rather the requested funds deferred from 2020 into 2021. We can confirm that the capital sum is to be used both for the costs of the

¹¹⁵ [Chief Minister, Response to Written Questions](#)

alterations to the building to facilitate the use by the Royal Court (circa £262k) and for the installation of the necessary technology and infrastructure (£178k).

On reviewing the information available as well as the information provided in response to the Panel’s written questions, the Panel notes a lack of clarity, particularly with the discrepancy of £10k less funding allocated for 2021. Although the Panel is satisfied with the funding proposal, there should be a clearer update in the business case in relation to the funding allocation for 2021 representing a complete deferral of funds from 2020 to 2021 if no work has yet been undertaken. Alternatively, the £10,000 difference in funds should be accounted for. For this reason, the Panel has revised its rating for this project from Green to Amber.



FINDING 16

There is a lack of clarity in the reduced funding proposal for the deferred status of the Courtroom 1 – Magistrates Court capital project in relation to a discrepancy of a reduction in £10k which does not appear to be accounted for.



RECOMMENDATION 9

The Chief Minister should, by end of Q4 2020, provide an explanation as to the rationale for the £10k reduction in funds from what was anticipated in the 2020 Government Plan to what is being requested now. Further consideration should also be given as to how, in future Government Plans, the figures can be provided with clear explanation as why they might differ from previous year’s projections.

| Piquet House – Family Court | | | |
|-----------------------------------|-------------------------|-----------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| Unknown | Unknown | Non-Ministerial | |

The purpose of this project is to provide appropriate and modern facilities, closely located to the Royal Court Building, for hearings of the Family Court, by converting Piquet House into a Family Court Centre.

Six Monthly Report Status – N/A

The progress update provided in the Government’s 6-month progress review explains that the project was deferred as it was deemed to be of a lower priority to either other planned activity or activity arising in response to Covid-19, much of which required a change to the utilisation of resource whether through staff redeployment or financial re-profiling.

Previous Scrutiny RAG Rating – Amber

Panel analysis

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|
|------|------|------|------|

| | | | |
|---|-------|-----|---|
| - | 1,071 | 779 | - |
|---|-------|-----|---|

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|------|------|------|
| 1,071 | 779 | - | - |

It was confirmed through a response from the Chief Minister to the Panel's written questions that the prefeasibility study for this project had been completely deferred from 2020 and that the allocation of £150,000 for 2020 had been deferred to 2021. The Minister anticipated that these funds would be utilised in 2021 subject to project support being allocated to this project. Additionally, the Chief Minister anticipated that no further funding for the prefeasibility aspect of this project would be required for 2022.

Considering that the feasibility study has not yet been undertaken for this project, the Panel queried with the Chief Minister as to why funding had been requested for the capital project for 2021 prior to the outcome of the feasibility study being known.¹¹⁶

There is an expectation that the prefeasibility study is unlikely to conclude that the project is unable to be undertaken given that it is anticipated to merely clarify the professional costs associated with the alterations to the building. This confidence is bolstered by the fact that we have already received reports Axis Mason (architects who provides a feasibility study) and Southern Projects (quantity surveyors who provided a feasibility estimate). We therefore made a capital bid accordingly.¹¹⁷

Moreover, the Panel requested a breakdown of how the funding allocation for 2021 would be utilised.

The sum represents the total expected alteration work costs to the physical building (not fit out costs), to turn Piquet House into a family court facility.¹¹⁸

The Panel notes that no funding had been requested for this project in the Government Plan 2020-23 for 2020. After reviewing the information available including the responses received to the Panel's written questions, the Panel is minded to maintain its amber RAG Status for this project. Although there is an expectation that the prefeasibility study is unlikely to conclude that the project is unable to be undertaken, without the outcome of the feasibility study being known, there is a degree of uncertainty in regard to whether the funds would be sufficient for the project's requirements.



FINDING 17

Although it is accepted that there is an expectation that the prefeasibility study for the Picquet House Family Court capital project is unlikely to conclude and that the project is unable to be undertaken, without the outcome of the feasibility study being known, there remains a degree of uncertainty in regard to whether the funds would be sufficient for the project's requirements.

¹¹⁶ [Chief Minister, Response to Written Questions](#)

¹¹⁷ [Chief Minister, Response to Written Questions](#)

¹¹⁸ [Chief Minister, Response to Written Questions](#)

| Dewberry House (SARC) | | | |
|-----------------------------------|--|---------------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Making St. Helier a more desirable place to live, work, do business and visit | Minister for Justice and Home Affairs |  |

The purpose of this project is to create a fit for purpose facility. Significant issues have been identified in relation to the current facility including the lack of disabled access and the environment being unsuitable for children and young people. Due to the limitations of the property, Dewberry House, the funding is to explore the potential to either move the referral centre to an alternative existing location or develop a new building. The latter would release Dewberry house for disposal or alternative use.

Six Monthly Report Status - Partial deferral

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the feasibility scoping is currently in progress and due to complete by the end of 2020.¹¹⁹

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|------|------|
| 1,000 | 1,550 | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|------|------|------|
| 1,800 | 500 | - | - |

Noting that the Government progress update in the Government's 6-month progress review provided limited information, within written questions to the Minister for Home Affairs, the Panel requested further information and clarity on which aspects of the project were deferred and what the spend had been to date.¹²⁰

The unavailability of Jersey Property Holdings Project Management resources and lockdown have delayed the commencement of the feasibility study. This has now been resolved and the feasibility study has recently commenced. It is hoped the study will be complete by the end of Q1 2021. The spend to date has been minimal (less than

¹¹⁹ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

¹²⁰ [Minister for Home Affairs, Response to Written Questions](#)

£10K). The Project Management and Architectural Services are being provided from JPH. Recharges occur quarterly in arrears.

Regarding the funding allocation for 2021, the Panel requested the Minister provide a breakdown of how the funds would be used:

The £1.8 million is one of three tranches: £250K in 2020 (to undertake the feasibility study); £1,800,000 in 2021 and £500,000 in 2022. The total budget is therefore £2.55m. As the site of the new SARC is currently unknown this is an estimated build cost for a new SARC, with provision to acquire a new site, if required, up to 750k.

Noting a £250,000 increase in the funding allocation for 2021 in this year’s Government Plan compared to the estimated allocation for 2021 in last year’s plan, the Panel asked the Minister to explain the reason for the increase and was advised:

The figure of £1.8 million reflects the fact that the funding of £250,000 for 2020 was deferred to 2021 and the 2020 funding has been added to the money allocated for 2021.

The Panel questioned whether the funding would be sufficient to meet the aims of the project and whether the project could be delivered while ensuring value for money and was advised:

The current estimate is based on the preliminary assessment of the spatial requirements needed for a new SARC and based on a square metre build rate. The outcome of the feasibility study will be to verify this.

...

A Project Manager has been appointed and a Project Board is presently being established. One of their objectives will be to ensure that this project delivers value for money, whilst ensuring we have a facility that meets all of the requirements. Additionally, the feasibility study will review and validate the current ‘business case brief’ and spatial needs. It is proposed to benchmark this new facility with similar facilities in the UK – and if possible, in similar jurisdictions.

On the basis of the information provided the Panel is satisfied to maintain a green RAG rating status for this capital programme.

| Five Oaks Refurbishment | | | |
|-----------------------------------|-------------------------|---|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ No link | Minister for Health and Social Services |  |

The purpose of this project is to fund a number of urgent works required to be undertaken to services at the Five Oaks Site that support the operation of the General and Acute Hospital and other healthcare buildings. The buildings that house these key support services are in a

poor condition with failing mechanical and electrical systems. Whilst not ‘front line’ service delivery properties, these facilities deliver essential services to support the operation of those services and have limited resilience should they fail for any length of time. The service infrastructure is at the end of its useful life and requires replacement and upgrading to ensure the facilities can remain operational.¹²¹

Six Monthly Report Status - On track

Previous Scrutiny RAG Rating – Green

The progress update provided in the Government’s 6-month progress review explains that the replacement of two steam boilers and the installation of site-wide back-up electrical generation to increase site resilience for essential HCS services at Sterile Services and Laundry. A M&E Design team has been appointed and a tender is being developed.

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|------|------|
| 2,000 | 1,500 | - | - |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|------|------|------|
| 2,550 | - | - | - |

Noting that an ‘on track’ progress rating was attributed to this project in the Government’s 6-month progress review, in written questions to the Minister for Health and Social Services, the Panel requested further information in relation to the spend to date and when the project would be complete.¹²²

The project is currently on track following a revised timeline that was implemented in Q3, due to the impact of Covid-19. Tenders were returned 16th October 2020. Tender review and procurement underway. £190k spent to date with a year-end forecast spend of £950k. The original programmed completion date of December 2021 is still available following detailed design and delivery reviews.

The Panel requested a breakdown of how the funding allocation for 2021 would be used and the Minister for Health and Social Services confirmed that the request for funding for 2021 is to ensure the project can be completed, and provided the breakdown of the £2,550,000 as follows.¹²³

| Breakdown of Proposed 2021 Allocation of Funding for Five Oaks Refurbishment | |
|---|-------------|
| Elements | 2021 (£000) |
| Professional Fees | 254 |
| Statutory Fees | 57 |

¹²¹ [R.91/2019 – Government Plan 2020-2023: Further Information on Additional Revenue Expenditure and Capital and Major Projects Expenditure, p.157](#)

¹²² [Minister for Health and Social Services, Response to Written Questions](#)

¹²³ [Minister for Health and Social Services, Response to Written Questions](#)

| | |
|-------------------------------|-------|
| Boilers | 1,300 |
| Fire Alarm improvements | 85 |
| BMS improvements | 87 |
| Steel Frame to new plant room | 148 |
| Main Contractor Works | 350 |
| Contingency | 215 |

The Panel notes that last year it wrote to the Minister requesting clarification as to whether the funding allocation for 2020 was solely £2,000,000 as there was a discrepancy between page 149 of the Government Plan 2020 and R.91/2019, the latter of which indicated that funding approval of £1,500,00 for 2021 was also being sought in the 2020 Plan, however a response was not received.

In written questions, once more, the Panel requested the Minister please clarify the above. In addition, the Panel requested that the Minister clarify the rationale for why the 2021 funding had increased to £2,550,000 from what was anticipated last year (£1,500,000).¹²⁴

Funding for 2020 originally requested £2,000,000, however, with the unfortunate events of the Covid 19 pandemic, there was industry-wide impact on service output and our procurement to contract was delayed. The request to change funding is to suit the reworking of programme delivery. The total cost (3.5m) is unchanged and the design team have managed to mitigate delay in overall programme delivery.

The Panel notes that the breakdown of the £3.5 million for the improvements was outlined in R.91/2019 as follows.¹²⁵

| Funding Breakdown for Improvement Works | |
|---|--------------|
| Requirement | (£000) |
| The Central Sterile Stores Department | 1,000 |
| Hospital Central Stores Facility | 600 |
| Central Laundry Service | 1,900 |
| Total | 3.500 |

The Panel asked the Minister whether he was confident that the level of funding requested for 2021 was sufficient to enable the project to meet its stated aims. In his response, he was affirmative that it would be sufficient.¹²⁶

Regarding how the project will be delivered to ensure value for money, the Minister provided this response to the Panel's written questions in that regard:

¹²⁴ [Minister for Health and Social Services, Response to Written Questions](#)

¹²⁵ [R.91/2019 – Government Plan 2020-2023: Further Information on Additional Revenue Expenditure and Capital and Major Projects Expenditure, p.157](#)

¹²⁶ [Minister for Health and Social Services, Response to Written Questions](#)

The project team has followed GoJ procurement processes to ensure that this project achieves value for money. The design team has also worked to maximise the use of the space available, to improve operational adjacencies and have specified materials already used across HCS, thus available in the local market. The replacement and upgrade of the mechanical and electrical services (M&E) is required as they have reached the end of their lifecycle; the replacement will improve the operational and maintenance running costs of the M&E services. This project will support the existing hospital and the new hospital when available in delivering critical frontline support.¹²⁷

In view of the information available and further information received through responses to written questions, the Panel is satisfied to maintain the green RAG rating for this project. The funding allocation for 2021 in the Government Plan 2021-24 has increased in relation to the allocation that was proposed for 2021 in the Government Plan 2020-23, however, this increase has not impacted the overall funding allocation of £3.5 million for the improvements works set out. The Minister is confident that the requested funding will be sufficient to meet the project's aims and has outlined steps being taken to ensure value for money when delivering the project.

| Rouge Bouillon Site Review Outcome | | | |
|------------------------------------|-------------------------|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ | ➤ | Minister for Infrastructure |  |

The purpose of this project is to develop a plan for the Rouge Bouillon site (The former Police and Fire Service site is adjacent to the existing Rouge Bouillon School Site). The buildings on the site are ageing, of generally poor quality and are not fit for purpose. In the Government Plan 2020-2023, this project was categorised as one that would likely be deemed a major project in future plans. It would address long-standing deficiencies in the public estate and reshape the delivery of services to Islanders and other service users.

Six Monthly Report Status –N/A

Previous Scrutiny RAG Rating – Amber

Panel analysis

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|-------|-------|-------|
| - | 2,000 | 5,000 | 7,000 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 2,000 | 5,000 | 7,000 | 8,000 |

¹²⁷ [Minister for Health and Social Services, Response to Written Questions](#)

In written questions to the Minister for Infrastructure the Panel asked the Minister how the funding amount requested for 2021 for the site review had been calculated. The Minister responded as follows.¹²⁸

The £2m is a holding amount. Two schemes bid for funding as part of Government Plan 2020-2024 for the same site. Money was added in pre-feasibility to allow for a site review to be undertaken. Once that review has been done, the best scheme for that site will be asked to re-visit their business case and funding needs will form part of that refresh

The Governments 6-month progress report noted that the prefeasibility study for this programme was underway, however had been partially deferred.¹²⁹

The Panel asked the Minister for Infrastructure to provide the spend to date for the site review and to provide any further details of how the spend had been allocated. In a response to written questions the Minister provided the following response.

Minister for Infrastructure:

*Pre-feasibility funding identified in GP20 not yet drawn down as existing relocation budget funding works in 2020.*¹³⁰

The Panel asked the Minister for Infrastructure how the amount requested for 2021 could be determined without the prefeasibility work being completed. The Minister noted that the sum had been assigned within the 2020 Government Plan and the amount had been maintained in the 2021 plan.¹³¹

The Panel notes that the funds requested for 2021 have remained unchanged from the forecasted funds within the last year's Government Plan. As the prefeasibility study for this project is still to be completed, and the outcome from it remains unidentified, the Panel is minded to maintain the amber RAG rating for this programme. The Panel requires further information in relation to the outcome of the prefeasibility study for the site review and the plans for the Rouge Bouillon Site Review Outcome to determine whether the forecasted funds are reflective of the requirements.



FINDING 18

With the outcome of the prefeasibility study currently unknown, there remains a degree of uncertainty in regard to whether the funds would be sufficient for the requirements of the eventual Rouge Bouillon site outcome.



RECOMMENDATION 10

The Minister for Infrastructure should provide the Panel, by the end of Q4 2020, with further information as to how the proposed funds have been calculated and determined given that the outcome of the prefeasibility and the future use for the Rouge Bouillon site is unknown.

¹²⁸ [Minister for Infrastructure, Response to Written Questions](#)

¹²⁹ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

¹³⁰ [Minister for Infrastructure, Response to Written Questions](#)

¹³¹ [Minister for Infrastructure, Response to Written Questions](#)

Trading Funds

| Jersey Fleet Management | | | |
|-----------------------------------|---|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | <ul style="list-style-type: none"> ➤ Promoting and protecting Jersey's interests, profile and reputation internationally ➤ Making St. Helier a more desirable place to live, work, do business and visit ➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage ➤ Improving transport and infrastructure links | Minister for Infrastructure |  |

The purpose of the Jersey Fleet Management trading operation is to manage the acquisition, maintenance, servicing, fuelling, garaging and disposal of vehicles and mobile plant and machinery. Charges are set to recover the up-front cost of the asset, routine maintenance and servicing, and the costs of managing the fleet operations.

Six Monthly Report Status – On track

Previous Scrutiny RAG Rating – Amber

Panel analysis

The progress update provided in the Government's 6-month progress review explains that the allocation of the funding in the Government Plan is for the procurement of vehicle and plant replacement and supplements pre-existing allocations made in previous years but not yet fully expended. Jersey Fleet Management (JFM) now procures all vehicles for Government, however as several departments are going through restructuring as part of their TOMs there are knock-on delays in committing to new or replacement vehicle assets and the associated revenue leasing charge. This will result in JFM carrying forward unallocated budgets.¹³²

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|-------|-------|-------|-------|
| 1,000 | 1,000 | 1,000 | 1,000 |

¹³² [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 1,000 | 1,000 | 1,000 | 1,000 |

Noting that the progress status provided in the Government’s 6-month progress review specified this project as ‘on track’, and in light of the delays highlighted an unallocated budget, the Panel asked the Minister for Infrastructure why the ‘on track’ status was provided for this project instead of a ‘delayed’ status. The Minister provided the following response:

There are many vehicle replacements undertaken during the course of the year and there are a mix of statuses including “on track” and “delayed”. Priority vehicle replacements are continuing.¹³³

The Panel asked when the work on the project was anticipated to be completed by and was advised that there is a rolling programme of vehicle fleet replacement.¹³⁴

The Panel is minded to maintain its amber rating for this project. Considering the delays experienced in committing to new or replacement vehicle assets and the associated revenue leasing charge, as well as a resultant carrying forward of unallocated budgets, there is a degree of uncertainty regarding the allocations. The Panel requests that further detail be provided in future Government Plans in relation to the distribution of funds across the Fleet Management programme.



FINDING 19

In relation to Fleet Management, there have been delays experienced in committing to new or replacement vehicle assets and the associated revenue leasing charge. As well as a resultant carrying forward of unallocated budgets, there is a degree of uncertainty regarding the allocations.



RECOMMENDATION 11

The Minister for Infrastructure should ensure that further detail be provided in future Government Plans in relation to the distribution of funds across the Fleet Management programme.

| Jersey Car Parking | | | |
|-----------------------------------|-------------------------|-----------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| ➤ No link | ➤ None provided | Minister for Infrastructure | |

The purpose of the Jersey Car Parking is to provide public parking facilities funded through the collection of parking revenue and fines. The programme not only extends the life of the buildings but also ensures that the facilities can as far as possible, meet the needs of the motoring public. The business cases included funding for maintenance and refurbishment as well as the modernisation of car parks. Funding had been allocated for 2022-23 for Car park

¹³³ [Minister for Infrastructure, Response to Written Questions](#)

¹³⁴ [Minister for Infrastructure, Response to Written Questions](#)

modernisation plans, however decisions regarding this funding had not been required at the time of last year's plan.

Six Monthly Report Status – Deferred

Previous Scrutiny RAG Rating – Green

Panel analysis

The progress update provided in the Government's 6-month progress review explains that work on the modernisation has been deferred subject to post-COVID-19 budgets being agreed and the recommencement of Island Public Realm work, to which it is interlinked. Work to restart these projects will form part of the restart review for the Island Public Realm.

The below tables provide an overview of the funding allocations that were proposed in the 2020-23 plan against what is now being proposed in 2021-24 plan:

Funding allocations approved in Government Plan 2020-2023 (£000):

| 2020 | 2021 | 2022 | 2023 |
|------|------|-------|-------|
| 553 | 22 | 6,040 | 3,058 |

Funding allocation requests in Government Plan 2021-2024 (£000):

| 2021 | 2022 | 2023 | 2024 |
|------|-------|-------|-------|
| - | 3,000 | 3,000 | 3,750 |

In written questions to the Minister for Infrastructure the Panel asked the Minister for the spend to date for this project and further details of how the spend had been allocated. The Minister responded as follows:

Spend to date is £335,503.17 and costs allocated are for Planning & design, Feasibility study, Project Management, Engineers fees and Computer Hardware.¹³⁵

| In Year Spend to October 2020 for Jersey Car Parking (£000) | |
|--|---------|
| Car Park Maintenance / Refurbishment | 233,225 |
| Car Park Modernisation | 112,799 |

During the public hearing with the Minister for Infrastructure, the Panel questioned the Minister regarding the decision taken to defer the car park enhancement and refurbishment works, as well as the necessity to link the car parking enhancement and the restarting of the Island Public Realm work. The Panel was advised:

Head of Transport, Infrastructure, Housing and Environment:

What I can say about the Island public realm and its tie-in to the car park modernisation work is that we are going through a re-scoping exercise at the moment, which we are reporting back to the Regeneration Steering Group to see what we can best achieve

¹³⁵ [Minister for Infrastructure, Response to Written Questions](#)

within the cash envelope that we have got available to us. In terms of the car park, a lot of the money that was on modernisation went into concrete degradation to protect the car park, but also to brighten and modernise the inside. That programme remains ongoing, so the preservation of the assets themselves¹³⁶

Regarding the impact of the Covid-19 pandemic on the Jersey Car Parking Trading Fund the following is noted in the progress update provided in the Government's 6-month progress review:

The JCP trading operation has been significantly impacted by the coronavirus pandemic, with a reduction in parking experienced in the week running up to the “stay at home” instruction and parking charges and minor enforcement notices waived from 23 March. Parking charges were reinstated on 1 July but there continues to be an impact with many businesses only having reduced staff numbers in offices at any one time and a view that working from home may become a more permanent solution. This could have a disproportionate impact on JCP revenues depending on the number of private spaces that can be utilised by these businesses for their staff. At present it is expected that JCP will suffer a reduction in income of £3.1 million compared to budget and the situation will continue to be monitored. It is therefore expected that the JCP trading operation will not generate any funds this year to put towards capital refurbishment and enhancement of the parking estate. The new public car park construction at Anne Court (as part of the Andium Homes development of the site) temporarily shut down during the initial “stay at home” period but has now recommenced. At the time of producing this report it was not known whether this temporary shutdown would increase the costs of the project.¹³⁷

As this project has been deferred and no funding allocation for 2021 has been made within the Government Plan 2021-24, the Panel is satisfied to maintain its green RAG rating for this project. Due to the pandemic's impact on JCP to generate sufficient funds this year and the anticipated impact that this may have on its capacity to fund capital refurbishment and enhancement of the parking estate going forward, the Panel requests that further information be provided regarding the potential impact of this on the allocation for funding in future Government Plans.



FINDING 20

The Jersey Car Parking Fund has suffered a loss of income due to the Covid-19 pandemic which is likely to impact significantly on its capacity to fund capital refurbishment of the parking estate going forward.



RECOMMENDATION 12

The Minister for Infrastructure should, by the end of Q1 2021, provide further information to the Panel regarding the potential impact the lack of sufficient funds is likely to have on the allocation of funding for the Jersey Car Parking Fund in future Government Plan bids.

¹³⁶ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.21](#)

¹³⁷ [R.89/2020, Government Plan 2020-23: Six-month progress review, 28 August 2020](#)

8. New Programmes and Capital Projects Identified in the Government Plan 2021 – 2024

New Programmes Requiring Additional Revenue Expenditure

The table below identifies the programmes that will receive first-time investment in 2021 and were therefore not included in the Government Plan 2020-23.

| New Additional Revenue Expenditure Programmes: Government Plan 2021 - 2024 | | | | |
|--|---------------|-------------|---|------------------------|
| Programme | CSP reference | Page number | Scrutiny RAG Status | 2021 Allocation (£000) |
| COVID-19 Bus Contract | CSP5-C-01 | 90 |  | 2,000 |
| Natural Environment – Water | CSP5-2-04 | 93 |  | 300 |
| Marine Resources Management | CSP5-2-05 | 96 |  | 250 |
| Refurbishment of 28-30 The Parade | OI3-20 | 88 |  | 1,141 |

New Capital Expenditure in the Government Plan 2021 - 2024

There is no new capital expenditure which has been assigned to the Environment, Housing and Infrastructure Panel to scrutinise.

Reports on New Programmes Requiring Additional Revenue Expenditure

The following section provide the Panel's analysis of each new additional revenue expenditure project.

| GP21-OI3-20 - 28-30 The Parade | | | |
|--|--|-----------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> None known | <ul style="list-style-type: none"> A modern, innovative public sector | Minister for Infrastructure |  |

Business Case: Overview

The Government Plan 2021-24 states: ‘We will continue to pay for the rent of 28-30 The Parade to provide flexibility as part of a longer-term estate strategy’¹³⁸ and seeks to secure funding to meet these aims as follows:

(£000)

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|-------|-------|
| 1,141 | 1,141 | 1,141 | 1,141 |

During the public hearing with the Minister for infrastructure the Panel sought clarity regarding who the lead Minister was for this Project. It was affirmed that the Minister for Infrastructure was the lead Minister.

Director of Property, Jersey Property Holdings:

Yes, Chairman, in common with the majority of the property that is being used by the public or the Government, Property Holdings facilitate and administer the actual ownership of the premises, so directly the Minister is responsible for them and he will have gone through a process, Standing Order 168, to take on premises like these. We are responsible, we hold the liability and we endeavour to accrue income from other departments that use the building...¹³⁹

It was explained that The Parade had been procured in 2018 for the last hospital project and its lease had been evolving.¹⁴⁰

Regarding its use, in addition to it having been used to house the Covid-19 track and trace teams, it is had been used for the Council of Minister’s meetings. It was emphasised that as far as was possible, the building would be used constructively and to try to obtain an income from those departments that use it. It was noted that consideration would be given to how the building could be used to relocate people, perhaps, from Overdale and other departments around the Health estate.¹⁴¹

Concerning the funding allocation, it was explained that the sum of money over the four years of the Government Plan would cover the rent as well as a service charge. However, the intention was to recoup the money from the relevant departments that use the building.¹⁴²

The Panel queried whether the arrangement offered the best value for money for the taxpayer.

Director of Property, Jersey Property Holdings:

I think it was negotiated at the time of the hospital project and it is one that we are stuck with, so it is one that we are trying to optimise to our best ability.

It was further explained by the Head of Finance Business Partnering, Infrastructure, Housing and Environment that the funding for this project was originally contained within the Future

¹³⁸ [Government Plan 2021-24, p.74](#)

¹³⁹ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.14](#)

¹⁴⁰ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.14](#)

¹⁴¹ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.14](#)

¹⁴² [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.14](#)

Hospital Project budget and since the termination of that project the funding was no longer available for this. Therefore, the bid for the funding was now required.¹⁴³

The Connétable of St. Brelade:

Do you anticipate it perhaps being used for the new hospital project?

Director of Property, Jersey Property Holdings:

Yes, I think so. That was the point that I was trying to make. There are departments that are in operation up at Overdale. There are also other departments in Health around the Island that may require rehousing as a result of the hospital project, so we are working very closely with the Health team and with a number of other departments as well to make sure that the building is used.¹⁴⁴

In view of the information available, the Panel has provided an amber RAG status for this programme and the 2021 funding bid. As the exact purpose for how the Parade building will be used, or the income it will generate, is uncertain at present, this information should be identified in future government plans to ensure the arrangement is offering value for money.



FINDING 21

The exact future use of the 28-30 Parade office building is uncertain at present and assurances could not be provided as to how this arrangement would ensure value for money for the taxpayer.



RECOMMENDATION 13

The Minister for Infrastructure should ensure that further information is provided in the next Government Plan Progress Review update, as well as any future Government Plans, as to how 28-30 The Parade will be utilised and how the arrangements will provide the best value for money.

| GP21-CSP5-C-01 - Covid-19 Bus Contract | | | |
|--|--|-----------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> None known | <ul style="list-style-type: none"> Government COVID-19 Response | Minister for Infrastructure | |

Business Case: Overview

The Government Plan 2021-24 states: ‘We will increase the subsidy for the bus network to enable a break-even position whilst passenger capacity on bus services remains impacted by the need for physical distancing to reduce transmission of the virus¹⁴⁵ and seeks to secure funding to meet these aims as follows:

¹⁴³ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.15](#)

¹⁴⁴ [Public Hearing with the Minister for Infrastructure, 27 October 2020, p.15](#)

¹⁴⁵ [Government Plan 2021-24, p.74](#)

(£000)

| 2021 | 2022 | 2023 | 2024 |
|-------|-------|------|------|
| 2,000 | 1,200 | 500 | 250 |

Panel analysis

In the public hearing held with the Minister for the Environment, the Panel was advised that the funds could only be drawn down if need could be demonstrated:

Head of Finance Business Partnering, Infrastructure, Housing and Environment:

I was going to say that the funds are held within the central coronavirus head of expenditure. We will have to draw it down and demonstrate need, so it is not an automatic transfer payment, it is a maximum sum that has been assigned to support, should it be required. It is factored in to provide a minimum level of income to sustain a certain level of service and we will assess that based on requirements as we find out passenger numbers and behaviours through the course of next year.

In the public hearing the Panel asked the Minister for Infrastructure what, if any, other considerations or discussions had taken place with the bus operator to adapt its operations and therefore seek to reduce or mitigate the loss of revenue and profit. The Panel was advised:

Head of Transport, Infrastructure, Housing and Environment:

At the moment, the bus contract continues to operate on the same basis as it did when it was tendered, whereby LibertyBus hold the revenue risk and we have the regulatory risk. Early in the New Year we will be doing the bus service review with S.P.3 and at that point I think we have to look at all the different options that are available contractually and hopefully we will have a better forward view as to how the coronavirus pandemic is going to pan out and the likelihood of a vaccine, because that is the bit that they cannot manage at the moment, because Government puts various risks on to them. There was legislation which provided for people to work at home, also we had minimum spacing on the buses. They are all risks that the bus company cannot manage.

In response to written questions posed to the Minister, the Panel was also advised:

- The Minister believes the funding being requested to be sufficient “based on the available data and planning for reasonably foreseeable Covid scenarios.”
- This analysis was carried out: “based on knowledge up to the point of finalising the business case, estimates of passenger numbers and revenues were prepared by the operator working with officials from the department. It is believed that this presents the most likely scenario for 2021, and the position will be kept under review throughout the period. A mechanism for agreement of actual requirements and timing of payments is currently being discussed between the operator and Government.”
- The funding will seek to ensure value for money by:
 - Supporting funding to minimise redundancies
 - Preventing disruption of current operator ceasing to trade and having to engage a new contractor at short notice
 - Ensuring potential capacity is preserved
 - Aligning with STP delivering economic benefits of reduced traffic congestion

- Preserving socially necessary services throughout the pandemic for essential workers and those without other transport options for essential journeys.
- In excess of 1.4m in profit share has been returned to the Government by the bus operator in the last 5 years.
- It is not expected that there will be any profit share in relation to the bus contract 2020/21 financial year (April 20 – March 21). It will depend on Covid-19 restrictions in place in any given financial year and the levels of ridership as to whether this will be the case for future years of the Government Plan (2022-24).
- The impact of a profits not returned to Government for April 2020 – March 2021 is likely to have a limited impact on the delivery of sustainable transport initiatives as the money received as a result of the bus contract profit sharing arrangement represents a small proportion of the total expenditure on sustainable transport and road safety initiatives. The Department's capital allocation is a significantly larger sum and delivery of these schemes has continued, with minor adjustments to programmes where necessary to reflect changes in funding.
- Other than contributing "to meeting the considerable and escalating cost of concessionary travel" a clear response was not provided as to how the 1.4m had been spent and that prior to 2020 "will have been consumed within the year and included within the revenue income and expenditure of the department."¹⁴⁶

On the basis of the information provided, the Panel has designated this new programme green for the 2020 funding bid. Any requests for future funding will be scrutinised in future Government Plans.



FINDING 22

The Covid-19 Bus Contract is a new programme in the Government Plan 2021-24 which seeks approval for additional revenue funding of £2m in 2021 to subsidise the bus operator to enable them to break-even due to the significant impact on bus ridership resulting from the impact of the pandemic.



FINDING 23

The bus operator is a social enterprise and has returned a profit share to Government of in excess of £1.4m in the last five years, however due to the impact on its commercial operations it is not envisaged that there will be profit share return for the period April 2020 – March 2021 and it will depend on Covid-19 restrictions in place in any given financial year and the levels of ridership as to whether this will be the case for future Government Plans.



FINDING 24

It is not entirely clear how the 1.4m profit share returned from the bus operator to Government has been spent and that prior to 2020 will have been consumed within the year and included within the revenue income and expenditure of the IHE Department.



RECOMMENDATION 14

The Minister for Infrastructure should ensure that going forward any future profit share returned to Government under the bus contract is, for transparency, clearly accounted for in terms of demonstrating how this money is invested back into sustainable transport initiatives for the benefit of the island. Furthermore, the

¹⁴⁶ [Minister for Infrastructure, Response to Written Questions](#)

Minister should ensure there is greater transparency surrounding the sum returned by the bus operator to its UK parent company so that a clear distinction can be made between what is reinvested for the benefit of the island and what sum is distributed out of the island back to the parent company in the UK.

| GP21-CSP5-2-04 - Natural Environment - Water | | | |
|--|--|------------------------------|---|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> None known | <ul style="list-style-type: none"> Protecting the natural Environment | Minister for the Environment |  |

Business Case: Overview

The Government Plan 2021-24 states: ‘We will invest in research surrounding inland water quality including per- and polyfluoroalkyl substances (PFAS) and pesticide research and essential staffing relating to catchment management’¹⁴⁷ and seeks to secure funding to meet these aims as follows:

(£000)

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 300 | 400 | 250 | 250 |

Panel analysis

In the public hearing, the Panel asked the Minister for the Environment to provide further details on what was included in this revenue bid, as the business case appeared lacking in detail:

The Minister for the Environment:

Yes, I agree, Chairman, it is a little bit summarised in there. But anyway, there are a number of components of that. First of all, there is £150,000 will be spent in 2021 and 2022 to get an understanding of the hydrology of P.F.A.S. (per- and polyfluoroalkyl substances). Obviously, that means that we have to undertake hydrological study to quantify the distribution of P.F.A.S. in St. Ouen’s Bay and the Pont Marquet catchments. That, of course, is the priority there because of the Island’s water needs in the future. Therefore, what we are concerned about is the risk of contaminating so those areas cannot be used for public supply. Obviously, the international standards for P.F.A.S. are constantly reducing, and so that puts private water supplies potentially at clarity. So, again, the bid does not include land mediation [sic] but it is in order to do the better understanding. It is about hydrological work. I can remember once upon a time the States used to have its own hydrologist but, of course, several years ago the States did away with that to save money, a very foolish thing as far as I was concerned because we have learned much more that we have so many issues to do with water. Then there is another £100,000 will be spent in 2022 in assessing the

¹⁴⁷ [Government Plan 2021-24, p.74](#)

quality of controlled waters. This is about our marine waters, green seaweed, surface and ground waters, monitoring high nitrates, phosphate and current and historic pesticide levels. Then there is £150,000 will be spent on research and assessment in monitoring pesticides in the Island stream and this is work that we have agreed to do for a long time but have not been able to fund it. It was agreed with the farmers and the farming sector through the Action for Cleaner Water group. Then, finally, £80,000 on the recruitment of agricultural catchment areas to engage with landowners and farmers. Again, speaking to Deputy Luce and Jersey Water, that was an action that was agreed by Government in 2016 and never happened due to the lack of funding, so I am delighted to say that those plans and the funding there will really enable us to do much better in terms of dealing with this priority water resource. I hope I have that all right. I shall be corrected.

Director, Natural Environment/Acting Group Director, Regulation:

If you would not mind, Minister, I am very sorry, you said agricultural catchment areas there, which is just about right but it is an agricultural catchment officer, which I think might chime with a bit more resonance there. We are buying in a body, essentially, to liaise with the agricultural industry to try to make sure that the best techniques are taken up.¹⁴⁸

The lack of detail within the business case also appeared to create confusion as to what the funding would cover, as Jersey Farmers' Union made the following comment in their submission:

The role of Water Catchment Officer is well known in the UK where they work with all interested parties to firstly advise then if necessary, enforce Water Catchment Management Orders. At the last meeting of the AFCW group we were informed that the Minister had secured funding for this position which is generally agreed is needed. What has come as a surprise is the size of the funds requested. It was clearly stated in the July 2016 report that the cost to Government would be around £100,000 per year up to 2021 so £300,000 in year one then £400,000 in year two seem to be excessive. As someone who has sat on the AFCW group since its inception, I can say that I have no inkling of why the figures are so large.¹⁴⁹

In light of the Minister's response it is apparent that there are multiple components of the funding, Catchment Officer being just one:

- Understanding the extent, migration and feasibility of clean-up of PFAS
- Re-institute the monitoring of pesticide levels in streams and groundwater
- Status Assessment and update of the Water Management Plan
- Catchment Officer
- Other funding pressures on improvements of the quality and availability of water (the Water Pollution (Jersey) Law 2000 and the Water Resources (Jersey) Law 2007¹⁵⁰)

¹⁴⁸ [Public hearing with the Minister for the Environment, 27 October 2020, p.17-18](#)

¹⁴⁹ [Jersey Farmers' Union Submission](#)

¹⁵⁰ [Minister for the Environment, Response to Written Questions](#)

It would be helpful for business cases in future Government Plans to clearly outline what the funding will cover, in addition to a breakdown of the envisaged costs associated with each element of the funding.

In written questions, the Panel asked the Minister for the Environment if he felt the funding was sufficient to meet the aims of the programme and why. The response gave a detailed overview of what the funding would cover, although it is unclear as to whether the Minister considers the funding to be sufficient or not. The Minister made this comment in his response to written questions:

The imposition of workloads from external drivers means that baseline budget for the work of this area and indeed work in the Environmental field generally is stretched if not inadequate in a world where standards and regulatory limits will only continue to improve.

In addition, the Panel asked the Minister how the proposed funding would ensure value for money. The Panel was advised:

The proposed funding will;

iii. PFAS

make use of one of the top experts in PFAS (the consultants who undertook the clean-up and remediation of Guernsey Airport). This is important as it needs to be done once and done right. All sampling undertaken will be bespoke and risk based. A forward plan will be agreed with Natural Environment Officers. This short-term cost will help offset longer term island costs through better understanding water security pressures.

iv. Pesticide monitoring

This will be done in conjunction with Jersey Water. The sampling will be targeted, and risk based (for example sampling concentrating on catchments during planting etc). The work will help offset long term island costs- such as historic contamination of surface and groundwater by the pesticide Oxadixyl, Chlorthal.

v. Water status assessment

Data is now stored and easily accessible from a bespoke database which will lessen costs. Identification and result ion of pressures on our island's water will offset longer term island costs. This is evidenced by the current work on nitrates which equates to lower costs of water and wastewater treatment, less green seaweed clean up and associated costs and better long-term health from those households utilising private water supplies.

Agri/catchment officer

The officer will primarily offer advice being that this is the longer term and sustainable approach. Changes in behaviours by landowners can result in large potential gains for water quality and indeed the Island's reputation

(demands required by supermarkets when exporting produce and by high net worth families wishing to re-locate to the Island).¹⁵¹

A submission from Save our Shoreline Jersey contends that funding in relation to the PFAS element of the funding bid (£150k) is not sufficient explaining that Guernsey recently incurred expenditure of £3m for the long-term treatment of contaminated soil.¹⁵² However, it is acknowledged that in the Minister’s response, the figure of £150k is for a hydrological study to better understand the extent of the issue and not for any land remediation measures.

The Panel welcomes the resourcing in this area, in particular the long-awaited role of water catchment officer, and does not question the need for funding in these areas. However, there remains an unanswered question as to whether the funding proposed in this bid will be sufficient to meet the aims of the business case and therefore the Panel has designated this programme amber and will monitor its progress in future Government Plan bids.



FINDING 25

The business case contained within the Government Plan 2021-24 was unclear as to what the proposed funding would be spent on. It was identified during the Panel’s review that the funding will cover various water management initiatives.



RECOMMENDATION 15

The Council of Ministers should ensure that all future Government Plan bids include detailed information of what the funding is intended to cover, why the funding is needed and a breakdown of all associated costs. This should be rolled out in time for the Government Plan 2022.

| GP21-CSP5-2-05 - Marine Resources Management | | | |
|--|--|------------------------------|---------------------|
| Link to Government Plan Action(s) | Link to Common Theme(s) | Minister(s) | Scrutiny RAG Status |
| <ul style="list-style-type: none"> None known | <ul style="list-style-type: none"> Protecting the natural Environment | Minister for the Environment | |

Business Case: Overview

The Government Plan 2021-24 states: ‘We will provide additional resource to the Marine Resources Management Team to respond to implications arising from Brexit’¹⁵³ and seeks to secure funding to meet these aims as follows:

¹⁵¹ [Minister for the Environment, Response to Written Questions](#)

¹⁵² [SOS Jersey Submission](#)

¹⁵³ [Government Plan 2021-24, p.74](#)

(£000)

| 2021 | 2022 | 2023 | 2024 |
|------|------|------|------|
| 250 | 92 | 92 | 92 |

Panel analysis

In the public hearing, the Panel requested further details of the new programme, including a breakdown of how the funds would be spent, if approved and also why the funding is projected to fall to £92,000 per annum after initial funding in 2021 of £250,000. The Panel was informed as follows:

Director, Natural Environment/Acting Group Director, Regulation:

Certainly. Well, perhaps I could attack that last part of the question first. That £92,000 is allocated towards the recruitment and retention of 2 fisheries officers, who are both currently employed with us but have historically been employed under reserved funding from Brexit-related Treasury funds. As you can hopefully well imagine, the need will continue for those officers, particularly after the end of the transition period when Brexit-related work becomes just mainstream-related work. So there is a requirement for those officers to continue their work. That is the £98,000 and, of course, that constitutes a portion of the £250,000. The remainder then is made up of the purchase and installation of V.M.S./i.V.M.S. (vessel monitoring systems/inshore vessel monitoring systems) on our fishing fleet vessels. After the end of the transition period it is going to be a requirement that all vessels over a certain length are going to need to have V.M.S./i.V.M.S. on board in order to comply with externally driven regulation. We felt at the moment that it is not something, given the parlous state of industry, that they could be expected to fund themselves, although that is not necessarily the case in the future. But that £127,000 essentially represents 127 boats times £1,000 worth of cost of an i.V.M.S. system. In order to support that system, though, we need £15,000 of I.T., as it were, sitting behind the scenes. That is essentially systems that link in that i.V.M.S. with us and then with any further authorities. The further remainder then is a logbook app, which is £15,000. One of the issues at the moment is that fishermen bringing the catch on to shore declare their catch via a paper format, which does not necessarily accord with the requirements of our reporting structures into the U.K. (United Kingdom) nowadays. So we are intent on using an app designed by D.E.F.R.A. (Department for Environment, Food and Rural Affairs) but the installation of that and the modifications of our Jersey one in order to fix the needs of that D.E.F.R.A. one will cost £15,000. So that is essentially the breakdown, Chair, of that £250,000.

In a submission from Jersey Marine Conservation, it was commented that government funded programmes, in their view, led to proposals which are of limited effect and therefore poor value. Also, much of the focus within Marine Resources being on the commercial fishing industry, with much of the legislation not embracing recommendations. Furthermore, that:

Without tighter controls, commercial catches will continue to reduce stocks. Future proofing plans need to consider economic prediction models. Human population predictions demonstrate that demand for fish is already exceeding supply. Jersey's territorial waters remain open to over exploitation.

Jersey Marine Conservation go on to stress the point that “*independent researchers and scientists need to be supported and listened to if we are to have any measure of success.*”¹⁵⁴

In the public hearing with the Minister for the Environment, the Panel questioned the Minister on whether Government partnered with third sector organisations to help inform policy development. The response was:

The Minister for the Environment:

Well, very much so. We obviously work with partners. There is no question about it. We have all sorts of liaisons, university work, we have excellent academic work and a very, very strong communication going on between the sources of expert excellence somewhere else. If you want the details, again I am going to have to refer to Mr. Peggie and probably Gregory, but there is no question, yes, of course we do that.

The Panel also asked the Minister if bursaries were provided for university students to carry out research:

Director, Natural Environment/Acting Group Director, Regulation:

Yes. We have not funded ... well, we have part-funded a PhD recently alongside Blue Marine Foundation looking at the habitat sampling, a grab sampling, and we are doing general work across the piece. We are trying to internalise research as well at the moment, though. It is something that if we are going to be developing a department of natural environment which has the intention of essentially supporting the creation of government policy and legislation but also following however we split from the U.K., we are going to have to up our ante when it comes to scientific research. I am just looking at a list in front of me now, which I will not reel off because you and your panel might not be all that interested in the specifics, but we have 10 independent research projects on the go that will be funded by our Government Plan funding this year. That is partially internalised but partially working in partnership with external players.

The Panel asked the Minister for the Environment how confident he is that this level of funding will be sufficient to deliver the aims of the project and how it would ensure value for money for the taxpayer. The Panel was advised:

Careful consideration was given to the funding required for the constituent parts of the bid made. The purchase of IVMS allows uprated compliance as well as assists the industry whose French counterparts are governmentally funded for the same equipment. The licencing and data packages associated with the industry too are required to run up to date reporting systems. Parts of the bid are required to fund officers who have historically been funded through alternative government funding streams and whose continued employment is instrumental to the smooth running of a marine resources and fisheries protection service. This is increasingly important as Jersey prepares for the UK reaching the end of the transitional period and leaving Europe. Separately funds have been requested through the auspices of the Climate Emergency Fund bid for improved fisheries research, again fundamentally important in providing evidence of the health of stock and the quality of our marine ecosystem.

¹⁵⁴ [Jersey Marine Conversation - Submission](#)

This information underpins sustainable fisheries and also serves to justify where Jersey might divert from EU proposed fishing quota in future years.

On the basis on the information provided during its review, the Panel has designated this new programme green. Given the implications arising from Brexit in will be important, now more than ever to find ways to collaborate and engage with voluntary and third sector organisations to form mutually beneficial partnerships and new, innovative ways of working.

**FINDING 26**

The funding bid for Marine Resources Management proposes to fund a vessel monitoring system, in addition to the recruitment and retention of two fisheries officers, in response to foreseeable implications related to Brexit.

**FINDING 27**

Government currently utilises independent research through third party organisations and university bursaries in relation to Marine Resources matters, although the Minister advised there is a move to internalise this work where possible.

**RECOMMENDATION 16**

The Minister for the Environment should seek to ensure going forward that a wide variety of reputable, independent research on marine resources related matters is drawn upon by Government, and given the implications arising from Brexit, endeavour to find ways to collaborate and engage with voluntary and third sector organisations to form mutually beneficial partnerships and new, innovative ways of working.

**RECOMMENDATION 17**

The Minister for the Environment should seek to ensure that, now and post-Brexit, suitable engagement and support is extended to the fishing industry, given the significant implications this will inevitably have for the industry.

9. Efficiencies

The Government Plan 2020-2023 set out the ambition to achieve £100 million of efficiencies, with the first £40 million to be achieved in 2020. The plan for £40 million in 2020 was published in October 2019 and a performance update was included in the Government 6-month report, published in August 2020.

The Government Plan 2021 – 2024 sets out the 2021 plan to deliver £20 million of efficiencies and other rebalancing measures.

Rebalancing and Efficiencies

The Government Plan 2021 – 2024 provides a table which shows the £20 million of efficiencies and rebalancing measures in 2021, subtotallied against each Minister or the Council of Ministers.

The table below shows the efficiencies and rebalancing totals for each Minister under the Panel's remit:

| Summary Table 1 Efficiencies and Rebalancing Measures 2021 – allocation by Minister | |
|---|--|
| | 2021 (£000) |
| Council of Ministers | 5,418,000 |
| Minister for Children and Housing | 555,000 25,000 (housing element only) |
| Minister for Infrastructure | 4,500,000 |
| Ministers for Infrastructure, Environment, EDTSC | 750,000 |

The summary description of proposals reviewed by the Panel for each Minister are set out in the table below:

| Efficiencies and rebalancing summary descriptions | | | | | |
|---|------------|--|----------------------|-----------------|----------------|
| Minister | Department | Summary description | Recurring or One-Off | Budget Impact | 2021 Value (£) |
| Minister for Children and Housing | SPPP | Defer the development of policy for Long term housing by one year | One off | Spend reduction | 25,000 |
| Minister for Infrastructure | IHE | Revise and release a portion of the budget for the Health Estate in light of progress made with backlog maintenance and to reflect capital | Recurring | Spend Reduction | 4,000,000 |

| | | allocations within the HCS Budget | | | |
|---|------|---|-----------|-----------------|-----------|
| Minister for Infrastructure | IHE | Reduce a portion of the property maintenance budget to reflect a reprioritisation of assets requiring maintenance; informed by the Office Accommodation Project | Recurring | Spend Reduction | 300,000 |
| Minister for Infrastructure | IHE | Re-structure Facilities Management across Government to create one centralised function with hub and spoke delivery aligned with the One Gov principles. | Recurring | Spend Reduction | 200,000 |
| Minister for Infrastructure, Environment, EDTSC | IHE | Development of an IHE TOM to include reviews of the overall structure, sports division, business administration and the transfer of customer facing services to CLS | Recurring | Spend Reduction | 750,000 |
| Chief Minister | SPPP | Deferred Island Plan Review activity from 2020 | One Off | Spend increase | (325,000) |
| Total for 2021 | - | - | - | - | 4,950,000 |

Panel analysis

Minister for Infrastructure:

Noting the joint efficiency relating to the Minister for Infrastructure, Minister for the Environment and the Minister for Economic Development, Tourism, Sport and Culture, the Panel asked the Minister for Infrastructure how the efficiency target for £750,000, to be achieved through the IHE Target Operating Model, will be clearly mapped across Ministers, given that there are three assigned to it. The Panel was advised:

The IHE TOM efficiency savings programme sets to deliver the £750,000 target by allocating targets to each division of the department (Office of the DG, Sport, Natural Environment, Operations and Transport, Property, Capital Delivery and Regulation). Division targets are based on a percentage of each of the directorates staff budgets, this ensures a proportionate target for each area. The IHE Efficiencies Board has been reviewing the targets and a number of work streams have been set up to deliver the savings; these include vacancy management, absence management, contract and commercial opportunities, avoidable overtime, voluntary redundancy and Early retirement. In addition to this our new operating model will focus on cost recovery by ensuring that staff costs are fully recovered against capital budgets, the introduction of

*appropriate user-pays and that detailed service reviews are undertaken ensuring efficient delivery of services.*¹⁵⁵

In the “impact on sustainable wellbeing” section of the business case (Annex, page 134), it notes that the building maintenance budget will be “reduced below a level which allows Jersey Property Holdings to improve the current condition of the Property Estate”. The Panel asked whether this would have a knock-on effect of the maintenance of buildings such as Victoria College Preparatory and Rouge Bouillon, regardless of whether capital projects funding has been set aside for them. The Panel was advised that it may have an impact, although it would depend on any unplanned contingencies that may arise. Furthermore, that these two capital programmes would be prioritised meaning less pressing repair work on other sites might be delayed.¹⁵⁶

The Panel asked the Minister how maintenance would be prioritised over the coming years, if Jersey Property Holdings are now unable to improve on current conditions within the Property Estate. The Panel was advised that maintenance would be prioritised in consultation with the directorates that operate the various premises. In addition, the Panel asked what alternative investment strategies were considered to avoid a situation where condition of the property estate was unable to be improved upon. The Minister advised that increasing user pay charges across other areas of IHE was being considered.¹⁵⁷

Minister for the Environment:

The Panel notes that there are no efficiencies assigned solely to the Minister for the Environment. However, in a public hearing with the Minister, the Panel asked him whether he was aware of any efficiencies as a result of the removal of economy (i.e. Growth) from the Infrastructure, Housing and Environment Department’s budget:

The Connétable of St. Brelade:

We are short of time, Minister. Can I just ask if there are any efficiencies that you are aware of as a result of the removal of economy from G.H.E. (Growth, Housing and Environment) in its transition to I.H.E.?

The Minister for the Environment:

Yes, the budget went down. The budget has gone down, quite a big chunk of money. I have absolutely no say. The accounting officer of G.H.E., which I think is Mr. Littlewood, does that and the budgets were adjusted. I have always had to take a share, but I think everybody understood that that had to be a very modest share because of the inadequacies of funding that you look for the environment. If you look in the Government Plan, the figure is so low it almost does not count in terms of ordinary revenue expenditure.

The Panel probed further on this matter in written questions to the Minister requesting the total sum of the allocation removed from IHE for 2021 as a result of Economy being moved out. The Minister advised that the transfer to the Office of the Chief Executive “included base budgets of £15.8m, growth in 2020 / 21 of £2.8m and £6.7m and efficiency savings of £0.3m, totalling £18.3m and £22.2m respectively, prior to any rebalancing proposals put forward by this area in the budget of OCE.”

¹⁵⁵ Minister for Infrastructure, Response to Written Questions

¹⁵⁶ Minister for Infrastructure, Response to Written Questions

¹⁵⁷ Minister for Infrastructure, Response to Written Questions

It was further explained that £308,500 of efficiency savings identified in the Government Plan 2020-23 were remapped to the Office of the Chief Executive as a result of the move of the Economy and Partnerships function. These were included in the savings target of £1,459,340 included in the Government Plan 2020-23 for the GHE department.

Minister for Children and Housing

In the absence of a Minister for Children and Housing, the Panel asked the Chief Minister to expand further in relation to the efficiency for a one off spend reduction of £25,000 by deferring the development of policy for the Long-Term Housing Plan by one year. Particularly, how has this reduction been achieved and what impact it is likely to have / has had. The Panel was advised that this was an adjustment within the Strategic Policy, Planning and Performance budget and it reduced the budget for external advice in 2021. The Panel was further advised that it will have no significant impact on the overall housing programme.¹⁵⁸



FINDING 28

Spend reductions in relation to the maintenance and upkeep of condition of the government's property estate are likely to impact on the prioritisation of sites for maintenance and repair and this could lead to maintenance being delayed on some sites which may be deemed less or a pressing priority for repair.



FINDING 29

There are no efficiencies assigned to the Minister for the Environment, only a joint efficiency with the Minister for Infrastructure and Minister for Economic Development, Tourism, Sport and culture in relation to the Target Operating Model for the Infrastructure, Housing and Environment Department.



FINDING 30

The £25k spend reduction by deferring policy development under the Housing Policy Development Board is not considered to have an impact on the overall housing programme.

¹⁵⁸ Chief Minister re housing, Response to Written Questions

10. Conclusion

The Government Plan 2021-24 was lodged on 12th October 2020 and notwithstanding a short and challenging timeframe, over the last 9 weeks, the Panel has endeavoured to undertake a thorough analysis of all the programmes allocated to it by the Government Plan Review Panel.

Our review has focussed primarily on whether the funding sought is sufficient or excessive, as well as how the funding proposes to ensure value for money. In addition, we have also scrutinised the progress and spend to date for programmes agreed in last year's 2020-23 Government Plan.

Overall, the Panel is satisfied with the majority of programmes and the rationale for the 2021 funding bids, with none being assigned a red 'RAG' rating. 25 programmes have been assigned an amber rating and 26 have been assigned a green rating.

In closing, we have provided a summary of the various programmes where the Panel's main concerns lie:

| Program / Capital Project | Reason | Scrutiny RAG Status |
|-------------------------------------|---|---|
| Long-term housing policy | The Panel has maintained its amber RAG rating. Due to the substantial reduction in funds, the Panel will monitor the Board's progress throughout 2021 to determine whether the funds are sufficient to deliver the aims of the project. The Panel has recommended that the findings of the Housing Policy Development Board's report be published as soon as possible. |  |
| Rights for tenants | The Panel has maintained its amber RAG rating. Due to the substantial reduction in funds, the Panel will monitor any progress made throughout 2021 to determine whether the funds are sufficient to deliver the aims of the project and whether the Housing Advice Service in particular is adequately resourced. The Panel has recommended enhanced external stakeholder engagement takes place. |  |
| Jersey National Park | The Panel has maintained its amber RAG rating. The Panel commends the hard work of the Jersey National Park in achieving what they have to date, but is concerned to hear that there appears to be inadequate ongoing support being provided to the JNP and believes a more joined up approach between the Minister for the Environment, the Minister for Economic Development, Tourism, Sport and Culture and Departments is required. |  |
| Elizabeth Castle Development | The Panel has designated this amber due to concerns that the projected funding bids have been cut entirely from future government plans. The Panel has recommended that the full reasoning for the cut be provided in writing, in |  |

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| | addition to what alternative funding measures are proposed. | |
| Vehicle Testing Centre (Major Project) | The Panel has maintained its amber rating until further information can be provided, primarily the outcomes from the options appraisals study, and once it is confirmed as to whether the testing facility and associated costs are required. |  |
| Island Public Realm including St. Helier | The Panel has revised its RAG rating to amber due to concerns surrounding a lack of clarity and assurance as to whether the funding will be sufficient to meet the project's aims. In addition, there appears to be a lack of collaboration between the Minister for Infrastructure and the Minister for the Environment. The Panel has recommended that greater efforts should be made between Ministers to break down silos and adopt a more collaborative approach. |  |
| Drainage Foul Sewer Extensions | The Panel has revised its RAG rating to amber, due to a lack of clarity as to whether the requested funding will be sufficient to meet the project's aims i.e. to extend and enhance the sewerage network to keep pace with continued growth in population size. The Panel has recommended the Minister for Infrastructure provide the Panel will a detailed analysis on how the foul sewerage system, together with the surface water system is coping with demand, as well as further details on the rationale for the decrease in funding in this area, given projections of growing population size. |  |
| Replacement Assets and Minor Capital | The Panel has revised its RAG rating to amber due to a clear indication from the Minister that funding is not deemed to be sufficient in this area. The Panel will monitor this capital project and the related expenditure closely when the next six-month progress review is published, as well as any further funding bids in the next Government Plan for 2022. |  |
| Picquet House – Family Court | The Panel has maintained its amber RAG rating. Although there is an expectation that the prefeasibility study is unlikely to conclude that the project is unable to be undertaken, without the outcome of the feasibility study being known, there is a degree of uncertainty in regard to whether the funds would be sufficient for the project's requirements. |  |
| Rouge Bouillon Site Review Outcome | As the prefeasibility study for this project is still to be completed, and the outcome from it remains unidentified, the Panel has maintained its amber RAG rating. The Panel requires further information in relation to the outcome of the prefeasibility study for the site review and the plans for the Rouge Bouillon Site Review Outcome to determine whether the forecasted funds are reflective of the requirements. |  |

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| Jersey Fleet Management | The Panel has maintained its amber rating. Considering the delays experienced in committing to new or replacement vehicle assets and the associated revenue leasing charge, as well as a resultant carrying forward of unallocated budgets, there is a degree of uncertainty regarding the allocations. The Panel has recommended that further detail be provided in future government plans in relation to the distribution of funds across the Fleet Management programme. |  |
| 28-30 The Parade | The Panel has designated this business case as amber as the exact purpose for how the 28-30 Parade building will be used, or the income it will generate, is uncertain at present. The Panel has recommended that this information be identified in future government plans to ensure the arrangement is offering value for money. |  |
| Natural Environment - Water | There is uncertainty as to whether the funding proposed in this bid will be sufficient to meet the aims of the business case and therefore the Panel has designated this programme amber and will monitor its progress in future Government Plan bids. |  |

During our review a common theme emerged which identified a lack of joined up working between Ministers and departments, particularly relating to programmes where there is significant crossover between the Minister for the Environment and the Minister for Infrastructure. The Panel has therefore recommended that Ministers should place greater emphasis on working more collaboratively and breaking down silos. Furthermore, that a more collaborative approach should be sufficiently embedded in time for the next Government Plan.

11. Witnesses and Evidence Gathered

Public hearings were held with the following Ministers:

- Minister for the Environment
- Minister for Infrastructure

Responses to written questions were received from the following Ministers:

- Chief Minister
- Minister for the Environment
- Minister for Infrastructure
- Minister for Economic Development, Tourism, Sport and Culture
- Minister for Health and Social Services
- Minister for Home Affairs
- Minister for Education
- Minister for Treasury and Resources

Requests for written submissions were sent to 14 stakeholders and responses were received from the following:

- Jersey National Park
- Jersey Farmers Union
- Jersey Marine Conservation
- Save our Shoreline Jersey
- Jersey Heritage
- Jersey Electricity (private and confidential submission)
- Victoria College Preparatory School (private and confidential submission)

This report has also drawn on evidence obtained in an Economic and International Affairs Scrutiny Panel public hearing with the Minister for Economic Development, Tourism, Sport and Culture held on 6 November 2020 in relation to the Government Plan 2021-24.

To view all the submissions, responses to written questions and public hearing transcripts, please visit the [review page](#) on the States Assembly website.

Appendix 1

Terms of Reference

Government Plan 2021 - 2024 Terms of Reference

1. To undertake a review of the sections/projects of the Government Plan 2021- 2024, as allocated by the Government Plan Review Panel.
2. To determine whether those projects align with Ongoing Initiatives, Common Themes and, ultimately, Common Strategic Priorities.
3. To consider whether the resources allocated to the projects are appropriate, sufficient or excessive, and whether they are likely to represent value for money.
4. To review the success or otherwise of projects agreed in the previous Government Plan for 2020.



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