

Environment, Housing and Technical Services Scrutiny Panel



Environmental Policies Review

Presented to the States on 24th April 2015

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1. EXECUTIVE SUMMARY

- 1.1 The environment is often cited as one of three pillars upon which strategic planning in Jersey is based; the other two pillars being the community and the economy. In our review, we set out to test how seriously the Council of Ministers is taking that environmental commitment, particularly in the development of the new Strategic Plan.
- 1.2 Our review was informed by the knowledge that previous attempts to drive forward environmental policy within the States have not always proved to be fruitful. We considered *Jersey into the Millennium: A Sustainable Future*, a report published more than a decade ago but which, despite seemingly having been shelved, remains relevant to this day. Notwithstanding its shelving, however, there has been progress in the development of environmental strategy and policy in recent years, but there remain a number of environmental challenges facing the Island, both at global and local levels. Aside from the global issues that impact on Jersey in respect of energy and resources supply and resilience, there is the immediate and concerning situation in respect of nitrate levels in Jersey's water which, on occasion, exceed World Health Organisation limits. This important environmental and health issue must be addressed and we have recommended that the Minister provide a definitive solution to this problem within the Water Strategy that the States Assembly will debate in October 2015.
- 1.3 We have investigated how environmental considerations have informed the development of the Draft Strategic Plan and we have assessed the Draft Plan from an environmental perspective. There are references to such matters to be found, particularly in respect of long-term planning. But there are effectively no references to environmental matters within the four key priorities proposed by the Council of Ministers. This is not consistent with the goal of co-ordinated strategic planning and we have found that the Draft Plan should be amended; there should be explicit consideration of environmental matters within the delivery of the four key priorities. We have lodged an amendment to the Draft Plan which, if adopted, will ensure that such consideration is included.
- 1.4 Notwithstanding the lack of environmental references within the Draft Strategic Plan, there were other indications during our review that environmental considerations are being taken on board. For instance, the *Island Vision* a long-term plan which stretches beyond a single political term will take into account environmental matters. The Vision is due to be developed later in 2015. Plans for the implementation of a Sustainability Assessment Framework that would ensure policy proposals are assessed from an environmental perspective are also to be welcomed. We have recommended that the Minister for Planning

- and Environment should pursue that work, having regard for the productivity and efficiency benefits that would arise.
- 1.5 Beyond the adoption of the Strategic Plan, there will remain environmental issues to be addressed. Consideration will also need to be given to the health and management of Jersey's soil as well as energy consumption. Given the anticipated financial circumstances in which the Island finds itself, coupled with a population policy that anticipates an ongoing increase in the population, particular consideration will need to be given to resource use and supply. We have therefore recommended that the Minister for Planning and Environment should ensure that the principles of resource use, demand management and low impact living are explicitly built into the development of the new Medium Term Financial Plan.

2. RECOMMENDATIONS AND KEY FINDINGS

Recommendations

- 1. The Draft Strategic Plan should be amended to ensure that environmental considerations are integrated within the delivery of each of the four key priorities.
- 2. The Minister for Planning and Environment should pursue the development of a Sustainability Assessment Framework and report to this Panel with progress by July 2015.
- 3. The Minister for Planning and Environment should request his Department to liaise with the Human Resources Section to ensure that specific sustainability and environmental training is delivered at all levels of the public sector and that, subsequently, there is appropriate inclusion of environmental principles in the delivery of public sector management training.
- 4. The Minister for Planning and Environment should ensure that the prospective Water Strategy will provide a definitive explanation of how the problem of high nitrate levels in Jersey's water will be resolved, with targets for delivering specified reductions in nitrate levels.
- 5. The Minister for Planning and Environment should correspond with the Minister for Transport and Technical Services and ensure that the States Assembly is provided with an update by July 2015 on progress, or lack thereof, against the measures adopted in the Sustainable Transport Policy.
- 6. The Minister for Planning and Environment should ensure that the principles of demand management in respect of energy and resources are explicitly incorporated within the development of the new Medium Term Financial Plan.

Key Findings

- 1. Progress has been made since the publication of *Jersey into the Millennium: A Sustainable Future* in the development and implementation of environmental policy and strategy. This is reflective of the significant amount of time and effort that has gone into considering and planning in respect of environmental issues in Jersey.
- 2. There are a number of environmental challenges facing the Island, both at global and local levels, that need to be understood and addressed.
- Although references to environmental issues may be found in the Draft Strategic Plan, insufficient allowance for such issues is made within the four key priorities proposed by the Council of Ministers.

- 4. Sustainability and environmental matters will form a significant part of the Island Vision to be developed later in 2015.
- 5. The development of the Sustainability Assessment Framework will assist the delivery of integrated strategic thinking to guide policy development and implementation and procurement. Further clarity is required on the principles to be embodied in the Framework: how the Framework will be structured and how it will operate.
- 6. To achieve the goal of sustainable integrated policy and strategic development, specific sustainability and environmental training should be delivered at all levels of the public sector.
- 7. There is a significant and worrying situation in respect of nitrate levels in Jersey's water where, on occasions, levels can exceed World Health Organisation limits. This problem has arisen from the usage of agricultural fertilisers which has led to nitrate levels in water at times exceeding the limits.
- 8. Effective and sustainable soil management is of vital importance and is a matter which should be included in the vision, strategy and plans for the Island's future well-being and prosperity.
- 9. By the Executive's own admission, there has been insufficient progress in delivering the Sustainable Transport Policy.
- 10. A focus on energy reduction could have considerable benefits; it could improve efficiency, productivity and deliver financial savings.
- 11. In respect of resource use, explicit incorporation of the principles of demand management within future financial planning could have significant benefits in terms of productivity. This would assist in the delivery of efficiency and savings and thereby have a positive economic impact. Resource use, demand management and low impact living are particularly vital in the light of current population policy that expects an ongoing increase in the Island's population.

3. INTRODUCTION

- 3.1 The environment is often cited as one of three pillars upon which strategic planning in Jersey is based; the other two pillars being the community and the economy. That the environment is given such prominence is not surprising given its importance and the nature of the environmental challenges facing the Island, both globally and locally. It should consequently be expected that environmental considerations will form an integral part of the work of the States Assembly and the Council of Ministers.
- 3.2 For our first review, the Environment, Housing and Technical Services Scrutiny Panel set out to examine how much attention has been paid to environmental issues within the development of strategy and policy. The Council of Ministers saying that consideration of the environment is fundamental to strategic thinking is one thing; but we wanted to test how seriously the Council is taking that environmental commitment, particularly in the development of a new Strategic Plan.
- 3.3 Our review was informed by the knowledge that previous attempts to drive forward environmental policy within the States have not always proved to be fruitful. In particular, we recalled the publication more than a decade ago of *Jersey into the Millennium: A Sustainable Future*, a report prepared by the States environmental adviser of the day and which made a number of environmental policy recommendations.
- 3.4 That report effectively appeared to have been shelved. However, it addressed significant environmental matters and we therefore began our review by considering it. We examined the recommendations it had made and endeavoured to assess what developments in environmental policy, and its implementation, had occurred since that time. That work was intended to give us an understanding of the current state of environmental strategy and policy in order that we might then fulfil the second purpose of our review: to consider *Draft Strategic Plan 2015 2018* (P.27/2015) from an environmental perspective. Given that the Draft Plan will set the strategic direction for the current term of the States Assembly and Council of Ministers, we set out to assess how the Draft Plan would deliver on environmental commitments.
- 3.5 In undertaking this work, we were assisted by our expert adviser, Mr. Dave Stanley, to whom we are very grateful. A copy of his report has been appended.
- 3.6 We sought written testimony from stakeholders and the public and we held a Public hearing with the Minister for Planning and Environment. The testimony we have considered is available to read on the Scrutiny website. We are grateful to those who have contributed to our work and to the Minister and his Department for their assistance during our review.

- 3.7 The scope of our review was large and yet the review had to be completed within a short timescale. The Council of Ministers has to lodge a draft Strategic Plan within a set period in order to comply with the provisions of the States of Jersey Law 2005. In order to report ahead of the debate on the Draft Plan, we also had no choice but to meet the timetable dictated by the provisions of the Law. It is not surprising that, with that limitation, our review has raised questions which could not be considered in their entirety and we will return to review those questions in due course once the debate on the Draft Plan has been completed.
- 3.8 In this report, we will begin by briefly describing the current state of environmental policy and strategy (in essence, the context in which the Draft Plan has been prepared) and their development since the publication of *Jersey into the Millennium*. We will then consider the Draft Plan explicitly and assess it from an environmental perspective. Finally, taking into account the issues raised during our review, we will look beyond the debate on the Draft Plan to consider what further action may be required once the Draft Plan is adopted.

4. CURRENT ENVIRONMENTAL STRATEGY AND POLICY

- 4.1 In order to assess the Draft Strategic Plan from an environmental perspective, we first sought to understand the current state of environmental strategy and policy and the environmental challenges which the Draft Plan might be expected to address.
- 4.2 Our starting point for this work was to consider *Jersey into the Millennium: A Sustainable Future*. This report, published in 2001, was written by the States' environmental adviser of the day following a process of engagement, consultation and discussion which had begun in 1997. Over 700 policy options arising from that process were distilled into a series of key policy recommendations within the report, divided between the following areas:
 - Water and Mineral Resources;
 - Energy;
 - Biodiversity and Countryside;
 - Built Environment;
 - Pollution;
 - Traffic and Transport;

- Waste Management;
- Social Issues Health, Law and Order, Education;
- Social Issues Housing Needs and Poverty;
- Economy; and
- Population.
- 4.3 The recommendations varied in nature, incorporating proposals for new legislation; new strategies and policies; measures to increase awareness; the establishment of working groups; the consideration of fiscal measures; or specific proposals such as the adoption of an Island-wide glass collection scheme or encouragement of the use of water meters.
- 4.4 Given the wide-ranging scope of the report and the nature of its key policy recommendations, this appeared a suitable point from which to explore the development of environmental policy and strategy to the current day. Our expert adviser has informed us that the provisions of the 'Millennium Report' remain relevant to this day.
- 4.5 The Millennium Report highlighted the importance of long-term planning and the report set out a 'vision for Jersey's future.' It addressed matters to do with education and housing; it also addressed questions of population policy. It is perhaps not surprising that the report should have taken this wide-ranging approach, given the statement in the report that "critically, sustainable development must be recognised as more than just a narrow, purely environmental concept."

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Jersey into the Millennium: A Sustainable Future

- 4.6 At the time of the report's publication, it was intended that the recommendations would be debated by the States Assembly. However, that appears never to have happened and the report became a subject of questioning from some States Members who challenged the Policy and Resources Committee of the day to bring it to the Assembly for approval. Even following the advent of Ministerial Government, an amendment was successfully lodged to the 2006 Strategic Plan that sought consideration and implementation of the report.² However, as far as we are aware there has never been an explicit debate on the Millennium Report.
- 4.7 Nevertheless, environmental policy and strategy has continued to develop. In his testimony to us, the Minister for Planning and Environment advised of the work which had been undertaken. He highlighted in particular two reports which had been published in the last decade and which had provided a policy steer for the environmental work of his Department: the State of Jersey reports. Our adviser has used the latest of these reports in his assessment of how the recommendations of the Millennium Report have been taken forward in respect of environmental issues.
- 4.8 The first of these reports, *The State of Jersey: A report on the condition of Jersey's environment*, was published in January 2005. It was, according to the Minister's submission, the first of its kind. In the report, environmental data were examined and the key challenges for the following five to six years were identified, those challenges being:
 - Climate Change;
 - High levels of waste reduction;
 - Pressure on the quantity and quality of our water resources;
 - Transport; and
 - Changes in our countryside and natural history.
- 4.9 The second report, *State of Jersey Report 2005 2010*, was presented to the States Assembly in January 2012 as R.1/2012. The environmental indicators from the previous report were presented in a new format and a Red-Amber-Green (RAG) rating system was used to provide an assessment of progress. Priority areas were identified and actions were recommended with progress identified as necessary in the following areas:
 - Agreement of an Energy Plan to reduce greenhouse gas emissions;
 - Development of a new liquid waste strategy and improvement of recycling targets;

Strategic Plan 2006 to 2011 (P.40/2006): Eighth Amendment (P.40/2006Amd). In response to this amendment, the Council of Ministers of the time presented comments in which the Council explained the current position in relation to the recommendations made in *Jersey into the Millennium*.

- Certainty of availability and quality of fresh water;
- Protection of the marine environment and certainty of the sustainability of existing and potential economic activity in that area;
- Setting and surpassing of targets in the Sustainable Travel and Transport Plan (supported by the new Island Plan); and
- Protection and enhancement of the Island's biodiversity and heritage landscape through legislation, the Island Plan and incentives for the agricultural elements that purchase environmental goods and services.

This report sets the current strategic direction of the Department of the Environment. The next *State of Jersey* report is due to be published in 2016.

- 4.10 The *State of Jersey* reports could be described as more purely 'environmental' in their focus than the Millennium Report: they do not venture into some of the same areas, for example population policy.
- 4.11 In addition to the two State of Jersey reports, the Minister advised us of a number of individual strategies and policies which had been agreed in recent years (some of which can be seen to build upon the content of the State of Jersey reports). These strategies and policies were as follows:
 - Island Plan 2011 (adopted by the States Assembly in 2011);
 - Pathway 2050: An Energy Plan for Jersey (adopted by the States Assembly in 2014);
 - Rural Economy Strategy (approved by the Ministers for Economic Development and for Planning and Environment in 2011);
 - Sustainable Travel and Transport Plan (adopted by the States Assembly in 2010);
 - Solid Waste Strategy (adopted by the States Assembly in 2005);
 - Integrated Coastal Zone Management Strategy (adopted by the States Assembly in 2008); and
 - Biodiversity Strategy (adopted by the Planning and Environment Committee in 2000).
- 4.12 Not all of these strategies lie solely within the purview of the Minister for Planning and Environment. Indeed, we were informed of the cross-departmental and 'thematic' working which is underway in delivering environmental policy. For example, there is the Energy Executive which was formed in August 2014 to assist delivery of the Energy Plan. The Rural

Executive and Territorial Seas Working Groups are also cross-departmental collaborations.³ The work on these topics does not merely involve the Minister for Planning and Environment and his Department but also the Ministers for Economic Development; for External Relations; and for Transport and Technical Services.

- 4.13 We were also informed of the work undertaken specifically by the Department of the Environment, for instance through the Eco-Active programme. All Departments (including schools) reportedly take part in this programme that aims to meet minimum environmental performance on energy saving; water use; transport; and procurement and which endeavours to ensure compliance with environmental legislation.⁴
- 4.14 Furthermore, we were provided with a list of 31 items of 'environmental' legislation as well as a list of 25 international conventions and agreements the ratification of which had been extended to Jersey. These agreements and the legislative framework represent an environmental commitment which the Island is essentially obliged to meet.
- 4.15 Commitments have also been made by States Assemblies and Councils of Ministers in successive Strategic Plans. Since the advent of Ministerial Government in 2005, three Strategic Plans have been approved to date (in 2006, 2009 and 2012). Environmental considerations are to be found within them all, albeit to varying degrees. In the 2006 Strategic Plan, for example, the first commitment was to 'maintain and enhance a strong, successful and environmentally sustainable economy' whilst the fourth commitment was to 'maintain and enhance the natural and built environment.' The 2009 Strategic Plan made similar commitments: its second priority was to 'maintain a strong, environmentally sustainable and diverse economy' whilst the thirteenth one was to 'protect and enhance our natural and built environment.' In respect of the 2012 Strategic Plan, however, whilst 'protection of the environment' was one of the principles on which it was based, none of the seven priorities identified in the Plan explicitly referred to the environment.
- 4.16 Our adviser has considered many of these documents during his work and he has commented that "it is very apparent from the documents reviewed, and the other documents forwarded that there has been a commendable and very significant amount of time and effort by the Government that has gone into considering and planning in respect of environmental issues in Jersey." Our adviser has examined some of the key elements of the Millennium Report to discern whether progress has been made against the key policy recommendations.

Minister for Planning and Environment, Written Submission, 18th March 2015

⁴ Ibid

⁵ Strategic Plan 2006 – 2011, Page 3

⁶ Strategic Plan 2009 – 2014, Page 5

Inspiring Confidence in Jersey's Future – Strategic Plan 2012, Page 4

- 4.17 Progress has been made since the publication of *Jersey into the Millennium: A Sustainable Future* in the development and implementation of environmental policy and strategy. This is reflective of the significant amount of time and effort that has gone into considering and planning in respect of environmental issues in Jersey.
- 4.18 Nevertheless, we are conscious that commitments in a Strategic Plan or the adoption of a strategy or policy by the Assembly do not in themselves signify tangible progress in the delivery and implementation of environmental policy. We have been made aware of some more tangible developments. For example, one of the recommendations of the Millennium Report was that water-metering be encouraged. During our review, we were informed that metering was now at a level of approximately 80% of Island properties.⁸ We were also informed of improvements within the thermal performance of Andium Homes' housing portfolio which had led to reductions in energy consumption.⁹
- 4.19 The above brief description of the current state of environmental strategy and policy also does not indicate the issues that have not yet been addressed or which continue to require attention. During our review, we endeavoured to identify the environmental issues and challenges facing the Island in order to understand more fully the context in which the Draft Strategic Plan is to be debated.
- 4.20 We were helped in that regard by the provision of a briefing at the beginning of our review by the Department of the Environment. The briefing was comprehensive and extremely informative in setting out the environmental and sustainability issues facing Jersey and it posed a number of pertinent questions for States Members to consider about how those issues could be addressed. This briefing had been provided to the Council of Ministers during the development of the Draft Strategic Plan and (following our suggestion) it was subsequently offered to all States Members.
- 4.21 The briefing highlighted the challenges facing the Island, both externally and internally. We were reminded that the Island is dependent upon imported food, goods and services and that there are physical constraints in terms of the availability of resources land, water et al. We were advised of the external factors affecting the Island, including climate change; the situation in respect of global energy security; and transboundary regulatory requirements (i.e. meeting international obligations that would mean Jersey maintaining credibility as a jurisdiction which takes its environmental responsibilities seriously). Internally, we were

Andium Homes, Written Submission, 6th March 2015

Minister for Planning and Environment, Public Hearing, 20th March 2015, Transcript, Page 18

- informed that the Island is facing increasing levels of consumption *per capita*, a situation exacerbated by an increasing population.¹⁰
- 4.22 We asked correspondents, including the Minister for Planning and Environment, to advise us of the issues which would need to be addressed, both in the medium and longer terms. In his written submission, the Minister advised us of four areas:
 - a. Climate change the Minister stated this to be "arguably the highest risk and challenge facing Jersey" and indicated that Jersey would need to be made climate-resilient and 'future-proofed', for example in respect of rising sea levels.
 - b. Resource demand and population as we had been advised during the briefing, an increasing population would have an impact on resource availability.
 - c. Energy security whilst in the Minister's testimony the Island's energy mix was described as currently relatively secure, he also stressed that consideration would need to be given to future energy security, for example through the exploration of harnessing offshore wind energy.
 - d. Nitrates in water the Minister highlighted the "legacy issue of elevated nitrates in groundwater due to the application of fertilizers to agricultural land" which, as a result, meant that "on occasion, Jersey Water are unable to provide drinking water that meets World Health Organisation maximum nitrate standards of 50 mg/l."
- 4.23 The Minister also advised that it would be beneficial to devote further attention to eco-system services, which "underpin the high quality environment that we all enjoy: clean air, water, land, biodiversity and green space."¹¹
- 4.24 The matters raised by the Minister were also to be found in the other written submissions we received. Several correspondents expressed concern in respect of climate change and the efforts being made by the Island to address the impact of global warming (in particular, rising sea levels). The increasing population level was also identified by more than one correspondent as an environmental challenge which the Island would need to address.
- 4.25 The problem in respect of nitrates in the water was also mentioned by more than one correspondent, including Jersey Water itself. In its written submission, Jersey Water informed us that it had received dispensations under the *Water (Jersey) Law 1972* because nitrate levels were on occasion too high. Jersey Water advised us, however, that "we believe it is unsustainable for the States of Jersey to rely on the ongoing use of dispensations to

The Environment – Challenges for the Future, Briefing from the Department of the Environment, 28th January 2015

Minister for Planning and Environment, Written Submission

- compensate for a lack of progress in resolving the diffuse pollution issue" and the resulting level of nitrates." 12
- 4.26 Other submissions expressed concern over the Island's food security and the impact on the Island's self-sufficiency. One correspondent expressed concern about soil degradation whilst another stated that environmental issues had sunk down the list of government priorities and that environmental considerations were not fully integrated and were secondary to other considerations. The risks of global political and local financial insecurity were also raised.
- 4.27 Finally, a number of other concerns were expressed: in respect of the protection afforded the Island's historic and natural environments; the acidification of the oceans; waste and pollution; transport; and housing.

4.28 There are a number of environmental challenges facing the Island, both at global and local levels, that need to be understood and addressed.

Jersey Water, Written Submission, 6th March 2015

5. THE DRAFT STRATEGIC PLAN

- 5.1 The Draft Strategic Plan has been produced in the context described in the previous chapter. It represents the latest step in the development of environmental strategy and policy we have described and it will be debated at a time when a number of environmental challenges face Jersey. The Draft Plan represents the latest opportunity for the States Assembly and Council of Ministers to set a strategic direction for the medium term.
- 5.2 In our review, we investigated how environmental considerations informed the development of the Draft Plan and, with the help of our adviser, assessed whether sufficient reference was made within the Draft Plan to those considerations. Strategic planning in recent years has been described as being founded on consideration of three pillars: the Community, the Economy and the Environment. We also therefore explored how the Council of Ministers had endeavoured to balance the needs of those three pillars in producing the Draft Plan.
- 5.3 Environmental considerations were taken into account during the development of the Draft Plan through the provision of a briefing, as we have already mentioned. According to the written submission we received from the Minister for Planning and Environment, that briefing was provided to the Council during its strategic priorities away-day in December 2014 to help inform it prior to the Council's workshop session. The briefing outlined the key environmental challenges facing Jersey and gave examples of some of the tensions which arise in attempting to address those challenges. For example, the briefing touched upon the agricultural industry, exploring the environmental impact it has but also the benefits it brings to the Island, including economic ones.
- 5.4 The Minister advised that it had been a challenge to balance the social, economic and environmental needs. He also advised of the Council's commitment to an integrated approach, rather than viewing it as a balancing act, and that "there are many cross overs and interactions between these areas which need to be recognised and reconciled, not played off against each other. This holistic approach is fundamental to the development of the long term strategic plan." The Council had therefore come to a pragmatic position whereby the Council had identified immediate opportunities that would benefit the Island whilst highlighting that many of the Islands needs could only be addressed in the longer term through the formation of the Island Vision.¹³
- 5.5 In line with the above advice, the Draft Plan, as lodged, identifies four key priorities which the Council of Ministers has proposed should be the focus of the current term: Improving Health and Well-being; Improving Education; Maximising the Economy; and Improving St. Helier.

Minister for Planning and Environment, Written Submission

The Assembly and the Island's public have been advised, however, that identification of these four priorities would not mean the cessation of work on other matters. As the Minister for Planning and Environment advised us at our public hearing, "there are four strategic priorities that have come out of the Council of Ministers, but that does not mean to say that we are not focusing on everything else as well, but those are the four priorities we have chosen to really home in on." ¹⁴ In his written submission, the Minister also underlined that agreement of the Strategic Plan would not supersede existing and agreed policies of the States, international agreements or underpinning legislation. ¹⁵

- 5.6 The Minister also highlighted the intention to develop a long-term plan, something which is described in the section of the Draft Strategic Plan entitled 'Planning for the Future'. In this section, the Council of Ministers has set out the longer-term issues facing the Island over the next two decades and has explained that work will be undertaken on developing the *Island Vision*: a long-term plan for Jersey.
- 5.7 The Draft Plan explains what the *Island Vision* is intended to be. It will reportedly "define social, economic and environmental outcomes against which progress can be measured" and "inform decisions about the balance between social, environmental and economic themes." It will also reportedly "recognise the inter-dependencies between economic, social and environmental goals and how compromises and trade-offs can best be achieved." ¹⁶
- 5.8 The Strategic Plan is supposed to identify the key priorities of the Council of Ministers for the current term of office and to set the strategic direction for detailed delivery plans. In terms of its relationship to the long-term vision, we were informed during our review that, once the long-term vision was set, "each new Council or government that comes in looks at it and says: "Let us have a look at an assessment of how we are doing against target. Is this vision still achievable? Are we making the progress we wanted to? Are our strategies designed to deliver it working?" Then you can either recast the vision, if you need to and say: "We need to make some changes to it" recast the vision, but then say: "What are we going to do during our term of office?" So for that three or four years, you create a priority plan that says: "In the context of the longer plan, which is addressing economic, social and community themes, what are the priorities we are setting for this term of office?" The Island Vision is therefore intended to inform the identification of strategic, shorter-term policies within the Strategic Plan.

Minister for Planning and Environment, Transcript, Page 30

Minister for Planning and Environment, Written Submission

Draft Strategic Plan 2015-2018 (P.27/2015), Page 20

Head of Strategic Planning, Transcript, Page 32

- 5.9 In summary therefore, the Draft Plan explains that there will be four key priorities for the current term of the States Assembly but that work will continue on other matters and that a long-term plan will be developed.
- 5.10 There are references to environmental considerations to be found within the Draft Plan. However, there are few explicit references within the four key priorities proposed by the Council. In that regard, it would appear that the 'environmental priority' amongst the four proposed by the Council of Ministers (if indeed one can be described as such) relates to the future of St. Helier. The Draft Plan states that "we need to protect our beautiful natural environment while capitalising on a key asset that has so much more to offer: the town of St. Helier." Taking this approach is described a "sound, long-term investment." 18
- 5.11 In his written submission, the Minister advised that the focus of development in St. Helier would underpin the sustainable approach to growth in the Island as a whole. The Minister saw substantial opportunities for the Town's regeneration to improve the environmental performance of the built environment as well as good spatial planning to support sustainable transport such as cycling and walking.¹⁹
- 5.12 The majority of references to environmental issues in the Draft Plan can be found in the section entitled 'Planning for the Future' which, as we have said, describes the 'other work' which will carry on and lays out plans for the *Island Vision*. For example, the Council has advised that work will be undertaken on a new Climate Adaptation Strategy and a new Water Strategy and it is subsequently stated that key issues such as climate change will be embedded into the strategy development process. The implication is that some environmental matters will be addressed during this term (albeit they fall outside the four key priorities identified by the Council) and that the *Island Vision* will also make allowance for environmental goals to be set. These are the only explicit references to the environmental issues and challenges we set out in the previous chapter. For instance, notwithstanding advice we received about the need to focus on eco-system services, the term does not appear in the Draft Plan.
- 5.13 It therefore appears to be the *Island Vision* which is intended to address environmental issues, rather than the Strategic Plan. This fact was confirmed to us by the Minister during our review. It was also suggested to us that the current Draft Plan should be considered in the context we have set out above, in that the Strategic Plan should sit within the longer-term ambitions of the *Island Vision*. However, there is currently no long-term vision in place in which the Assembly can contextualise the Draft Plan and against which Members can assess the Draft Plan.

¹⁸ Draft Strategic Plan, Page 13

Minister for Planning and Environment, Written Submission

- 5.14 There was an acknowledgement during our review that debating the Draft Plan before the *Island Vision* is ready will in essence involve doing things the wrong way round. However, it was highlighted that the Council of Ministers has little choice due to the provisions of the *States of Jersey Law 2005*. We understand those legal obligations but, given the testimony we have received, we would still expect there to be an explicit link between the proposed Draft Plan and the long-term planning which is due to be undertaken. We have been informed that the *Island Vision* will address environmental matters. It would therefore follow that the next Strategic Plan, which will relate to that vision, should be consistent with it.
- 5.15 However, whilst there are references to environmental issues in the Draft Plan, the majority (as we have stated) relate to the development of the *Island Vision* and not to the delivery of the Strategic Plan over the current term. Nevertheless, if the Environment is indeed one of the three key pillars on which strategic planning should be based; if strategic planning is indeed intended to be co-ordinated and integrated in its approach; and if the Draft Plan is supposed to be consistent with the *Island Vision* one would expect environmental considerations to permeate more visibly through the priorities identified in the Draft Plan for the current term.
- 5.16 Indeed, that is our expectation based upon the briefing we have been provided and from the testimony we have received about the long-term vision. The *Island Vision* will, we were told, address environmental issues. However, there is little reference to the environment in the four key priorities identified for this term: health; education; the economy; and St. Helier.
- 5.17 Given the above, we have found that environmental matters should be reflected more explicitly within the priorities for the current term. Indeed, it was acknowledged during our public hearing with the Minister that the relationship between the Draft Plan and the long-term vision could have been made more explicit.²¹
- 5.18 With the help of our adviser, we have therefore considered each of the Council's four proposed priorities and considered how environmental considerations could be incorporated within them. We have lodged an amendment to the Draft Plan that seeks to address this point.
- 5.19 We will not repeat the content of the amendment here. Essentially, it comprises five components which, if adopted, would ensure that explicit consideration of environmental and sustainability issues were included in the delivery of the four priorities. We have not proposed that 'the Environment' be placed as a distinct, fifth priority. To do so would potentially place it as a priority in competition with the others and would potentially not deliver integrated and co-ordinated strategic planning; for it to be integrated, environmental

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Head of Strategic Planning, Transcript, Page 34

Chief Officer – Department of the Environment, Transcript, Page 34

considerations should inform and be a part of the work on all four priorities. Environmental challenges are far-reaching and addressing them concerns all aspects of Island life, including the health and education of Islanders and Jersey's economy. Integrating environmental thinking within the four identified priorities would make it less likely that environmental issues were forgotten about during this term. It would also make it easier to discern the link between the Draft Plan and what is anticipated in the *Island Vision*.

5.20 The amendment would not change the proposed four prioritises of the Council of Ministers. Ultimately, it can be recognised that, in the Draft Plan (and particularly in its proposals for the *Island Vision*), the Council of Ministers is talking about environmental and sustainability issues. The Draft Plan acknowledges, for instance, that "*Islanders are worried that growth and associated development will erode the environmental and social advantages we value so highly.*" The Council of Ministers therefore appears to be aware of the longer-tem context. However, there needs to be confidence that these matters will not simply be forgotten during the current term whilst work focusses on other matters.

KEY FINDING

5.21 Although references to environmental issues may be found in the Draft Strategic Plan, insufficient allowance for such issues is made within the four key priorities proposed by the Council of Ministers.

RECOMMENDATION

5.22 The Draft Strategic Plan should be amended to ensure that environmental considerations are integrated within the delivery of each of the four key priorities.

²²

6. BEYOND THE STRATEGIC PLAN

6.1 The Draft Strategic Plan will be debated by the States Assembly on 28th April 2015. If approved, it will set the strategic direction for the current term. We have found that the strategic direction should provide more explicitly for environmental matters. However, that debate will not be the end of point of environmental considerations during the current term and, with the assistance of our adviser, we have found a number of matters which will require consideration beyond that debate.

The Island Vision

- 6.2 Not least of these issues, given the prominence afforded it by the Draft Plan, is the *Island Vision*. As we have described, the *Island Vision* is a longer-term framework which will "define social, economic and environmental outcomes against which progress can be measured" and "inform decisions about the balance between social, environmental and economic themes."
- 6.3 Long-term planning in this way was also a priority of the previous Council of Ministers and was included amongst the seven priorities of the 2012 Strategic Plan. No long-term plan was produced during the last term of the States Assembly, however, although the previous Council published a framework that would support the construction of a long-term vision. That framework, entitled *Preparing for Our Future*, sets out three aims one each for the three pillars of the Community, the Economy and the Environment. For the latter, it is proposed that the aim would be to "preserve this beautiful and special place for future generations." The framework also contained eighteen suggested strategic goals (six for each pillar) including, in respect of the environment, energy security; preservation of biodiversity; clean air and water resources; and resilience to climate change.²³
- 6.4 Further indications of what the *Island Vision* might look like came from advice we received that long-term plans stretching 20 years into the future (or even further) have been developed in other jurisdictions. Such plans allow a jurisdiction to state where they would like to be and thereby establish targets towards which the jurisdiction can work. For example, we were informed that it was a long-term vision in Singapore to achieve a 50% increase by 2030 in the number of Singaporeans with professional, managerial, engineering and technical skills.²⁴

Head of Strategic Planning, Transcript, Page 37

Preparing for Our Future – A Strategic Planning Framework for Our Sustainable Future, Page 14

6.5 We were informed that the *Island Vision* would be developed during 2015 and that it would be subject to consultation.

KEY FINDING

6.6 Sustainability and environmental matters will form a significant part of the Island Vision to be developed later in 2015.

Integrated Policy Development

- 6.7 We have found that, in respect of the Draft Strategic Plan, more explicit reference should be made to environmental matters within the four key priorities proposed by the Council of Ministers. This would not only ensure consistency with the *Island Vision* (once developed) but it would also ensure integrated and co-ordinated development of strategy and policy in the shorter term. This is something which previous Councils of Ministers have aimed to do (there was a commitment to co-ordination in the 2012 Strategic Plan) and, as a concept, it was something proposed back in the Millennium Report.
- 6.8 The Minister for Planning and Environment informed us that the cross-departmental and thematic working which he had described to us would continue. Perhaps more pertinently in terms of integrated policy development, we were also informed of plans to develop a Sustainability Assessment Framework. In his written submission, the Minister advised us that he was "keen to develop a sustainability assessment framework for decision making and policy development that will be applied across all areas." 25
- 6.9 The work on developing this Framework has not yet been completed but, at our public hearing, the Minister explained that "at the moment every proposition that comes to the States at the end just has a financial and manpower requirement. In a similar sort of a vein, I do not know if it will be done quite like that, but when we come up with new policy, we have financial, manpower [implications] and there will be some sort of environmental angle, so we will always be looking to see how new directions that the Assembly takes or the Government takes, how that might affect the environment, the Island and sustainability. So we will be trying at all times to look at the wider implications of a particular policy."²⁶
- 6.10 This description suggests the framework might necessitate accompanying statements to be made for propositions similar to those already required under Standing Orders for financial and manpower implications. The Minister stated that he wanted "to see this framework

²⁵ Minister for Planning and Environment, Written Submission

Minister for Planning and Environment, Transcript, Page 31

- applied to all emerging policies / decisions to ensure that the relevant environmental considerations are recognised which would ensure that all policies are future proofed."²⁷
- 6.11 The development of the Sustainability Assessment Framework is to be welcomed in that it would be reflective of an integrated approach to strategic planning and policy development. It would also show how much prominence Ministers (indeed any Member lodging a proposition) would need to give to environmental matters. Further clarity on the principles to be embodied in the framework and how the framework will be structured and how it will operate would be beneficial.
- 6.12 Delivery of integrated policy development (and implementation) also requires the relevant expertise and mindset. Our adviser has highlighted the need to ensure sufficient knowledge and understanding within the public sector, as that understanding of "the environmental challenges and the relationship to sustainability (including socio / economic) is fundamental if an organisation is to move beyond 'greenwash' to serious action in securing sustainability." He has welcomed the development and incorporation of the Sustainability Assessment Framework but has also suggested that seminars and training should take place to engender the principles of environmental management within the public sector and to ensure a common and agreed understanding of global and local challenges facing Jersey.
- 6.13 In that regard, we are reminded of comments made by a previous Minister for Treasury and Resources that financial management was not simply the responsibility of the Department of Treasury and Resources; responsibility ran throughout the public sector. Similarly, it could be argued that environmental management is also not the responsibility of a sole Department. Training, for example through the States-sponsored management programmes, could potentially help to address that.

6.14 The development of the Sustainability Assessment Framework will assist the delivery of integrated strategic thinking to guide policy development and implementation and procurement. Further clarity is required on the principles to be embodied in the Framework: how the Framework will be structured and how it will operate.

RECOMMENDATION

6.15 The Minister for Planning and Environment should pursue the development of a Sustainability Assessment Framework and report to this Panel with progress by July 2015.

Minister for Planning and Environment, Written Submission

6.16 To achieve the goal of sustainable integrated policy and strategic development, specific sustainability and environmental training should be delivered at all levels of the public sector.

RECOMMENDATION

6.17 The Minister for Planning and Environment should request his Department to liaise with the Human Resources Section to ensure that specific sustainability and environmental training is delivered at all levels of the public sector and that, subsequently, there is appropriate inclusion of environmental principles in the delivery of public sector management training.

Key Issue – Nitrates

- 6.18 A number of specific issues were raised during our review that will require further action. As previously mentioned, there is a problem in respect of nitrate levels in Jersey's Water. This was raised by Jersey Water and the Minister for Planning and Environment and in other written submissions as well. As Jersey Water stated in its written submission, "the nitrate pollution issue in Jersey is a long-running, Island-wide issue affecting not just Jersey Water but also TTS [Transport and Technical Services] and a significant number of private borehole owners across the Island."²⁸ The problem is essentially that of the usage of, and the manner in which, agricultural fertilisers have been applied has led to nitrate levels in water exceeding limits prescribed by the World Health Organisation. Jersey Water currently receives dispensations from the Department of the Environment (in its role as regulator) which mean that water can still be supplied. The current dispensation ceases on 31st December 2016.²⁹
- 6.19 We questioned the Minister about what was being done to address this situation. We were advised that the Nitrate Working Group had been reformed to address the situation. The Group comprises representatives from the Department; Jersey Water; health officers; and the agricultural industry. Progress was apparently being made and it was said that farmers had begun to take ownership of the issue (something the Minister indicated would need to occur for the problem to be resolved). An action plan would therefore be included in the next Rural Economy Strategy. The actions to be taken would most likely need to include both 'carrots' and 'sticks'. For example, it was suggested that the provision of financial grants could be linked to progress being made on the nitrates issue (although the ability to award

28

Jersey Water, Written Submission

Minister for Planning and Environment, Written Submission

- grants might itself come under pressure due to the financial circumstances in which the States currently finds itself).
- 6.20 We asked whether a polluter-pays principle could be implemented in respect of nitrates. However, we were informed that implementing such a scheme would be difficult. We were also informed that, in theory, the issue could be addressed by Jersey Water itself: "Jersey Water could blend a lot more expensive water coming out of the desalination plant, we could put in filters to take the nitrates out before it comes out of your tap." However, the Minister did not favour that solution as it would not address the level of nitrates in ground water and costs incurred by Jersey Water in taking such action would ultimately be passed on to the customer. The Minister's preferred option was therefore to address the application of agricultural fertilisers and the impact they had on the level of nitrates.³⁰
- 6.21 At the hearing, the Minister advised that one more dispensation might be granted to Jersey Water but it would be the last and an alternative would therefore need to be found to address the nitrates issue. It will reportedly by the number one priority addressed in the Water Strategy that is due to be brought forward for debate by the States Assembly in October 2015.³¹ Development of the Water Strategy is the only, oblique reference to this issue in the Draft Strategic Plan.

6.22 There is a significant and worrying situation in respect of nitrate levels in Jersey's water where, on occasions, levels can exceed World Health Organisation limits. This problem has arisen from the usage of agricultural fertilisers which has led to nitrate levels in water at times exceeding the limits.

RECOMMENDATION

6.23 The Minister for Planning and Environment should ensure that the prospective Water Strategy will provide a definitive explanation of how the problem of high nitrate levels in Jersey's water will be resolved, with targets for delivering specified reductions in nitrate levels.

Key Issue - Soil

6.24 Linked to the use of nitrates is the question of soil quality. Our adviser has highlighted that one omission from the Millennium Report of 2001 was a mention of soil. He has advised that "soil is the critical resource in terrestrial ecosystems, and hence biodiversity, agriculture and food production. Through erosion and run off it also has an impact on coastal ecosystems.

Minister for Planning and Environment, Transcript, Page 23

Director of Environmental Protection, Transcript, Page 21

The levels of Soil Organic Matter (SOM), Soil Organic Carbon (SOC) are key indicators of soil health and fertility." He has therefore proposed that "consideration be given to ensuring that effective sustainable soil management is included in the vision, strategy and plans for the Island's future well-being and prosperity."

- 6.25 At our Public hearing, the Minister for Planning and Environment acknowledged the importance of organic matter in soil but advised of his own view that the condition of the Island's soil was in better shape than it had been in the past.³²
- 6.26 Another issue related to soil which we discussed with the Minister was the Potato Cyst Nematode (PCN) or eelworm which affects potato-growing. In the Minister's view, the levels of eelworm in the soil were ultimately a matter for farmers to address, rather than the Government; unlike the question of nitrates within drinking water, this was not a matter of public health. The environmental impacts associated with pesticide treatments of eelworm were not explored.
- 6.27 However, there are other implications. During our review, we undertook a visit to Howard Davis Farm, where we were briefed on the work of the Environment Section. We were informed of the work undertaken by the Section in respect of eelworm and were advised of the work being undertaken to address the manifestation of eelworm and the efforts being made to ensure that it does not affect the marketability of Jersey's potato produce. Whilst it might not have a public health impact, the presence of eelworm does impact upon the grading of agricultural land which can have subsequent implications for the agricultural industry.

KEY FINDING

6.28 Effective and sustainable soil management is of vital importance and is a matter which should be included in the vision, strategy and plans for the Island's future well-being and prosperity.

Key Issue – Transport

6.29 In his written submission, the Minister for Planning and Environment cited the Sustainable Travel and Transport Plan as one example of how environmental policy and strategy had progressed over the last decade. However, at our Public hearing the Minister indicated that implementation of the Plan had been insufficient and that more needed to be done to progress it. In his view, the Plan had not been a success and it had not been addressed seriously enough. We are conscious in that regard that the agreement of a strategy or policy

Minister for Planning and Environment, Transcript, Page 40

- does not equate to tangible delivery of environmental commitments; it is implementation of the policy which ultimately counts.
- 6.30 The Minister, in discussing the Transport Plan, raised the question of parking in St. Helier. The access to cheap parking was, in the Minister's view, one of the reasons why it had been difficult to encourage more people to use public transport.³³ Those comments generated a good deal of coverage in the local media. The public responses which have been published in the media highlight the challenges which face the Council of Ministers and, indeed, the States Assembly if thinking continues to be that the amount of parking should in fact be reduced.

6.31 By the Executive's own admission, there has been insufficient progress in delivering the Sustainable Transport Policy.

RECOMMENDATION

6.32 The Minister for Planning and Environment should correspond with the Minister for Transport and Technical Services and ensure that the States Assembly is provided with an update by July 2015 on progress, or lack thereof, against the measures adopted in the Sustainable Transport Policy.

Key Issue - Energy

- 6.33 In his report, our expert adviser has highlighted the issue of energy use. He has proposed that "consideration should continue to be given to ensuring that the primary environmental policy driver is that of demand management of energy and the reduction of energy consumption. The policy in respect of energy supply should be that of progressively minimising and eliminating fossil fuels from the energy mix (plus security of essential supply)." Our adviser has explained that a focus on energy reduction (rather than pursuing greenhouse gas reductions or, in other words, waste management) can have considerable benefits and "improves efficiency, productivity and delivers financial savings."
- 6.34 Energy security was also identified as an issue by the Minister for Planning and Environment in his written submission and he advised that "Government needs to work more proactively with our energy companies to give careful consideration to the energy security of the Island into the future." This matter was also discussed at our Public hearing, where the reduction of energy consumption was described as the "top of the tree" in terms of delivering the

Minister for Planning and Environment, Transcript, Page 14

Minister for Planning and Environment, Written Submission

Energy Plan.³⁵ The first policy agreed within *Energy Plan for Jersey: 'Pathway 2050'* (P.38/2014) was that the Minister would be instrumental in the development and implementation of actions and work-streams that would reduce energy demand according to identified targets.

KEY FINDING

6.35 A focus on energy reduction could have considerable benefits; it could improve efficiency, productivity and deliver financial savings.

Key Issue – Population

6.36 There is a link between energy consumption and population levels. In his written submission, the Minister for Planning and Environment identified resource demand and population as key environmental issues. Whilst the Millennium Report included policy recommendations on population policy, subsequent environmental strategy documents (such as the *State of Jersey* reports) have not covered population policy so explicitly. Indeed, the development and approval of population policy has been separated out and responsibility for its development does not lie with the Department of the Environment. Yet population policy and population levels cannot be ignored when considering environmental matters.

6.37 In his written submission, the Minister advised that:

"Inevitably an increased population will further impact our resource availability and if we accept that an increased population is required to drive economic growth, then we will need to prepare for the environmental impacts. This is a debate we need to have and we need to consider the implications of different population scenarios on resources and consider what is acceptable in terms of cost and service delivery. Demand management will be critical in managing resources for any population scenario that we consider. Government has an important role to play in setting standards, ensuring efficiency, regulation and management."

6.38 In terms of population, we have been advised that the only real checks on population numbers are the ability to sustain flows of goods and services and the willingness of the Island's population to tolerate the conditions associated with higher density living. That last point is reportedly relevant because the densities of populations elsewhere in the world indicate that much higher populations can in theory be sustained. In terms of current environmental policy, the Department of Environment has factored in the current (Interim) Population Policy to its work; for example, the Energy Plan was developed on the basis of

Minister for Planning and Environment, Written Submission

Chief Officer – Department of the Environment, Transcript, Page 9

net inward migration of 350 people per annum. At our Public hearing, we discussed with the Minister for Planning and Environment the notion that an increasing population did not necessarily equate to a proportional increase in resource use, depending upon the circumstances and if demand management were used in respect of those resources.

6.39 There is a section of the Draft Strategic Plan relating to population policy. In that section, the Draft Plan explains that population growth has been a solution in other jurisdictions, for which inward migration ensures a sufficient working population to fund rising health and pension costs. Jersey reportedly faces the same challenges as these jurisdictions although the Draft Plan acknowledges the complexity of the situation in the Island as "Islanders are worried that growth and associated development will erode the environmental and social advantages we value so highly." The Draft Plan therefore states that a solution must be found that "meets our economic challenges without sacrificing the prized asset of 'liveability' that many competitors crave." The Draft Plan states that the four proposed priorities provide sufficient 'levers' to deliver an appropriate population policy.³⁷

Key Issue – Resources

- 6.40 The challenge of population growth, and the consequent demand on resources, raises the question of how delivery of environmental strategy and policy can be afforded and resourced. There have been numerous indications recently of the difficult financial circumstances in which the States finds itself. The next MTFP will be brought forward for debate by the Assembly later this year and it remains to be seen what provision will be made for 'environmental expenditure.' Our review highlighted some of the challenges in this area, however.
- 6.41 Much is expected of the Department of the Environment in delivering environmental policy. Indeed, the 2010 *State of Jersey* report states that the Department "*must become the environmental conscience of our government and our community.*" However, we have been made aware that the Departmental budget has not increased for several years. At a Quarterly Public hearing with the Minister for Planning and Environment in February 2015, we were informed that the net revenue expenditure limit of the Department (of £5.9 million) had remained the same since 2008.³⁹ This during a period when strategies and policies such as the Energy Plan have been approved by the Assembly.

³⁷ Draft Strategic Plan, Page 16

³⁸ State of Jersey Report 2005-2010 (R.1/2012), Page 3

Minister for Planning and Environment, Quarterly Public Hearing, 5th February 2015, Transcript, Page 9

- 6.42 The budgetary constraints facing the States mean that the Department might not be able to expect to receive any more funding; and the constraints might impact upon existing funding. The Minister indicated, for example, that less money might become available for financial assistance schemes to the agricultural industry. Indeed, we understand that progress on the new Rural Economy Strategy has effectively halted until the next MTFP has been developed and debated. Reductions in this funding would potentially impact upon the Department's ability to deliver environmental objectives in that the 'carrot' of financial incentives which could be offered to the industry would disappear. As previously stated in relation to the nitrates problem, for instance, if the Department cannot engender culture change amongst the agricultural industry through the use of grants (because the grants are not there), it will need to find other means of inducing that culture change.
- 6.43 A lack of funding also provides difficulties in supporting other initiatives. For example, financial support for microrenewable energy (e.g. solar panels on individual properties) is provided in other jurisdictions but such support is not available here (and nor is it likely to be in the near future, according to the Minister).⁴¹
- 6.44 In the long term, however, funding will be required. In the briefing we received at the beginning of our review, it was highlighted that the environment and Jersey's ecosystem services needed to be underpinned by fit-for-purpose and well-regulated infrastructure. Such infrastructure is necessary to deliver clean water and air and indeed one of the questions put to Members at the end of that briefing was how could sufficient investment in infrastructure be ensured that the infrastructure remained fit-for-purpose and future-proof. Development of infrastructure requires a lead-in period, however. For example, enhancing the capacity of an existing reservoir to address the water requirements of a growing population will require planning. Indeed, in its written submission Jersey Water advised us of its 25-year water resources management plan "which sets out the likely future availability and demand for water and the steps that the company will take to ensure that demand can be met."43
- 6.45 The briefing we received highlighted the principle of 'Reduce, Manage and Invest' as a means by which economic growth and resource use could be decoupled. Such an approach could be used to mitigate the impact of reduced funding. This could be achieved by use of 'demand management' which would possibly mitigate some of the requirements for increasing funding. As the Departmental Chief Officer explained to us, "I think by applying demand management to our resources, you can in effect carry the capacity of our Island in

Minister for Planning and Environment, Public Hearing, 20th March 2015, Transcript, Page 21

Minister for Planning and Environment, Transcript, Page 4

Briefing from the Department of Environment, 28th January 2015

Jersey Water, Written Submission

- terms of what we need in terms of water and energy." We were also advised that an increasing population would require greater demand management.⁴⁴
- 6.46 In his written submission, the Minister addressed the question of demand management, advising that it "will be critical in managing resources." He advised that demand could be managed through the use of various 'policy levers', including outreach measures to affect behaviour change (such as the Eco-Active programme); fiscal levers (i.e. environmental taxation); and incentives that would improve good environmental behaviour. In that latter regard, we understand that the Department of the Environment is developing a pilot scheme that would encourage energy efficiency in the 'able-to-pay' sector. ⁴⁵
- 6.47 This position in respect of demand management tallies with the report we have received from our expert adviser. Amongst five key issues which he has proposed, he has stated that the focus should be "on resource management as the priority rather than pollution prevention and waste management." He has also advised that "resource management links positively to the economy and to the productivity strategy. Reductions in resource use results in increased efficiency, financial savings and pollution / waste reduction hence reduced environmental impacts. It is a win-win strategy."
- 6.48 Difficulties in respect of financial resources should not mean that efforts do not continue to be made to address the key environmental challenges facing Jersey or to integrate environmental considerations within strategic thinking. Indeed, incorporation of environmental thinking, and a focus on resource demand management, should assist in delivering value for money, efficiency and economic benefits.

6.49 In respect of resource use, explicit incorporation of the principles of demand management within future financial planning could have significant benefits in terms of productivity. This would assist in the delivery of efficiency and savings and thereby have a positive economic impact. Resource use, demand management and low impact living are particularly vital in the light of current population policy that expects an ongoing increase in the Island's population.

RECOMMENDATION

6.50 The Minister for Planning and Environment should ensure that the principles of demand management in respect of energy and resources are explicitly incorporated within the development of the new Medium Term Financial Plan.

Chief Officer – Department of the Environment, Transcript, Page 14

Minister for Planning and Environment, Written Submission

7. CONCLUSION

- 7.1 We acknowledge that progress has been made in recent years in the development of environmental strategy and policy, notwithstanding that there remain a number of environmental challenges, both global and local, facing the Island. We also recognise that the Council of Ministers is seeking to address environmental and sustainability issues. However, that intention needs to manifest itself in the delivery of medium-term priorities as well as a long-term vision. Work on health and well-being, education, the economy, and St. Helier should incorporate environmental thinking.
- 7.2 The Draft Strategic Plan, as lodged, lacked sufficient references to environmental awareness within the proposed four priorities of the Council of Ministers. We trust that our amendment to the Draft Plan, if adopted, will ensure that the situation is rectified and that environmental considerations are not forgotten during the current term of the States Assembly.
- 7.3 As recently announced, the Island faces some significant financial challenges over the coming years. This situation should not be allowed to deflect attention from the environmental agenda, however. As we have stated, environmental matters should not be seen as an 'add-on' but should be treated as an integrated part of the work to be undertaken. Indeed, as our review has shown, environmental thinking could play its part in addressing the financial challenges now facing Jersey, helping to achieve through demand management improved value for money and efficiencies.
- 7.4 Notwithstanding the current financially straitened times, there must remain a focus on environmental matters as there are some particularly significant individual issues that will need to be addressed; for example, the level of nitrates in Jersey's water. That example alone illustrates how environmental considerations can underpin delivery of the proposed four priorities, given the potential health implications of not addressing that situation, which needs to be rectified.
- 7.5 It is our intention to follow up these matters in due course, once the debate on the Draft Strategic Plan has been completed, in order that there can be continued confidence that environmental commitments will be met by the Council of Ministers.

8. APPENDIX 1 - PANEL MEMBERSHIP, TERMS OF REFERENCE AND EVIDENCE CONSIDERED

Panel Membership and Terms of Reference

8.1 The Environment, Housing and Technical Services Scrutiny Panel comprises the following Members:

Connétable A.S. Crowcroft, Chairman

Deputy D. Johnson, Vice-Chairman

Deputy J.A. Martin

Deputy M. Tadier

- 8.2 The Panel appointed Mr D. Stanley from Dave Stanley Associates as its expert adviser for the review.
- 8.3 The following Terms of Reference were agreed for the review:
 - 1. To consider the identification and implementation of environmental strategy and policy since the publication of *Jersey into the Millennium: A Sustainable Future*;
 - 2. To question the Council of Ministers, and in particular the Minister for Planning and Environment, on planned strategy and policy in respect of environmental matters; and
 - 3. To consider the draft Strategic Plan in relation to environmental strategy and policy.

Evidence Gathered

- 8.4 The following documents were considered by the Panel and its expert adviser during the review:
 - 1. *Jersey into the Millennium: A Sustainable Future*, Policy and Resources Committee, December 2001
 - 2. The State of Jersey: A report on the condition of Jersey's environment, Environment and Public Services Committee, January 2005
 - 3. Strategic Plan 2006 to 2011 (P.40/2006): Eighth Amendment (P.40/2006.Amd.(8)), Deputy R.C. Duhamel, 2nd June 2006
 - 4. Strategic Plan 2006 to 2011 (P.40/2006): Eighth Amendment (P.40/2006.Amd.(8)) Comments (P.40/2006.Amd.(8)Com), Council of Ministers, 19th June 2006
 - 5. Strategic Plan 2006-2011, Council of Ministers, 27th June 2006

- 6. Strategic Plan 2009-2014, Council of Ministers, 10th June 2009
- 7. State of Jersey Report 2005 2010, Department of the Environment, December 2011
- 8. Inspiring Confidence in Jersey's Future Strategic Plan 2012, Council of Ministers, 1st May 2012
- 9. Preparing for Our Future A Strategic Planning Framework for Our Sustainable Future,
- 10. Energy Plan for Jersey: 'Pathway 2050' (P.38/2014), Minister for Planning and Environment, 24th March 2014
- 11. Eco-Active States Annual Report 2014, Department of the Environment, January 2015
- 12. Proposed Strategic Priorities 2015-2018, Council of Ministers, 9th January 2015
- 13. Draft Strategic Plan 2015-2018 (P.27/2015), Council of Ministers, 6th March 2015
- 8.5 The Panel wrote directly to a number of key stakeholders and invited submissions from the public through a call for evidence. The following written submissions were received:

1.	Save Our Shoreline	26th February 2015
		5th March 2015
2.	Ms. L. Noel	27th February 2015
3.	Mr. D. Nursey	2nd March 2015
4.	Council for the Protection of Jersey's Heritage	5th March 2015
5.	Jersey in Transition	5th March 2015
6.	Mr. N. Radcliffe	6th March 2015
7.	Jersey Water	6th March 2015
8.	Andium Homes	6th March 2015
9.	Minister for Planning and Environment	18th March 2015
		25th March 2015

- 8.6 The Panel received a briefing from the Department of the Environment on 28th January 2015 entitled *The Environment Challenges for the Future*. In addition, the Panel was invited to visit the Environment Section at Howard Davis Farm on 27th March 2015.
- 8.7 The following Public hearing was held:

20th March 2015 Deputy S.G. Luce, Minister for Planning and Environment, accompanied by the Chief Officer of the Department of the

Environment; the Director for Environmental Policy; the Director of Environmental Protection; and the Head of Strategic Planning

8.8 The transcript of the Public hearing, as well as the written submissions, are available to read on the Scrutiny website: www.scrutiny.gov.je

9. APPENDIX 2 – REPORT BY DAVE STANLEY ASSOCIATES

Environment, Housing and Technical Services Scrutiny Panel Environmental Policies Review

Report by the Environmental Adviser – Dave Stanley

Introduction

The Environment, Housing and Technical Services Scrutiny Panel is reviewing what environmental policies are currently in place in Jersey and how far they are followed by Ministers and the States. The review is intended to inform the new Strategic Plan.

Terms of reference of the review

- To consider the identification and implementation of environmental strategy and policy since the publication of *Jersey into the Millennium: A Sustainable Future*; (Section 1)
- 2 To question the Council of Ministers, and in particular the Minister for Planning and Environment, on planned strategy and policy in respect of environmental matters; and
- To consider the draft Strategic Plan in relation to environmental strategy and policy. (Section 2)

Section 1

To consider the identification and implementation of environmental strategy and policy since the publication of Jersey into the Millennium: A Sustainable Future.

<u>Methodology</u>

I began my study with an analysis of the summary of the report *Jersey into the Millennium: A Sustainable Future* dated December 2000. The topic areas addressed in the summary report are wide ranging. They include population, health, education, law, economy, housing, traffic and transport, pollution, energy etc. *A*II of the topic areas focus on environmental consequences - largely adverse / negative.

Most economic activities and processes require an input of energy and resources, which in turn give rise to outputs such as the emission of carbon dioxide, discharge of polluted water, generation of solid waste etc. As a consequence, there are arising environmental impacts i.e. carbon dioxide is a factor in climate change; discharge of polluted water will degrade river and marine aquatic ecosystems; solid waste may result in contaminated land etc.; and of course there is all the associated energy and resource consumption.

Given the wide range of the topic areas the decision was made to focus on those topic areas in the report that directly relate to environmental impacts:

- Water and Mineral Resources
- Energy
- Biodiversity and Countryside
- Pollution

Indicators

The **State of Jersey Report 2005 – 2010** (advised to be the latest and most comprehensive report on Jersey's environmental progress) was reviewed along with the earlier **Strategic Plan 2006 Eighth Amendment**. The Amendment includes a table listing the Millennium Policy Options and response from the Council of Ministers in respect of any actions. The **Eco Active States 2014 Report** was also consulted for information on the States' promotion activities on environmental issues.

Section 2

To consider the draft Strategic Plan in relation to environmental strategy and policy.

Introduction

The Draft Strategic Plan 2015-2018 extends to 25 pages. In the Foreword it states –

Our strategic plan focuses on the issues that will make the biggest difference for islanders – keeping what is best about Jersey and making our island a better and more enjoyable place to live and work and visit.

This document was reviewed to identify the extent to which environmental sustainability has been incorporated. References to environmental issues, environmental sustainability, and resources can be found in the document.

For each of the identified priorities there is an associated box which identifies "desired outcomes" and the "key areas of focus" associated with each of those outcomes.

Environmental considerations do not appear in any of these four boxes relating to "Priorities".

There appears to be no regard for the critical environmental resources and issues, and how these might enhance or constrain the growth agenda.

For example, a critical, if not *the* critical resource in respect of economic growth is the availability of energy. Energy is only mentioned once, and water twice – these references are to be found on Page 20 under the heading "Planning for the Future". Here it goes on to refer to the Council's broader strategic goals and mentions the "Island Vision". There is reference to environmental goals, and ensuring that climate change is embedded into our strategic development process.

On Page 4 it states -

Long Term Planning Framework

We are also committed to improving Jersey's long-term planning process. A new approach is needed to ensure that priorities identified within each electoral cycle sit within a broader vision of the Island's future that encompasses the full range of social, environmental and economic goals.

The Council of Ministers clearly acknowledges the requirement for an overarching "sustainability planning framework / vision" that would provide long-term objectives and guidance including environmental, as well as social and economic, aims, and within which this three year strategic plan might have sat.

In the absence of any reference to such a document in the Draft Strategic Plan, the four Strategic Plan priorities are reviewed in the context of how relevant environmental objectives might have influenced the desired outcomes and areas of focus.

Priority – Health and well-being

The proposal for the provision of a new modern hospital to meet Jersey's future requirements for integrated services is clearly to be welcomed, and will be a benefit in the treatment of illness and disease. This service will be at a considerable cost. The expectations are that with an ageing and a growing population demands for such services are likely to continue to increase.

The most cost-effective mechanism for delivering health and well-being is through prevention – rather than cure. The environment has the single largest impact on people's health and well-being through the quality of the air, water, nutritional value of the food, management / avoidance of pollutants and contaminants, and access to the surrounding "natural" environment – parks, countryside and coast. For an effective preventative health and well-being strategy to be delivered, it should have full regard to, and the integration of, environmental issues throughout.

Amendment for consideration by the Panel

It is proposed that the Health and well-being priority desired outcomes 1.2 and 1.3 be amended to reflect:

- That prevention is better than cure.
- That environmental issues that have both direct and indirect impact on health and well-being, be addressed as part of a preventative strategy.

Priority – Improving Education

It is vital that Jersey's children are educated to become globally competitive, and also become global citizens with a working knowledge of how the planet operates, not only economically, but also in respect of ecosystems, energy and resource issues, impact of climate change etc. It is vital that the environment / sustainability is integrated throughout the whole curriculum to ensure that the children are equipped for adulthood, and that they may then subsequently make informed decisions based on realistic assessment of not only economic and social risks, but also those that arise from environmental threats, constraints and opportunities.

Amendment for consideration by the Panel

It is proposed that desired outcomes 2.1 and 2.3 be amended to incorporate:

- The need for children to fully understand the environmental and resource challenges that the Island and planet faces.
- The need for environmental sustainability to be fully integrated into decision-making processes.

Priority – Maximising Economic Growth

It goes without saying the priority of economic growth cannot be delivered without full regard to energy and resource considerations – supply, security, and the arising environmental impacts. Furthermore, one of the primary principles of environmental management is resource use efficiency as a mechanism for minimising environmental degradation and pollution –

Eliminate. Reduce. Re-use. Recycle. Dispose safely.

Within the Priority entitled Maximising Economic Growth, there is a paragraph on productivity. It identifies the need to use our available resources – land people and capital – to produce goods

and services. The application of sound environmental management principles would have embraced this requirement – along with that of ensuring the preservation of "natural capital". Environmental management / resource management is a mindset that delivers optimisation of resources.

The final paragraph states that -

The cost of living pressures are a growing concern to many islanders. By having a wider regard for environmental sustainability the Government can play key role in ensuring that markets work in the interests of its Islanders and its economy.

One might question whether the priority is "maximising economic growth" (in which case at what cost and for whom), or is it actually "optimising economic growth" (at minimum cost for the benefit of all)?

Amendment for consideration by the Panel

It is proposed that consideration be given to amending desired outcomes 3.2, 3.4, 3.6, and 3.7 to:

• Recognise and consider the importance of critical environmental resources, and the benefits of adopting environmental management principles.

Such considerations would improve productivity and efficiency, and enhance Jersey's credibility and standing in the market place and amongst informed investors.

Priority – Improving St. Helier

In the outline to this priority it identifies that -

St. Helier has an outstanding natural environment, and also identifies the importance of the biodiversity of our countryside and coast for all to joy.

This is to be commended. Also of significant importance to the attractiveness of St. Helier are other environmental issues such as air quality, noise, and waste management.

The requirement for housing and redevelopment is also identified. There would be benefits to including specifying all housing / development to be low energy and low impact (including water), thereby minimising life-cycle costs and making them economically attractive to own and rent.

Amendment for consideration by the Panel

It is proposed that consideration be given to amending desired outcomes 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, and 4.7, to:

• Incorporate best environmental practice and thereby improve the attractiveness of St. Helier as a place to visit, invest and live in.

Comment

In respect of the Draft Strategic Priorities 2015–2018 one might assume that this is intended to reflect the Government intentions on delivery. Whilst it might appear trivial, of the 25 pages in this report, there are the equivalent of 5+ pages that are blank. Minor changes in presentation could reduce this document to 20 pages. Whilst this document may well be printed on recycled unbleached paper, subsequently recycled etc, with the resource management mindset a 20% reduction in resource use could have been achieved in paper and printing costs. This is not untypical of many private and public sector documents that are produced. The first Environment

Agency Report on Sustainability had 25% blank pages, and another 20% with superfluous photos. This report is therefore twice as good!

With the application of effective environmental management principles, in particular resource use management, similar reductions are typically to be found within many functions, operations and processes.

Summary

It is very apparent from the documents reviewed, and the other documents forwarded that there has been a commendable and very significant amount of time and effort by the Government that has gone into considering and planning in respect of environmental issues in Jersey.

Sustainability and environmental management has an infinite timescale. The consequences of today's, and indeed past, economic and policy decisions have environmental consequences which are not always readily apparent. Indeed many of the environmental consequences, or changes, are not, or barely, being measured.

In contrast, management of the economy is arguably being carried out on an annual basis. Indeed many of the FT100 companies are now expected to report their quarterly financial performance. As a consequence, it is almost inevitable that the focus of attention is on economic changes, rather than those taking place in the longer term in the environment.

The economic system has largely been structured around the model of -

Extract - Use - Dump

and on the assumption that there can be continuous economic growth underpinned by an infinite supply of resources from a finite planet. The shortcomings of this approach are being recognised. There is a progressive move to consideration of life-cycle costings, or analysis (LCA). Indeed the UK Government has moved to a "closed loop" paper procurement process.

The adoption of life-cycle thinking and integration with resource / nutrient cycling – i.e. carbon etc – is essential in the move towards environmental sustainability.

Implementation of "environmental sustainability" requires a long-term "vision" that has full regard for all of the life-cycle costs associated with any policy, economic or social decision. Such a long-term "vision" say 20 to 30 years, would then supply the structure around which other policies, strategies, plans, operations, procurement processes would then be developed and implemented to deliver the objectives identified in the "vision".

It is acknowledged by the Council of Ministers that a document outlining such a "vision" has yet to be developed.

It is proposed that the Panel may wish to urge the Council to develop and publish such a "vision" at the earliest opportunity. It is a recognised that such a document may well not be complete and require ongoing development. Topics, i.e. population, may well require further consideration and consultation. However it is suggested that the early publication of such a document, albeit incomplete, would still be very beneficial to the overall policy planning process and the early furtherance of sustainability and environmental improvement in Jersey.

On the basis of the documents reviewed, the Panel may wish to consider promoting the following five environmental issues.

- 1. Critical importance of ecosystems, land and marine, upon which the future of Jersey is totally dependent for its existence. Planning to protect, reinstate, and enhance these "ecosystem services" that deliver the essential resources.
- 2. Having full regard to the maintenance and future security of the essential resources
 - Energy
 - Water
 - Soil (expanded on below)
 - Air
 - Food / Agriculture

upon which the people of Jersey are totally dependent for their future well-being and prosperity. There are also a wide range of other resources – timber, minerals etc – that are vital for the economy.

- 3. Targeting energy reduction as the priority rather than greenhouse gas reduction (expanded on below).
- 4. Focussing on resource management as the priority rather than pollution prevention and waste management.

Pollution prevention and waste management is typically driven by legal and regulatory compliance and invariably has cost implications associated with "prosecution avoidance". It is an essential factor in respect of environmental management and sustainability. However, focussing on, and promoting, the pollution prevention approach reinforces many managers' perception that environmental management is an obligatory cost incurring burden on an organisation that is to be avoided or minimised wherever possible.

In contrast resource management links positively to the economy and to the productivity strategy. Reductions in resource use results in increased efficiency, financial savings and pollution / waste reduction – hence reduced environmental impacts. It is a win-win strategy.

5. Knowledge and understanding. Understanding the environmental challenges and the relationship to sustainability (including socio-economic) is fundamental if an organisation is to move beyond "greenwash" to serious action in securing sustainability.

Consideration needs to be given to ensuring that the appropriate mindset is embedded throughout an organisation, from the very top (i.e. politicians and officers) to the bottom if there is to be effective implementation.

Delivery of briefings / seminars / workshops / training of all involved in decision making to achieve –

- Appreciation and agreement to the present and emerging environmental problems and resource challenges – globally and locally at Jersey level.
- Identification of options and solutions establish longer-term plan to address the agreed problems and then integration throughout all policies – economic and community / social.
- Development and incorporation into a sustainability assessment framework to ensure that all actions in respect of policy procurement and operations support the sustainability aims.
- The fundamentals of delivering environmental management performance improvements - the 3 "Ms" Measure - Monitor - Manage, developing objectives and credible (SMART) targets for performance improvements, all need to be understood and addressed at all levels.

Consideration of the "train the trainer" approach should ensure cost effective implementation and the embedding of the required skills within the organisation.

Energy and Soil

Further to the above, there are two significant issues in reviewing *Jersey into the Millennium: A Sustainable Future* that stand out and are worthy of further comment. The issues relate to the approach to Energy and Climate Change, and that of soil.

Energy

On the basis of the summary, the Millennium Report had a very farsighted approach in respect of energy. It does not appear to include coverage of greenhouse gas emissions and their reduction. Instead it focuses on the need for a reduction and conservation of energy as a resource. Such an approach has the win-win benefits of reducing the greenhouse gas emissions that would have been associated with the consumption of energy that had been generated by fossil fuels, and also the economic benefits of the reduction in energy use which is largely an imported resource, and the costs associated with it. This approach targeting energy reduction not only improves economic efficiency, and productivity, but also benefits the balance of payments.

In contrast pursuing greenhouse gas reductions (waste management) can result in switching from fossil fuels as a source of energy to other sources, such as renewables and nuclear, without any regard to the economic consequences. It also fails to manage the total consumption of energy. This approach can result in delivering the target of greenhouse gas reduction, but may result in an overall increase in energy consumption and the associated costs of the imports.

In both the State of Jersey Report 2005 – 2010 and the Energy Plan Pathway 2050, there are considerable benefits to be had by understanding and clarifying the difference between managing and reducing the inputs to the economic system, and, in this instance energy, of seeking to manage and reduced the waste arising i.e. greenhouse gases. A reduction in the inputs improves efficiency, productivity and delivers financial savings. In contrast, to address selective end-of-pipe issues, such as greenhouse gas emissions, can result in increased costs and decreased efficiency and productivity. Policy 1 of the Energy Plan Pathway 2050 centres on demand management. The Minister for Planning and Environment, working with other relevant Ministers and the Energy Partnership, will develop and implement the actions and work streams that will reduce energy demand through a series of interventions across all emissions sectors according to identified targets.

This is to be commended. Consideration should be given to including all energy sectors in the work on reducing energy demand, and not be confined to those sectors that have direct or indirect GHG emissions.

It is proposed that consideration should continue to be given to ensuring that the primary environmental policy driver is that of demand management of all energy and the reduction of total energy consumption. The policy in respect of energy supply should be that of progressively minimising and eliminating fossil fuels from the energy mix (plus security of essential supply). The combined policies should be planned to ensure delivery of the 80% reduction in GHGs by 2050 required by the Climate Change Act 2008

Soil

A significant omission from *Jersey into the Millennium: A Sustainable Future* is any mention of soil. Soil is the critical resource in terrestrial ecosystems, and hence biodiversity, agriculture and food production. Through erosion and run off it also has an impact on coastal ecosystems. The levels of

Soil Organic Matter (SOM) or Soil Organic Carbon (SOC) are key indicators of soil health and fertility.

Fertile and healthy soils deliver the following benefits –

- Flood mitigation through the retention of water and reducing run-off.
- Drought mitigation, similarly, through the retention of water hence enhancing the resilience of crop production.
- Filtration of pollutants in water and the protection of surface and groundwater drinking water.
- Nutrient uptake enhancement to the benefits of crop and grassland.
- Production of nutrient rich crops. These result in optimum animal welfare, and also benefits to human health through the nutritional quality of crops and meat produced.
- Enhance biological activity in soils which improve biodiversity both below and above ground.
- Improve crop health and resistance to pests and diseases. Reduce or eliminate the requirement pesticides.
- Increase crop yields reduce or eliminate requirements for inorganic fertilisers such as nitrates.
- Facilitate the sequestration of carbon and support climate change mitigation.
- Economic impacts include balance of payments benefits through the reduced requirement for fertilisers, pesticides, herbicides, pharmaceuticals, and indeed the importation of food.

Failure to manage Soils results in the opposite of all of the above.

It is proposed that consideration be given to ensuring that effective sustainable soil management is included in the vision, strategy and plans for the Island's future well-being and prosperity.

Dave Stanley - e3 31 March 2015