



# **Economic and International Affairs Scrutiny Panel**

## **Government Plan**

### **Witness: The Minister for Economic Development, Tourism, Sport and Culture**

Friday, 7th October 2019

**Panel:**

Deputy K.F. Morel of St. Lawrence (Chair)

Deputy D. Johnson of St. Mary (Vice-Chair)

Senator K.L. Moore

**Witnesses:**

Senator L.J. Farnham, The Minister for Economic Development, Tourism, Sport and Culture

Deputy M. Tadier of St. Brelade, Assistant Minister for Economic Development, Tourism, Sport and Culture (1)

Senator S.W. Pallett, Assistant Minister for Economic Development, Tourism, Sport and Culture (2)

Mr. D Houseago, Group Director, Economy and Partnerships

Mr. D. Scott, Director, Economic Development

Mr. R. Corrigan, Group Director, Financial Services and Digital Economy

[11:01]

**Deputy K.F. Morel of St. Lawrence (Chair):**

Thank you, Minister, for coming in and bringing your team along. We will start, as always, with introductions and also just to confirm that this is about the Government Plan. It is not a quarterly hearing and so we will focus entirely on the Government Plan. I will start here. Deputy Kirsten Morel, chairman of Economic and International Affairs Panel.

**Senator K.L. Moore:**

Senator Kristina Moore, member of the panel.

**Deputy D. Johnson of St. Mary (Vice-Chair):**

Deputy David Johnson, vice-chairman of the panel.

**Group Director, Financial Services and Digital Economy:**

Richard Corrigan, Group Director, Financial Services and Digital.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Deputy Montfort Tadier, I am Assistant Minister with the department.

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

Senator Lyndon Farnham, Minister for Economic Development, Tourism, Sport and Culture and lots of other things as well.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Senator Steve Pallett, Assistant Minister for E.D.T.S.C. (Economic Development, Tourism, Sport and Culture).

**Director, Economic Development:**

Darren Scott, Director at Economic Development.

**Group Director, Economy and Partnerships:**

Dan Houseago, Group Director, Economy and Partnerships

**Deputy K.F. Morel:**

Thank you for coming in. We will get straight on. Remind me, do we have 2 hours for this one? Two hours plus a 30-minute buffer, if you are lucky. Yes, we have got a lot to go through and we will try and get through it today, if not we will have to have a third hearing but there is a lot of work being done in your department. Starting with "Inspiring an Active Jersey" if you do not mind. I just wanted to note obviously the growth bits essentially. So what was the base budget for 2019 in this area?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

1.15.

**Deputy K.F. Morel:**

You are looking to increase that next year by £500,000 roughly?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Yes, incrementally over 4 years.

**Deputy K.F. Morel:**

One thing I noticed as I read the business case and I note - and this may sound silly - but what do you mean by an “active Jersey” in your view? What is it that you are trying to achieve in that? What does “active” mean, if you know what I mean? Because it can be seen in different ways.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is certainly not focused on elite sport. I think it is very much around getting as many Islanders as possible active in the community. For some it will be sport, for others it will be gardening, for others it will be walking clubs. It is trying to ensure that as we move forward that we could keep Islanders fit and healthy, keep them out of hospital, reduce the level of obesity, reduce heart conditions, all the things that we know are going to put increased pressures on the health service moving forward. Interestingly, over the page from the “Inspiring Active Jersey” within the Government Plan, the appendix or the second thing, is around about preventable diseases. What we are trying to do within Government is work collaboratively across Government and this particular strategy will work close with Health. We are going to talk about that in a second about which departments are involved with this but work closely with Health to make sure that we can get the best benefits for Islanders moving forward around their health needs.

**Senator K.L. Moore:**

What other departments does this cut across and benefit?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I knew you were going to ask that this morning so I just quickly pencilled down a few that are really going to have a direct impact with. Obviously Education, with young people and making sure that we give them the right start in life, making sure we are putting children first. Certainly within the Health Department. We are going to have to work very closely with the Health Prevention Unit.

**Senator K.L. Moore:**

Could you give an example of some specific projects, say for example in Education? What specific projects to inspire an active Jersey are continued in the Government Plan?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

You have obviously read the document, very much about programmes that we are going to either build on or ones that we still need to think about how we are going to implement within ...

**Senator K.L. Moore:**

So there is nothing new that is specific and concrete?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There is nothing new in regards to set schemes that we are ready to go with. I think once the Government Plan is approved ... you have got to remember, this strategy has not been approved yet. I think one is we have got to get the money. Second, we have to agree the strategy through Government. That has not been agreed yet. That also sits under the health and well-being framework, which is another one we have not agreed yet, which is getting very close to being produced by Government. I have been working closely with - I cannot think of his title so I will give his name - Martin Knight, in regards to ensuring that we have got an overarching framework that deals with all those strategies, tobacco strategy, alcohol strategy, for example. And also something like the Export Act.

**Senator K.L. Moore:**

Senator, in the absence of specific initiatives underpinning this, how were the sums of money decided upon and agreed?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There was a business case put forward and within that, which I have got here somewhere, the money breakdown is within that, which I reproduced this morning because it was in such small print I could not read it.

**Deputy K.F. Morel:**

I was going to say, is it this one?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is that one. If you can read that you are a better man than me. But within that it gives an idea of some the areas where Government would be looking to implement schemes. One obviously is active workplaces where we are going to try to work with local businesses and trying to make sure that their staff are as active ...

**Senator K.L. Moore:**

But what does that mean for the workplace?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

For a workplace? I think it is encouraging businesses to be more open about providing ... one easy one would be providing showers within the workplace, if that is possible, so people can cycle into work.

**Senator K.L. Moore:**

But that is something that the workplace themselves would have to provide at their cost or is the Government going to subsidise it?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I cannot see Government subsidising showers in workplaces but I certainly, in terms of encouraging and supporting and putting on schemes to encourage people in the workplace to cycle to work, walk to work. I think there is a lot that Jersey Sport, for example, can do in terms of putting those schemes together. They will cost money. I think they will be the driver. They will be the facilitator of getting local businesses to be more open about getting their staff to travel to work in a different way.

**Senator K.L. Moore:**

Have they not already got the message because we have seen a big increase in the number of people cycling to work and travelling actively?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I do not believe they have. I think the message is beginning to get through. I think there is a huge amount of work still to be done. It is great that more people are cycling to work but I do not think we are getting the numbers to cycle into work that I think we could get. I think by encouraging businesses to offer incentives to staff to travel to work is a way that I think Government can support. But in terms of numbers travelling to work, no, we have not got the cycle routes in place we need around the Island. That is another investment that I think Government are going to have to foot the bill for, moving forward. I know both of us have talked about the Eastern Cycle Route and it is important that we have got cycle routes in more parts of the Island. At the moment it is not a joined-up system.

**The Deputy of St. Mary:**

So on cycle routes, funding will probably come through Infrastructure rather than yourselves, would it?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

That is one of the collaborative pieces of work that we are already looking to do with the Infrastructure Department. If you come from the west, I think the cycle routes are good but at the moment there are parts of the Island where if we wanted people to work it would be very difficult for

them to do. It is not an easy decision to make. They are not as safe as they need to be so we need to work to ensure that we can provide Islanders more opportunity to cycle and walk or run.

**Senator K.L. Moore:**

When we look at the measures in the Government Plan, the glossy version, I presume that the measures that are indicated in this work piece would be the percentage of adults who are overweight or obese and the percentage of adults who need recommended levels of physical activity. What is the baseline here and what are you aiming at in terms of this as an objective?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There are baselines within the Active Jersey strategy itself. We know 48 per cent of adults and 81 per cent of children and young people do not meet the Health World Organisation for physical activity. Clearly if they are not doing that we have children ... we know we have got issues with children that are obese at the current time and a growing number of adults that are obese. So I think it is important that we start to take that into account and provide programmes to encourage Islanders to have a more healthy life. But it is not just about physical exercise, it is also about nutrition and making sure that we are giving the right message to both young people and their families. I think we are beginning to do that through schools with some of the programmes that are currently being put on, in food groups for example. I think if you can get the children to pick up healthy eating habits you will start to encourage the parents to do the same. It is an all-Government approach. It is not just expecting people to be active or sporty. There are other things they can do to have outcomes on their own lives.

**Deputy K.F. Morel:**

One thing that strikes me, as we look through the business case, is the number of people that seem to be required, as in it seems to be contingent on hiring a lot of officers.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There is a workplace one, for example.

**Deputy K.F. Morel:**

Yes, there is a workplace one, there is an active schools manager, cycle training officers, and so on, coaches and instructors here, coaches and instructors there, and so on and so forth. So it seems to be very human resource intensive. Obviously we have a Government which is trying to maintain headcount or freeze headcount. When I look at the active schools manager, in my head I think: "Hold on a second, each school should be able to look after its own activity levels itself." I am sure teachers who are currently employed are quite capable of appointing someone in their own school and say: "Right, it is very much your role now to make sure that all the children in our school become

active” without needing to take on an active schools manager. I see this a lot in Government: must have a programme officer for that, must have a project manager for that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is a fair comment.

**Deputy K.F. Morel:**

Do you not feel that is happening here?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is a fair comment. If I felt and I think both myself and the chief executive of Jersey Sport believe the same, the consistency through schools just is not there at the current time. There are some schools that in terms of their physical development officers are incredibly forward thinking in terms of involving their children in activity. There are others that do not quite meet those levels and we should be giving every child an opportunity to reach their absolute potential in regards to their physical well-being. With some children it would be ... we talk about wanting to find the next Olympian or next Commonwealth Games athlete, if you do not get the building blocks right early on you are not going to get that. There is a lack of consistency within schools. We work closely with schools. Jersey Sport works closely with schools. Certainly initially, I think we are going to have to have people working with schools, working with both secondary and primary schools, to ensure that what is being put into schools, the levels of activity within schools, meet the necessary guidelines and also are consistent through each school. It worries me the level of consistency.

**Deputy K.F. Morel:**

I understand that.

**Senator K.L. Moore:**

Were there any underspends in the budget prior to the start of this Government Plan? You mentioned the budget that you had in 2019 or you have this year. Have there been any prior in Active Jersey in that way?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Within Jersey Sport, no. To be honest, they use their budget to the full degree. They do raise some funds themselves in terms of putting new projects on.

[11:15]

They have just launched their ... they are trying to get women cycling.

**Senator K.L. Moore:**

Breeze.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think HSBC sponsored their Breeze cycling. That is being done through volunteers, people volunteering to put that on. As much as some of the work needs to be done by officers, some of the work will be done by third sector and volunteers. Sport is very much a volunteer driven sector. So I can understand your disappointment about the extra officers because I looked at that. I think we will have to question the number of officers that Jersey Sport are looking to ... and there needs to be business cases for those and they need to be outcome driven. So if they do not meet those outcomes or we find after a year or 2 that they are not meeting their targets then clearly that needs to be questioned. But the good thing with I think the business case that Jersey Sport put together; (1) it has been a collaborative project and (2) it has been outcome driven. Any money they spend we need to know that it is doing the work that we expect it to do and it is having the benefit that we expect it to have.

**Deputy K.F. Morel:**

Can I ask about the relationship with Jersey Sport? Is all of this funding basically going straight to Jersey Sport?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

No, they will have to provide us with business cases for programmes. We are not going to write a single cheque and go: "There you are, get on with it." Clearly these programmes need to be funded. Each programme will be looked on individually to see whether it meets the targets that Government want. It is still a Government organisation at the end of the day. We have an S.L.A. with them. The S.L.A. will need to be reviewed in terms of any extra funding we provide them. But in terms of the money we give them, it will be on a case-by-case basis. There may be and probably almost certainly will be occasions when it will not just be Jersey Sport that we will be funding. There may be elements of the health service that we have to fund because the project works across 2 maybe 3 departments. If we work with Infrastructure there may be opportunities there where we can work with them on cycling schemes for example, where some of that funding might go not just to Jersey Sport but to maybe 2 or 3 different departments.

**Deputy K.F. Morel:**

What about funding for the clubs and associations which are currently ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

If they are coming up, I think are opportunities ...



**Deputy K.F. Morel:**

Are we basing diverting funding to this new Jersey Sport when we have a whole range of clubs and associations already working on shoestring budgets, which could do with some funding there?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Again, there are opportunities and I am sure Jersey Sport will work with clubs.

**Deputy K.F. Morel:**

I think they have to work with clubs. I would be concerned that there is any doubt about it.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They do. They work with clubs all the way up from Reds, all the way down to some very small clubs. They do work with them and I think if clubs are coming up with schemes and ideas to get Islanders to be more fit and healthy then we have to look at the schemes that they provide and some of those will be at less cost to Government than paying for people to put ...

**Senator K.L. Moore:**

In the past there were specific officers dedicated to certain sports, one for football, one for tennis and that has all ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Yes, sports development officers.

**Senator K.L. Moore:**

... disappeared. Has that caused us to get to this state where we are at the moment? That we are needing to put more people back into sport?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

The sports development officers I think had a place for a period of time. My own view is that I think what they delivered was inconsistent from one sport to the other so I am concentrating more on the elite side of the sport. Others did not concentrate on what are seen to be grassroots sport and ensuring that we had a development programme coming through that was going to give opportunities for young people. I think what we have had with the ones that we kept was a more consistent approach to what they were delivering within their sport with a development programme. Yes, some focus on the elite side of it. Jersey Cricket has been a good example more recently in terms of what they have been trying to develop within the sport. Jersey Hockey is another one. But I think in terms of development officers, there is a case for them. If we can see that they are going

to drive the sport forward ... I can think of one or 2 sports where a sports development officer would be particularly useful but they need to be ... again, it is about outcome driven.

**Deputy K.F. Morel:**

How do you make sure that you stay on top? With regards to this recruitment, and I assume that is essentially recruiting people within Jersey Sport, and I look at the number of people currently employed by Jersey Sport. For a very young organisation we are already up to 9 people, which is quite large for any Jersey organisation. For instance, we already have a schools fiscal literacy and education lead. I would ask why then do we need, on top of that person, an active schools manager and a schools sports event co-ordinator? Surely that person who is already there to work with schools can do that work and can take that work in. How do you make sure that they are not hiring unnecessarily and are getting the most from the staff that they currently work with?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

That is a good question and something we have already questioned whether all of these roles are necessary and we will carry on questioning whether all those roles are necessary. I want to see money go to sport, not to go to people that are unnecessary in terms of providing those opportunities. It is going to be an ongoing conversation with Jersey Sport. I do not agree with everything they do. They do not agree with everything Government do. There is a challenge from both sides but I think what they are trying to do to date is ensure that ... again they have had a more consistent approach across all sports, that they are engaging with sports and trying to provide the support that the sports are needing. But a lot of sports need very little support. Others have needed support within their level of coaching that they need to provide; putting on coaching courses, things like that. But it has to be a 2-way conversation between sports clubs and Jersey Sport. For a fledgling organisation with a new C.E.O. (chief executive officer) I think they have done well over the last 2 years to fully understand the sports scene in Jersey and start to introduce some of their own programmes. Not prompted or nudged by me but looking at some of the areas within their own S.L.A. with us where they can make improvements. One will be the exercise referral scheme, for example, where it was not being targeted where it needed to be targeted so they have looked at the information they received and they have remodelled that scheme.

**Deputy K.F. Morel:**

Are you happy that Jersey Sport are being inclusive enough in terms of those communities in Jersey where perhaps English as a first language is not so strong and where income levels might make it harder for them to travel to places to do sport, to take part in sport? Are you happy that Jersey Sport is being inclusive in that way?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I would take the “Jersey” bit off the front of that and say: is sport being inclusive enough with some of the areas within Jersey that are a little bit more deprived? I think the answer to that is no. I think there has to be an equal opportunity for all young people to be able to try a different sport. So the answer is no. I think we have got to do better on that. It is not inclusive enough. I think clubs are beginning to realise that. I will pick an example - I know it is wrong to pick an example - but I think the rugby club understand that there are probably lot of very talented young individuals, young people within primary schools within St. Helier, and they have not really tapped into that and they are just looking to get into that and trying to find ways of maybe putting sessions on at Springfield, for example, for young people. So I do not think it has been inclusive enough. Jersey Sport, one of their *raison d'être* is to ensure that sport is inclusive in Jersey and I think they are working hard to ensure there are more opportunities for young people. I think some of the community programmes they put on reaches those that would normally be reached.

**Deputy K.F. Morel:**

It is not just young people either. It is your 50 year-old person who is ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Absolutely.

**Deputy K.F. Morel:**

... like me who has fallen into ruts and habits which are not very helpful, if you know what I mean.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

We all fall into disrepair as we get a little bit older.

**Deputy K.F. Morel:**

I am just thinking again, this is wrong of me, but looking at names, I am getting there are not many linguistic capabilities within the current officer crew at Jersey Sport.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

You are right. That may be a deficit that we are going to need to improve on. I think they did have somebody that ... one or 2 people that did speak another language; Portuguese being the prime example. But they do need to look at that. I mean we are a very diverse Island now. You have only got to look at some of our schools and the number of people from other jurisdictions that now live here. So they do need to be more open about that. But we do need to be more open as a Government around that. There is no one department that has not got to deal with those issues.

**Deputy K.F. Morel:**

Very quickly as well, I just wanted to pick up on you mentioned elite and grassroots. In my head, Active Jersey is about grassroots, it is about everybody. But you also mention, we talk about Olympians coming from Jersey, is it not the case that Jersey Sport should not be interested in the elite side of things at all?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I do not agree with that. I think there does need to be some recognition that ... there needs to be a talented athlete pathway in Jersey and it is going to need to be funded in some way. I do not think that funding needs to come from Government. We have never funded that type of pathway for young people. I think that it has been detrimental to moving forward or to the benefit of several young people that could have benefited from a scheme like that. Something like, I know we have talked about what the lottery might be able to provide; I think there are opportunities within that to provide those pathways. It is the same with what they do with the National Lottery. But there are certainly some talented people here that frankly I think we have let down because we have not provided them with the funding they have needed to get off Island and train off Island at times. The funding within the travel grants is minimal. It does help to get people off Island but with some particular individuals that have got a ... I do not want to mention any individual but one springs to mind, as I say it, would have benefited from having an opportunity to tap into a fund that might have been allowed to go to university or go to a sporting centre of excellence and take any sport on. We are not where we need to be. The talented athlete pathway is one that Jersey Sport has looked at specifically. It is how you fund it.

**Deputy K.F. Morel:**

I was going to say because you are helping one elite athlete at the expense of dozens of people who just need to become more active; is that not the case when you are working with elite?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

But that is what the lottery funding does in the U.K. (United Kingdom). I think if we want to promote our young people and give them an opportunity to perform at the highest level ... they are tough decisions to make around do we give one individual £30,000, £40,000 a year to be able to train full time to be an Olympian or do we spread that across the community? Difficult decision to make. For me I think if they have got that much talent we should be supporting that individual. It will be tapered down, depending on the levels they can rise to.

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

Can I add something? It is fair to say the sports facilities work, I think that is going to be one of the most effective ways we can help all athletes from grassroots to the elite is by making sure there are some really good facilities for them to train in.

**Senator K.L. Moore:**

There is none identified in the capital project; I ask that from memory?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Sorry?

**Senator K.L. Moore:**

There is no expenditure on sports facilities in the capital ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There is some money around maintenance and improvement of some of the equipment within facilities, for example. But I think you had a separate question around that.

**Senator K.L. Moore:**

For example, Fort Regent; is delivering your project reliant upon a fully functioning Fort Regent as a sports facility?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think it relies on having a set of sports facilities that can provide the opportunities for people on the Island to train. Now whether that is at Fort Regent or whether that is at a new centre at some stage, is something that the sports facility strategy is getting to a point where we are beginning to understand what we are going to need in future. They have not made a decision over Fort Regent yet. The Future Fort Regent is not a group I sit on. That is one that the Senator sits on. So I will let him comment on that. But in terms of could we lose Fort Regent and survive on what we have got in terms of sports facilities, the answer is no. We would have to provide it elsewhere in St. Helier. St. Helier needs to have a fully functioning sports centre that people can ... probably a wet and dry that people can access. There are question marks around the AquaSplash and what the future of that is. So I think the sports facilities group is looking at all those issues at the current time.

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

What happens is there needs to be a transition. If some of the facilities that are currently based at Fort Regent are going to move out, we are not going to move them out until we have got something else. There has to be the timing and the way we transition, that is important.

**Deputy K.F. Morel:**

Thank you. We will move on. You can have a break, Senator. We are going to move on to the Future Economic Partnerships Goods and Borders Cluster. That is what is up next, which still seems

to fit oddly in your portfolio, in my head. Maybe you are happy than that. Would you mind giving us a quick rundown of what you plan to do with this and why you are kind of looking after it?

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

There are 3 core streams of work in the Brexit work that is going on. One of them is development of the goods and borders, a strategy which Dan Houseago is leading on terms of how it is developed.

[11:30]

At the moment, as I see it, there is a joint political responsibility between Senator Gorst and myself. It is difficult to see how that will materialise while there is still a lot of uncertainty over Brexit, if we are honest. But moving forward in a post-Brexit world then it is all aligned to the work that we are doing now outside of the E.U. (European Union) to connect Jersey's potential new markets. Dan, can you elaborate on the work you have done?

**Group Director, Economy and Partnerships:**

Certainly. You are probably aware, having had previous briefings from External Relations, I suspect, that there is effectively, in my mind at least, 2 workstreams running parallel. One is contingency and emergency planning, so this is what happens to the Island if we should crash out without a deal on 31st October.

**Deputy K.F. Morel:**

If the U.K. should crash out without a deal. We are not crashing anywhere.

**Group Director, Economy and Partnerships:**

You are quite right. If the U.K. crashes out. So that is day one no deal effectively. But running parallel is a piece of work around what is day 2 then? Day 2 probably is a conversation either about a quite friendly relationship with the European Union where we are looking at a negotiation around a future economic partnership or a less friendly situation where we are looking probably more against a sort of free trade agreement with the E.U. They are certainly different things obviously. At the moment the priority is around preparing for day one no deal but there are some long-tail pieces of policy work that need to continue in the background and this is really the future economic partnership stuff. The goods and borders cluster is part of 3 clusters and certainly the reason we are responsible for the goods and borders one is it is very much associated with some of those aspects of Protocol 3 that we fall out of, effectively, when the U.K. leaves Europe. So it is things like manufactured goods, which is environmental goods effectively, agrifood, fisheries, trade tariffs, aviation, maritime and road transport, and energy and carbon pricing. So, that is where I think the link with the department is, effectively. That piece of work at the moment is currently - and it depends to some

extent how protracted the negotiations are going forward - looking at what our policy positions are and what a negotiating position might be in a range of different areas that are relevant to the economy.

**Deputy K.F. Morel:**

Who will you be negotiating with?

**Group Director, Economy and Partnerships:**

Well, we will be giving effectively the U.K. a series of negotiating features, so this is where Jersey's position is in terms of negotiating around a range of things, market access, trade remedies, sanitary and phytosanitary measures, domestic regulation, all that sort of stuff, which again is very, very detailed and complex when you get into it. We are in the granularity now and it is incredibly interesting but incredibly complicated as you unpick many years of effectively pretending to be part of the European Union through P3.

**Deputy K.F. Morel:**

Is it not the case that the U.K. will just dictate to us what is going to happen?

**Group Director, Economy and Partnerships:**

That is not the messages that we are getting. We are working very well, I think. I am certainly in good and regular communication with my U.K. counterparts and they are very, very helpful at the moment. Of course, it is a bit like a wave and a particle at the moment. Both the day one no deal and the future economic partnership work and the potential free trade agreement work is having to run parallel, of course. We will not know which one we will ultimately be pursuing until we get a conclusion on 31st October. This work is really complicated and the U.K. has been hugely helpful. We are spending a lot of time in London at the moment making sure that the U.K. really do understand where our red lines are. We are working very hard to address areas such as how do we continue to trade as a third country going forward. These are live pieces of work. There is, believe it or not, a formal process by which you apply to become a third country to trade with the European Union. That is about regulatory alignment. That is about lots and lots of different things that requires legislative time. So this is a hugely complex process that I think the Government is managing pretty well and I think our relationships with the U.K. are good, but we need to keep going. We need to focus our resources on this and not forget that it is not just about day one no deal. It is also about the preparatory policy piece as well.

**Deputy K.F. Morel:**

Except that you have no idea where you are going because we have no idea what the U.K. is going to do?

**Group Director, Economy and Partnerships:**

I think we are in a position where we are doing things like ... well, I would not agree with that. I think where we are is we are comparing our position to existing free trade agreements at the moment. Some of the most recent ones, for example, the Canadian one with the E.U., is October 2016 so it is quite ... you might want to assume that that would be a good comparative document to compare our needs against, and that work is ongoing. So I think we are where we need to be, but we must not forget that the day one no deal stuff needs to run in parallel with that.

**Deputy K.F. Morel:**

In here you have asked for £450,000 per year basically for the next 4 years. What was it last year? Did you have a budget for this last year?

**Group Director, Economy and Partnerships:**

Yes, we did. It was slightly more. It was just shy of £500,000.

**Deputy K.F. Morel:**

Is that enough from your perspective? Are you getting sufficient? Did you want more? Did you want something like £700,000?

**Group Director, Economy and Partnerships:**

My own view is that we are looking at more like a £700,000 cost but none of us really know. What I have advised is that we do 2 things. One is we make sure we understand and have identified where our non-priority staff are that can be effectively requisitioned into the Brexit team should we need more bodies, because it is really very difficult to predict what is happening next week, let alone next month or next year, but also that we have a very comprehensive contingency fund that sits within the States that allows us to draw down funding as quickly as possible. Thirdly, that we have an agreement potentially through the States Employment Board that we can put people on to this work easily and quickly without a protracted process to move them from one ...

**Deputy K.F. Morel:**

How many people are we talking about?

**Group Director, Economy and Partnerships:**

In ...?

**Deputy K.F. Morel:**



Well, here you have shown cluster manager - law drafting officer obviously does not work for you because I assume the law drafting officer will be across the road - and 2 tier 4 support. So that is currently 3.

**Group Director, Economy and Partnerships:**

Yes, that is a core team. In the original proposal the core team was effectively going to co-ordinate 3 things. It was going to co-ordinate the G.H.E. (Growth, Housing and Environment) Brexit programme, so the departmental Brexit programme. It was going to co-ordinate the contingency and emergency planning piece, also known as the OneGov Brexit team. It was also going to co-ordinate the future economic partnerships work as well. So, effectively, having not got the full funding we are saying that money needs to focus on the departmental future economic partnership stuff and the External Relations team are, I think, in the process of revising their view of what the contingency needs to be. The reality is in budgetary terms it is very difficult. I am not so worried about the absolute number as long as we have contingency to draw down staff and money as required.

**Senator K.L. Moore:**

Minister, who made the political decision to allocate less money than was currently allocated for this critical part of the Island's future and its economy's future?

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

Ultimately, it will be the States decision that ...

**Deputy K.F. Morel:**

No, who has made the decision so far?

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

The Council of Ministers.

**Deputy K.F. Morel:**

The Council of Ministers?

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

Well, the Council of Ministers through the ...

**Senator K.L. Moore:**

Okay, so was that a unanimous decision? Was that a specific item that was debated?

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

I cannot remember, we had that many meetings.

**Senator K.L. Moore:**

Do you back that?

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

I back what is in the plan.

**Senator K.L. Moore:**

In its entirety? Do you feel confident ...

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

There are some areas where I think there needs to be more debate across the broader plan, but as part of the future economic partnership work, the £450,000-a-year budget that is in the Government Plan for the next 4 years to carry out the work that they have to do I think will be sufficient. I think perhaps it might have been weighted a little bit differently because I think that once Brexit happens, if it happens or when it happens, there will be a lot of work in the early stages and then I foresee that as things settle down, as we move forward, I am not sure how the future ...

**Senator K.L. Moore:**

But this is a static line across 4 years. Do you feel confident that your officers are having to rely on contingency to set future economic partnerships and to cope with the workload that that might entail in the forthcoming period?

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

Look, I am not aware that there is any serious concern from officers about the level of funding for the Brexit work. I think the Brexit team, which is led by Senator Gorst, with the exception of this workstream politically, are well-resourced in my opinion. I have no reason to believe other than that. I think we have a large and strong Brexit team. I know it is difficult, and I do not want to go into the Brexit, because we are going over there as an Island and we are dealing with an army of Brexit team in Whitehall, so our guys are working extremely hard.

**Group Director, Economy and Partnerships:**

I would reiterate that the contingency would be a normal and sensible position to be in. We ought to have one because we do not know really what the ask is. I think it is yet to be seen. I do not think the work has peaked in the Brexit space at the moment. So it really is a question of making sure that we have covered all our bases to make sure that we have enough resources in terms of staff

and money available. So the number in absolute terms is perhaps less important than our ability to be agile in that space.

**Senator K.L. Moore:**

So is this not the most important piece of work in this department or in External Relations? How is this prioritised?

**Group Director, Economy and Partnerships:**

Most of my team are on it.

**Deputy K.F. Morel:**

This is a good example of how the U.K.'s decision has thrown extra cost on to the Island.

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

Yes, it has thrown millions and millions of pounds of costs.

**Deputy K.F. Morel:**

Interestingly, last week ... a cost that we did not ask for. Last week I had a conversation with some Australian parliamentarians who said to me the U.K. has no idea how difficult it is out there when you are on your own trying to undertake these free trade agreements. The lies that have been spouted by politicians saying it is a simple thing to do is astounding.

**Group Director, Economy and Partnerships:**

It is far from simple.

**Deputy K.F. Morel:**

Yes, it is very far from simple.

**Group Director, Economy and Partnerships:**

But the positive, the upside, is - and we have discussed this before - we understand our economy in a way that we never would have done had it not been for Brexit.

**Deputy K.F. Morel:**

That sadly shows the state of the Government over the last few years, I am afraid. It should have understood the economy.

**Group Director, Economy and Partnerships:**

Well, it is a comprehensive review of everything that we are doing and I think that is a positive thing.

**Deputy K.F. Morel:**

It is a positive thing but it is something that should not have been needed or necessary in my opinion. David?

**The Deputy of St. Mary:**

I understand the problem you have. We are where we are and the figures you are giving cannot be too much other than fairly educated guesswork at the moment. I accept we cannot expect you to be more specific on that.

**Deputy K.F. Morel:**

Could I just ask: is most of that cost, the £450,000 extra, is that for people, for human resource?

**Group Director, Economy and Partnerships:**

Yes, it is primarily a project team that is dedicated.

**Deputy K.F. Morel:**

Roughly how many people? We saw there are 4 people.

**Group Director, Economy and Partnerships:**

It will be 4 or 5 people, a bit of consultancy, quite a bit of travel and expenses because, of course, the roundtables that we are party to with the other Crown Dependencies are very hungry at the moment and we need to service those because that is where we get our messages across about where our red lines are. We are working with the U.K. Government. You know, this is not just a Jersey problem about reviewing our processes and our economy. I think the U.K. are finding exactly the same challenges.

**Deputy K.F. Morel:**

So 4 or 5 people, we are talking £80,000 to £90,000 as an average salary for these people? It is quite high.

**Group Director, Economy and Partnerships:**

I am quite happy to send you the list of what the structure looks like. We have a project cluster manager, we have a couple of grade 12 project officers, some admin support, the usual stuff you might expect. We have a structure we can happily forward to you.

**Deputy K.F. Morel:**

Thank you. Moving on to the trade and export function, this is something else that you will be undertaking. Can you tell me ... you have much less, nothing for next year. Is there a reason for no cost for next year?

**Group Director, Economy and Partnerships:**

I think that there is a bit of a Venn diagram with the future economic partnership stuff, with the future economy programme, which Senator Farnham chairs. I do not want to overkill the ask on that, but I think that if we are going to get into the trade debate post-Brexit, if we get there, then I think we need time to start positioning ourselves as a Government around the trade piece. At the moment we need to do some thinking around what bits are missing in terms of our competency within Government. In my view, at the moment we need to start thinking about what it is ... not just about what the opportunities in the outside world are and in our global market strategy and what sort of legislation we might want to do to protect our autonomy and all this sort of stuff. There is a big domestic piece as well, so it is what is the impact of that trade domestically on businesses that are here already and what might be the impact in terms of the need for additional jobs or the upskilling of businesses or what type of critical national infrastructure, air and sea transport links, et cetera.

[11:45]

I do not think that is at this stage as developed as we would want it to be in a world where we are not working with Europe. So I think that is the rationale behind that and it is going to take us a bit of time to do that thinking and tee that up, at which point we are going to need someone to lead on that programme going forward.

**Deputy K.F. Morel:**

So more staff being hired?

**Group Director, Economy and Partnerships:**

Yes, but bear in mind since 2016 we have focused on outsourcing of our economic activity and I think what we are trying to do now is take that competency back in.

**Deputy K.F. Morel:**

When you say "outsourcing", what do you mean?

**Group Director, Economy and Partnerships:**

Well, to arm's length bodies. A lot of our economic development activity is outsourced. I think we are trying to build some additional competency in what will be a brave new world going forward, I suspect, if the U.K. does leave Europe.

**Deputy K.F. Morel:**

What work are you doing with industry within this area?

**Group Director, Economy and Partnerships:**

Quite a lot. So we are working very closely ...

**Deputy K.F. Morel:**

And which industries?

**Group Director, Economy and Partnerships:**

Retail in particular, but we are about to establish through the future economy programme effectively an external stakeholder group to advise the Political Oversight Group members. We are in quite a good dialogue with all aspects of the industry, so we meet regularly, for example, with the aquaculture and fisheries sector. We meet regularly with the Chamber of Commerce, who have a range of committees covering a lot of the bases as well, et cetera. So the engagement in I think what the future looks like in terms of the economy is probably better than it has ever been. I think that has been driven to some extent by Brexit.

**Deputy K.F. Morel:**

Talking about the aquaculture industry and the fishing industry, the goods and borders cluster, going back to that, does that also do work in terms of landing point in France, inspection posts in France, that sort of thing, to ensure that our local businesses are able to continue to export?

**Group Director, Economy and Partnerships:**

Absolutely. So I went and inspected the border inspection post at St. Malo. It is there, a big investment, a million pounds or so. We are working very ...

**Deputy K.F. Morel:**

Obviously, fishermen did not used to land in St. Malo, they used to land in Granville, so that has an effect on them as well. Are you appreciative of that effect?

**Group Director, Economy and Partnerships:**

It does and these are quite difficult negotiations. They are ultimately bound up in our S.C.O.P.A.F.F. (Standing Committee on Plant, Animal, Food and Feed) work, which is effectively a third country application where all that stuff is tied up. I note that that work is difficult but moving in the right direction and progressing well. In the background, of course, we are also talking to colleagues around the Granville Bay treaty and making sure that there are as adequate communications as

possible. Of course, it is not as straightforward as it used to be because we are now potentially in a negotiation between the U.K. and France and there are some etiquette issues around how and what we talk about. But I think from my perspective we are doing as well as we can do in a very difficult space and I do not anticipate not getting third country status at this stage and I do not anticipate there not being a solution for the future export of shellfish to France.

**Deputy K.F. Morel:**

While there may be etiquette issues, are you speaking directly to France or are you having to go through the U.K. every time?

**Group Director, Economy and Partnerships:**

That is the work of the External Relations team so you would have to speak to them about it.

**Senator K.L. Moore:**

Given the excellent consultation and rapport you feel that you now have with industry locally, what engagement took place over the budgetary items of the Government Plan in terms of the increase in employers' contributions and the duty increases and what was their feeling towards them?

**Group Director, Economy and Partnerships:**

I was not party to those conversations.

**The Deputy of St. Mary:**

Sorry, going back to the fishing aspect, in budgetary terms is that not the responsibility of Environment and what is the overlap?

**Group Director, Economy and Partnerships:**

The enforcement activities over the 800 square miles of our territorial waters are effectively enforced by the fisheries team. They deal with the licensing issues as well, but there is a crossover, I think, into the Economic Development Department when we are talking about the economic aspects of that industry. So we will be talking to the Jersey Fishermen's Association and their leaders and also in the aquaculture sector as well.

**The Deputy of St. Mary:**

So in terms of renegotiating the Granville Bay agreement and landing rights, again I am thinking on the budgetary side, will costs fall to be met by Environment rather than this department?

**Group Director, Economy and Partnerships:**

Any enforcement activities in an environment issue, yes.

**Deputy K.F. Morel:**

Moving on, thank you, Dan.

**Group Director, Economy and Partnerships:**

You are welcome.

**Deputy K.F. Morel:**

Delivering the digital policy framework, Minister, this is looking for half a million pound extra every year for the next 4 years. What is the base budget for 2019 for delivering the digital policy framework?

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

Bear with me ... £500,000 over the next ... yes.

**Deputy K.F. Morel:**

So you are spending £500,000 ...

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

So we have asked ... I think £500,000 a year over the next 4 years, and again that was a ...

**Deputy K.F. Morel:**

But last year what did you spend or this year what are you spending on it?

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

I am not sure we have a budget this year.

**Group Director, Financial Services and Digital Economy:**

Yes, so there is a figure of £400,000 this year, which was the Digital Policy Unit, and they are tasked with delivering the digital policy framework. So that is the base budget element and then also because of the nature of digital, fast moving, there have been bids into things like contingencies.

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

This is the economic framework, the future economies ...?

**Group Director, Financial Services and Digital Economy:**

The digital policy framework.



**Deputy K.F. Morel:**

The digital policy framework.

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

Oh, sorry, I thought you were talking about economic framework.

**Deputy K.F. Morel:**

No, digital policy, sorry, Minister.

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

Oh, right, digital policy framework, I beg your pardon.

**Deputy K.F. Morel:**

So this £541,000 each year for the next 4 years, is that on top of £400,000 so it is £941,000?

**Group Director, Financial Services and Digital Economy:**

That will go to £941,000 altogether, yes.

**Deputy K.F. Morel:**

That is a large increase.

**Group Director, Financial Services and Digital Economy:**

It is, yes. Some of that is staffing related and some of it is project related. So from the staffing perspective, it is an increase of about £256,000 in total and that is a couple of things, like a data protection officer to manage the interface with the Office of the Information Commissioner and manage Government ...

**Deputy K.F. Morel:**

Why do you need an officer specifically to manage the interface?

**Group Director, Financial Services and Digital Economy:**

Because we have to manage the law and we have to go for G.D.P.R. (General Data Protection Regulation) equivalence. So we are creating a G.D.P.R. equivalent environment so there can be continued information flow with the U.K. and with the E.U.

**Deputy K.F. Morel:**

So let us stop. What is the role of the Digital Policy Unit?

**Group Director, Financial Services and Digital Economy:**

The Digital Policy Unit has all aspects of Government's digital policy to the outside economy and society, not the inward-facing part in terms of how Government manages its own digital services to citizens. So that will be things like data protection, a policy on cybersecurity, our telecoms strategy and the interface with organisations such as Digital Jersey and the Office of the Information Commissioner.

**Deputy K.F. Morel:**

So how much overlap is there between the work of the Digital Policy Unit and Digital Jersey?

**Group Director, Financial Services and Digital Economy:**

So Digital Jersey is meant to be a catalyst really for industry engagement and building more of a digital economy. Digital Jersey will come back, for example, to look for additional funding for specific initiatives. They will look for Government support, for example, around licensing, around developing Government's own policy towards the sector. So there is only so much that they can do in their own right, in much the same way as, say, for Jersey Finance. Jersey Finance help to promote and defend the industry as appropriate, but you still need a team behind that to put together the necessary legislation and policy elements so that the financial services industry has what it needs.

**Deputy K.F. Morel:**

That team should be entirely based in Jersey, is that right, because it is just doing legislation and policy elements?

**Group Director, Financial Services and Digital Economy:**

The digital policy team?

**Deputy K.F. Morel:**

You would not need anybody outside of the Island for that role, would you?

**Group Director, Financial Services and Digital Economy:**

No, we have on occasion gone outside of the Island either for specialist consulting advice - so the telecoms strategy was put together by Oxera, a specialist in that area - and also a telecoms policy officer is based out of the Jersey London office.

**Deputy K.F. Morel:**

Why is that?

**Group Director, Financial Services and Digital Economy:**

Because finding the depth of telecoms skills locally in the Island in terms of a strategy and how you manage the interface with telecoms operators ...

**Deputy K.F. Morel:**

Why do we need them given that we have Jersey Telecom and we have 2 other perfectly good businesses on the Island and the telecoms policy, I would suggest, while incredibly important is not something that you are necessarily constantly working on? Why do you need a full-time telecoms policy officer based in London?

**Group Director, Financial Services and Digital Economy:**

One element of it is the interface with C.I.C.R.A. (Channel Islands Competition and Regulatory Authorities) around effective regulation of fibre and how that is provided to the retail space. You have 5G and dealing with all of the concerns around 5G, both the allocation of spectrum, the interface with Ofcom, what is Government's policy on 5G. So, for example, do we want to have a single master network with retail sharing underneath? Do we want to have 3 separate networks with each of the operators investing in their own? So Government has to make policy decisions around that and that is what the telecoms framework speaks to.

**Deputy K.F. Morel:**

I am just surprised it needs a permanent full-time person to do that job.

**Group Director, Financial Services and Digital Economy:**

You would be surprised. 5G in itself is particularly complex, not just in the first phase of it, which is a faster speed to your handset, but then in additional phases such as how it might be applied in the health sector, how it might be applied towards autonomous vehicles and so on. So we need to make some of those sorts of decisions around how the mast network might need to be configured.

**Deputy K.F. Morel:**

Given that they are based in London, does that not make it harder to do their job given that all of the people involved are based in Jersey?

**Group Director, Financial Services and Digital Economy:**

Not particularly, no, because again it is Skype calls or video calls or conference calls and then typically that individual is over here a couple of days a month.

**Deputy K.F. Morel:**

Interesting how much that costs us.

**Senator K.L. Moore:**

Is there a risk that there is any duplication with this workstream and the work of Digital Jersey?

**Group Director, Financial Services and Digital Economy:**

No, because this very firmly falls to Government. So the representation from Digital Jersey here may be to take a view from telecoms operators or from those who consume telecoms services and represent those to Government, but equally Government has a much wider range of concerns around something like 5G, so dealing with health concerns, dealing with environmental issues around the mast network, and then also the ultimate investment decisions so that you get economies of scale being passed ...

**Deputy K.F. Morel:**

It is interesting. I sit on the Scrutiny Panel that has raised 5G a number of times. Telecoms policy officers never visited us.

**Group Director, Financial Services and Digital Economy:**

A telecoms policy officer has not ...?

**Deputy K.F. Morel:**

Never visited us with regard to 5G. In fact, no one from the Digital Policy Unit has ever spoken to us about 5G.

**Group Director, Financial Services and Digital Economy:**

No. Well, Stephanie Peat leads on that on a day-to-day basis and Stephanie reports into myself. So it would be one of us that would come to you as and when.

**Deputy K.F. Morel:**

Interesting. Can you give me a breakdown of the areas of work that the Digital Policy Unit is going to work on?

**Group Director, Financial Services and Digital Economy:**

Yes. We have touched on data protection in terms of going forward, G.D.P.R. equivalence, ongoing management of the wholesale versus retail relationships in the telecoms sector and Government's policy towards those, including in particular a stronger interface with the shareholder function of Government and its management of Jersey Telecom, the development of Government's policy and approach towards implementation of 5G and then also there is a request here for investment into an emerging technologies policy officer that will look at areas like fintech, regtech, healthtech and so

on to determine how Government engages in those areas with the support in a practical sense of Digital Jersey.

**Deputy K.F. Morel:**

Do you know what I do not see in that? I do not see any element of that, except for the data protection side, which is based on the well-being of Islanders and the way they interact with especially emerging digital technologies and how emerging digital technologies can affect their rights and can degrade their standard of living. Whether it is commoditisation through the commoditisation of people through surveillance capitalism, as some people would call it, or whether it is, as I was having the discussion just earlier, about artificial intelligence and the ethical impact of this and how that could seriously degrade our quality of life. I do not see any of that in here at all. So it strikes me that you are doing what many people do, which is to just say technology is amazing, we have to be part of it, without looking at the downsides to it, without looking at the dangers to it.

**Group Director, Financial Services and Digital Economy:**

No, that is not accurate at all.

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

I think one of the key points in here is to ensure that systems data rights and interests are safeguarded, and that is an important workstream.

**Deputy K.F. Morel:**

But when I asked the officer for that information that did not come up, except for the one data protection person, but I talk about ethics and I talk about rights and that is not just data protection, it is far beyond that.

**Group Director, Financial Services and Digital Economy:**

Yes, there is a technology advisory panel, which is one of the policy boards that has been created under the chairmanship of Senator Farnham. That is looking, for example, in terms of artificial intelligence at the ethics around it. So if you are applying A.I. (artificial intelligence), for example, in the criminal justice system and the algorithms that would sit behind that, you can have unintended consequences if that is not applied correctly.

**Deputy K.F. Morel:**

Absolutely.

**Group Director, Financial Services and Digital Economy:**

So that is all being considered and that additionally is work in the Digital Policy Unit.

**Deputy K.F. Morel:**

But that should be the highest priority because that should be in place before we do any work with regards to integrating these technologies into the Island. It needs to be in place first.

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

I would say that I do not think we know yet a lot of how citizens' interests could be impacted upon or how they could be protected.

**Deputy K.F. Morel:**

Oh, I know a lot. Let us have a conversation one day, shall we?

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

Well, we know a lot but as technology is evolving at such a rapid pace, these are going to be new challenges and we cannot do a piece of work now that resolves the problem, it is going to be constantly evolving.

**Deputy K.F. Morel:**

It is constant but that does not mean you cannot get a framework in place now. It does not mean you cannot have a policy in place now to ensure that we are protected before the Government goes cavalierly down this road.

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

We are looking at that. That is an important piece of work.

**Senator K.L. Moore:**

Is that or is that not one of the aims of this workstream to develop a specific policy?

**Group Director, Financial Services and Digital Economy:**

Areas are set out in the digital policy framework in terms of some of the ethical elements that will need to be considered and also a range of other elements, as I say, health, environmental and so on, so we are protecting citizens' rights in the widest sense, not just simply saying it is an emerging technology, we have to have a piece of it.

**Senator K.L. Moore:**

Great, so when will those policies ... is there a deadline for those policies to be delivered?

**Group Director, Financial Services and Digital Economy:**

So this is subject to having resource and being able to secure the right people to then start work on those elements. This is setting out an appetite for a 4-year programme of work and the necessary resourcing that will underpin this.

**Deputy K.F. Morel:**

But that in itself tells us that you have not prioritised that protective work first because you are saying it will only take place if you get the extra funding. So the work that is going on at the moment does not include the £400,000 that you spent last year or this year. It does not include any of that citizens' rights work. That is what you are saying.

[12:00]

**Group Director, Financial Services and Digital Economy:**

Well, it does. G.D.P.R., for example, substantial work was done to pass the legislation. It helps us to create an equivalent environment ...

**Deputy K.F. Morel:**

Last year, not this year.

**Group Director, Financial Services and Digital Economy:**

No, but we do not have G.D.P.R. equivalence yet enshrining citizens' rights. We have them enshrined locally here in the law in terms of the law itself and in the law that brings the regulator into force, the Office of the Information Commissioner. The next stage of that is the E.U. equivalence element of it, but that again is part of enshrining citizens' rights while at the same time looking through the policy board at the ethics around some of these emerging technologies and how we deal with those as an Island and, indeed, will we be a maker of global standards on this in terms of ethics councils and so on or will we be more of a taker of this and seeing what happens elsewhere and determining ...

**Deputy K.F. Morel:**

So you are saying that only goes ahead if you get the extra funding?

**Group Director, Financial Services and Digital Economy:**

There is an element of that happening already but it can happen more comprehensively if there is a resource available to do it. Or we have to stop doing other things like 5G and say we need to focus on this instead.

**Deputy K.F. Morel:**

Plenty of people would say you do not need to be marching down 5G because a company is commercially able to do that regardless.

**Group Director, Financial Services and Digital Economy:**

Well, they cannot do it unless they have spectrum. They cannot do it unless they have planning permission for the mast network.

**Deputy K.F. Morel:**

Absolutely, but the regulator can enable the spectrum.

**Group Director, Financial Services and Digital Economy:**

They can. Government has to set a policy around things like the mast network. Do we want ...

**Deputy K.F. Morel:**

We already have a policy around the mast networks.

**Group Director, Financial Services and Digital Economy:**

No, we do not. We could have a proliferation of mast networks for 5G ...

**Deputy K.F. Morel:**

I appreciate that, but we already have a policy which states that mast sharing should be the way forward. We have a planning policy which ensures that masts cannot be put in places and these also ... they are antennas, not masts. They are much, much smaller than the existing antenna that we have out there so they need much smaller masts.

**Group Director, Financial Services and Digital Economy:**

No, you cannot share masts when the masts are not in existence at the moment and there will be a need in future iterations of 5G to create new street furniture or antenna to sit behind street furniture. So some of that does not exist at the moment to enable the full rollout of 5G, so all of that needs to be considered and that is why it is working across that ...

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

That is policy under consideration at the moment and just for the avoidance of doubt, ensuring citizens' data rights and interests are safeguarded is one of our key priorities. We do not have ... none of our priorities are number one. What tends to be number one is the one we are working on at the time, but it is a priority.

**Deputy K.F. Morel:**



I suggest that this is number one as far as the Digital Policy Unit is concerned. Ensuring the safety of the citizens of this Island should be number one and then development comes second.

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

We are talking about the data rights and interests.

**Deputy K.F. Morel:**

It is not just their data rights. As Richard said, it is things like ensuring that if artificial intelligence programs in any way are used over here that people who program them, that the algorithms there do not contain unconscious bias, which means that people of colour are going to be spotted in facial recognition technology before other people and things like this. Those, I suggest, should be higher up the list of your priorities than anything else.

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

Okay, understood.

**Senator K.L. Moore:**

In terms of the decision that States Members will have to make around this, firstly there is a long list of objectives and there is no indication of your priorities as a department. So what piece of work are you going to do first? What might fall by the wayside if you have difficulty funding? None of that is answered in the documentation that is being shared with States Members to date. So how are States Members to know what the core objectives and the prioritisation of your department is?

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

All of our priorities will align with the Common Strategic Plan, which was approved by the States.

**Senator K.L. Moore:**

Sorry, Senator, to interrupt, but how then next year, when we come to look at the Government Plan again, how will we monitor your progress in any of these objectives given the information that we have to date?

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

Well, I think the plan is going to evolve, as I said, at the presentation the other day. This is a good plan. It is not a perfect plan. It is our first go at it and I do not think we have done too bad a job, but there is plenty of room for improvement, especially around the detail. That is something that is going to have to evolve. There is some very tangible ... when you look at how you can measure against this, this is a tangible document. We have set out quite clearly what we hope to do right across the plan, through every department. I think for the first time, unlike the M.T.F.P. (Medium-Term Financial

Plan), which was financially based, this puts our policy and our objectives against a budget. I think there is clear, tangible ...

**Senator K.L. Moore:**

But against very imprecise measures.

**Deputy K.F. Morel:**

I was going to say, you say tangible, I say fluffy.

**Senator K.L. Moore:**

Yes.

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

Yes. Do you know what, I might meet you halfway there. I would not say completely fluffy, maybe a bit fluffy here and there and we are going to make it less fluffy next year and make it more of a velvet texture next year. **[Laughter]**

**Senator K.L. Moore:**

I was just looking for your measures here. We have talked about them before. They are imprecise. They do not give you where we are at now and I know that in the majority these statistics exist currently. We know this information, so why is the benchmark not here in black and white telling us how we are going to turn the curve, which direction, what our aim is? If you have objectives, surely you have, and a specific aim to say currently we are at 50 per cent, we want to be at 75 per cent by 2022.

**Deputy K.F. Morel:**

You will notice that one of my first questions every time is how much are you spending on it this year because that is not included in this information. A simple fact like that does not appear anywhere.

**Senator K.L. Moore:**

My final question is: is this allocation here what was bid for initially or has there been a reduction in funding?

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

Sorry, are you talking about the additional £541,000?

**Senator K.L. Moore:**

We are still on the ... yes.

**Group Director, Financial Services and Digital Economy:**

That is what was bid for originally and that is what has gone into the final version of the Government Plan recognising the importance of technology to our economic development and social development.

**Deputy K.F. Morel:**

Can you give me a quick breakdown? Because £541,000 seems an impressively precise number.

**Group Director, Financial Services and Digital Economy:**

So there is £256,000 on staffing. That is permanent staffing within the States. There is £275,000 ...

**Deputy K.F. Morel:**

So how many new staff will that be?

**Group Director, Financial Services and Digital Economy:**

So that is 3 new staff in terms of fully loaded cost.

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

Data protection adviser, emerging technologies and ...

**Group Director, Financial Services and Digital Economy:**

Telecoms. There is £275,000 which is going for outside consultants. It is on a hard services line, so that might be a case of having to bring in somebody that, for example, is an A.I. expert for a period of 3 months to help to write a policy on something or to go outside and commission that piece of work specifically because we cannot afford or we cannot retain that level of expertise within the organisation on a permanent basis.

**Deputy K.F. Morel:**

What kind of process will you use for appointing that? I have noticed a tendency in this department to appoint and then wait for us to ask questions later.

**Group Director, Financial Services and Digital Economy:**

Sorry?

**Deputy K.F. Morel:**

What kind of process will you use to appoint those outside consultants?

**Group Director, Financial Services and Digital Economy:**

So we would go through a full procurement process consistent with the States policies.

**Deputy K.F. Morel:**

Absolutely. There will not be any sudden: "Oh, we had to appoint that person at the last minute so I just had to reach out and get someone" because I have heard that line a lot from this department.

**Group Director, Financial Services and Digital Economy:**

Well, I am not aware of any specific examples. Maybe you can highlight one.

**Deputy K.F. Morel:**

I am not going to offer any right now but they have been noted in public hearings before.

**Group Director, Financial Services and Digital Economy:**

Right. It is a slightly nebulous conversation without examples. I am not aware of any examples of where we have gone outside the procurement policy in bringing in consultants. There is a retained consultant relationship with Oxera through the Economics Unit and that has been used, for example, in the commission of telecoms strategy. But we would go outside and follow the full procurement where we had to.

**Deputy K.F. Morel:**

Absolutely. We will be watching.

**Group Director, Financial Services and Digital Economy:**

Yes, I would not expect anything less, as I am sure will P.A.C. (Public Accounts Committee).

**Deputy K.F. Morel:**

The other thing I wanted to ask was: will you be speaking to Islanders about any of this?

**Group Director, Financial Services and Digital Economy:**

Yes. So on things like the cybersecurity strategy, the telecoms strategy, the digital policy framework, all of those were consulted on publicly with Islanders. So whether it is individual citizens, business community, those that represent elements of the business community, there has been full public consultation on all of those.

**Deputy K.F. Morel:**

Any more questions on this? Thank you. Cybersecurity growth. In fact, we will probably bring in 2 aspects here because you have the cybersecurity growth from an operational perspective but we also have it as a capital project or an element of cybersecurity as a capital project.

**Senator K.L. Moore:**

What is the base budget for this year?

**Group Director, Financial Services and Digital Economy:**

So cybersecurity, there is no base budget in terms of core departmental budget. It is currently funded from contingencies, so there is an allocation from contingencies to draw up to £644,000 in 2019. Then the proposal in the Government Plan is for funding of £500,000 in the even years and £600,000 in the odd years.

**Senator K.L. Moore:**

How did you work that out?

**Group Director, Financial Services and Digital Economy:**

I will explain in a second. That is a little bit less than was originally ...

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

There was not a detailed formula that came to that, it is just the way he described it.

**Group Director, Financial Services and Digital Economy:**

That is a little bit less than was originally asked. The difference is in the odd years, 2021 and 2023, there will be a full Computer Emergency Response Team testing. So the C.E.R.T. (Computer Emergency Response Team) testing will take place in those years, which incurs additional cost. In the other years you have just the ongoing standing cost of that team and the associated policy resource.

**Senator K.L. Moore:**

Is there any crossover with the police and the high-tech unit there and the work that they have been doing with international partners over the years?

**Group Director, Financial Services and Digital Economy:**

So they would work specifically where there is a criminal case and they are investigating and they seize computer hardware, for example, mobile phones, to then go and interrogate that for data that is relevant to their case. The C.E.R.T. response team that we talk about in the cybersecurity growth

bid is specifically around helping to protect critical national infrastructure of the Island and to be able to test for the Island's readiness to deal with a cyber incident.

**Deputy K.F. Morel:**

As far as the capital programme aspect is concerned ...?

**Group Director, Financial Services and Digital Economy:**

I am not involved at all with the capital programme so I have to hand back to the Minister, but that will relate to the Government's own protection of the systems and the data that it holds.

**Deputy K.F. Morel:**

That is fine. We will keep them separate for the moment then. I wanted to ask about this and really I suppose this used to sit within the Chief Minister's Department, did it not, essentially, cybersecurity?

**Group Director, Financial Services and Digital Economy:**

All of digital policy and financial services, all of my area, sat with the old Chief Minister's Department.

**Deputy K.F. Morel:**

So it is very difficult ...

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

Are you talking departmentally or politically now?

**Deputy K.F. Morel:**

Politically. I am talking about ...

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

Because politically it has changed but departmentally it has not.

**Deputy K.F. Morel:**

Yes, I am talking about politically because it just makes it difficult for me to ask you this question, Minister, that is the trouble.

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

Okay, understood.

**Deputy K.F. Morel:**

Because the question I really want to ask - and I have to ask you at the end of the day, I am sorry, but you are the only person who has continuity on this - is why was this not being done previously? Not being funny, Jersey has a finance industry which is vital. We have other functions which are obviously open to attack just by virtue of being plugged in, as much as anything else. Why are we starting now? It astounds me, it worries me.

**Group Director, Financial Services and Digital Economy:**

Yes, and it is important I say we are not starting now. We have already published a cybersecurity framework around 18 months or so ago.

**Deputy K.F. Morel:**

Yes, okay, that counts as now, okay? We have been vulnerable for decades, this is what I am trying to say.

**Group Director, Financial Services and Digital Economy:**

So it is not to say that nothing has been done up until 18 months or so ago when the framework was published. So the regulator on financial services would expect firms to be properly looking after customers' data. We have had data protection legislation in place for many years.

**Deputy K.F. Morel:**

Yes, but data protection does not protect you from hacking.

**Group Director, Financial Services and Digital Economy:**

No, but we have had legislation around this. Obviously, the environment around hacking and around protecting people's identities has moved on substantially in terms of the number of cyberattacks, the frequency of those attacks, the severity of those attacks, and this is Government responding. So we need to step up our game. Rather than just carry on as we were and expecting that firms will take their own responsibility for it or that citizens will be sufficiently aware just to protect themselves ...

**Deputy K.F. Morel:**

That is what I am asking. Why is it only now that the Government is realising it should have a co-ordinated approach?

**Group Director, Financial Services and Digital Economy:**

Well, some of that work has been happening in previous years. The difference here is this is going into a base departmental budget so that it happens permanently ...

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

This is as a result of the original risk assessment that was carried out in 2015 following attacks which led to such incidents as the Panama Papers ...

**Deputy K.F. Morel:**

Yes, absolutely, it just strikes us as being asleep at the wheel is how it feels to me.

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

It is something that is being ... we are expediting the speed at which we address this now given ...

**Deputy K.F. Morel:**

Absolutely, catch-up.

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

We are playing catch-up but this is another high priority and a significant capital sum has been set aside for improvements to the States' own I.T. (information technology) infrastructure.

**Deputy K.F. Morel:**

Yes. I wanted to ask, the £500,000, how do you break that down?

**Group Director, Financial Services and Digital Economy:**

So the breakdown for the C.E.R.T. team, this is joint working with Guernsey because to have an Island-specific team would be rather over-egging it. So the C.E.R.T. team in terms of its benefits: raise citizens' and businesses' cybersecurity awareness, provide the Government with a technical adviser, the management of major Island-wide incidents, and it can recommend appropriate triage and support, co-ordination of resources, supporting individual organisations to manage incidents and accelerate the process of recovery from a cyberattack, and ensure that Government and community are connected to the latest developments across the European Union and the international C.E.R.T. network, and that includes our own relationships with the National Cybersecurity Centre in the U.K. The step up, the extra £100,000 that is required every second year, relates to Island-wide exercises. So that is incident response plans to be robustly tested to ensure that they work effectively in the event of a real incident, that key contacts from the Government and from critical national infrastructure, so telecoms, utilities and so on, can work together to facilitate smoother relationships in the event of a major cyber incident, and to test and probe unknown vulnerabilities within that system. So the way it breaks down is this £500,000 is a flat figure annually, 2020 through to 2023, and that is for the C.E.R.T. team and it is a shared cost with Guernsey.



**Deputy K.F. Morel:**

Do they put in £500,000?

**Group Director, Financial Services and Digital Economy:**

They will put in on a 60:40 ratio so that roughly reflects things like population and economic size differential. Then every second year there is £100,000 specifically for the testing. In terms of how that breaks down, the £500,000 is a base figure, £275,000 of that is staff and the other £225,000 is for essentially a range of disbursements, so training, marketing and awareness to citizens, threat intelligence tools and licensing, travel, project and advisory, affiliations with international C.E.R.T. bodies, and equipping of premises. We will look to find efficiencies in that where we can with other elements of the Government's own estate.

[12:15]

**Deputy K.F. Morel:**

Obviously, we rely on France for our energy, our electrical energy supply.

**Group Director, Financial Services and Digital Economy:**

Yes.

**Deputy K.F. Morel:**

Will they also be working with them because in a sense a cyberattack on France's energy network would have a direct knock-on effect to us and take us out.

**Group Director, Financial Services and Digital Economy:**

Yes, there is a principal relationship with the U.K. National Cybersecurity Centre in terms of Government to Government ...

**Deputy K.F. Morel:**

Yes, and that is why I ask ...

**Group Director, Financial Services and Digital Economy:**

... but also we talk to the French cybersecurity centre in Rennes and then separately with Jersey Electricity. They are expected to ... they have their own obligations in terms of resilience of supply and that is not just around power outages, it is around the network itself being attacked and susceptible. So we are talking to the French as well as more often to the U.K.

**Deputy K.F. Morel:**

No, I appreciate why it is more often to the U.K. but from an electrical perspective we need to do that.

**Group Director, Financial Services and Digital Economy:**

Yes.

**Deputy K.F. Morel:**

Fantastic, thank you. Any more questions?

**Senator K.L. Moore:**

No.

**Deputy K.F. Morel:**

We will move on from that.

**Senator K.L. Moore:**

We are going to move on to the culture, arts and heritage section if we could. What is the current base budget in 2019, please?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Okay. So the base budget for culture, arts and heritage is £4.5 million, essentially, so £4,506,800, and what that does not take into account is the successful I.A.B. (Investment Advisory Board) bids which were £295,000. So the total funding received by the arm's length bodies in 2019 will be a total of £4.8 million. So the additional spend in future is on top of the existing budget and that will continue?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Yes, that is right.

**Senator K.L. Moore:**

How will these sums be broken down because Arts, Culture and Heritage is a large area?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

What we are looking at, if we are looking specifically for next year, you have the figures already in the document so the uplift in funding for 2020 is £700,000 and that is virtually what was asked for. I think the actual bid was an extra £55,000. What is important to note is that that bid was agreed to before P.40 was agreed by the States. So, if you like, that was at a time when I was not in the role, I was temporarily, you will remember, not in that role for a few months when I brought the P.40

proposition. I think it is important to recognise the fact that there is an uplift in funding anyway but that might have been a higher number were it put in the wider context of the States decision to increase funding to culture, arts and heritage. So, in effect, we are going through the process now about how we allocate that and I am discussing that with my officer. He has provided us with essentially 3 different options and I do not think I am necessarily in a position to go into detail. You will accept the fact that I will not want to put anything in the public domain when we have not spoken to the organisations but I am very much in the process. We have already met with Jersey Heritage yesterday to talk to them about what they think the long-term needs of the organisation and challenges are as well as what they are likely to get next year. I have also made it clear that I want to move away from just the short-termism that has existed in this sector for quite a while so that they can have a plan for 2 or 3 years. That is difficult given the nature of the Government Plan but we have got the headline figures there and I think it is important if we can both have that understanding of what they are likely to be getting in 2021-2022 so that they can decide in terms of manpower and what their strategic priorities are for the next 3 years.

**Senator K.L. Moore:**

Is that why the budget increases significantly in 2021 and 2022?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

The reason it increases is as a result of the States debate. There were going to be some increases anyway that had been put in for but they were much lower figures. For example, in 2021 it would have been a £750,000 increase and that has now gone up by a further 2.3, so that is why we are looking at £3 million in 2021, £5.4 million in 2022. Certainly we have had the conversations around the ministerial table, and I have asked and sent emails saying it seems a bit absurd that there is such a hike between 2020 and 2021 and logically what one might do if it was your business is to try to bring forward some of that money from 2021 to 2020 so that you can at least plan. If you need to take on new members of staff or if you need to launch a new initiative in the arts sector, it makes sense to do that over a period of years.

**Senator K.L. Moore:**

You rightly point out that organisations need time to plan, particularly if they have to take on members of staff. At the moment they have no idea what the priorities are in this workstream and there is no clarity over that direction or decision making.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

In a sense that is for them to decide. I think the culture sector is quite ...

**Senator K.L. Moore:**

You cannot let them fight over the money in the budget themselves, a decision needs to be made at a higher level.

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

No, a lot of this will be advised with the arts and culture strategies that are being devised at the moment. While that work is being done, okay, that will set a new direction which will help them. They have 2 workstreams themselves, that is to plan their own futures and then look at the new guidance from the strategies that are due to be finished by the middle of next year. I think if you put too much into year one there is a danger that you will be, because the money is there, giving it to organisations that do not know what they are going to do with it. I am sure they would say: "Oh we would find a very good use for it" but then you would be questioning us next year: "Why did you give it to them without knowing what they were going to spend it on?" I think it is quite a sensible way forward. We have got what they have originally asked for for 2020 and then it increases significantly after that.

**Deputy K.F. Morel:**

May I ask the Assistant Minister: how did your conversation with Jersey Heritage go?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It was good. I and the officers have good channels of conversation already. Whether it is Heritage or the other arm's length bodies who are funded I try and have good conversations with them and good relationships with them.

**Deputy K.F. Morel:**

How much funding will Jersey Heritage get in 2020?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

In 2020, so the ... am I at liberty to disclose these figures?

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

We will disclose them to you but whether it is publicly or privately at this stage might be a different question.

**Deputy K.F. Morel:**

Well, put it this way, Jersey Heritage needed an extra £1.7 million, now the entire increase for your budget is £700,000 so even if you gave all of that £700,000 to Jersey Heritage they are still falling £1 million short of what they need.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Exactly.

**Deputy K.F. Morel:**

So you can tell me how much you are going to give them in public or not, it is entirely up to you but I will say in public that the maximum they will have is £700,000, which is £1 million short of what they need.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

We cannot tell you how much because we have not decided yet how much they are going to get so we are working on those figures. We have given them an indication of what they are going to get, they have accepted that and they seem to say that they are pleased, and they will be pleased when that is concrete so they know exactly what they can do within the work programme. For example, within that there is going to be a sum of money for Jersey Archive because there is a body of work that needs to be done quite urgently with Jersey Archive.

**Deputy K.F. Morel:**

Which is a statutory obligation on our part.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

But what we cannot do, for example, is that we cannot direct Jersey Heritage to use that money for the Archive because they are an autonomous organisation, but nonetheless we try and have that conversation and say that we would like to make sure that Archive is looked after, we envisage that this part of the money should go towards that. It does rely on the relationship. I fully take on board the point that of course they have asked for more money and that is part of the reason why I bought P.40 to get more money. What I would say in global terms is that ... because I have been on the other side of the desk and we can always pick up examples of austerity and there are lots of examples where departments or arm's length bodies have not got the money that they have asked for and that is because we live in a perpetual system of political austerity in Jersey. If we want to resolve that then we need to look at a different tax and spending model but that is probably a statement over and above me representing the department. But if you are asking questions about why X, Y and Z did not get their money, whether it is ... I think the political context in Jersey is we make do with some very good staff who probably go over and above. We could probably spend a lot more money.

**Deputy K.F. Morel:**

Could I ask one thing, given your reluctance to tell us how much is going to Culture and Arts and how much is going to Heritage ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It is not reluctance, I cannot tell you ...

**Deputy K.F. Morel:**

... because you have not told them, why would you ... it goes back to what Senator Moore was saying earlier, the lack of detail. It strikes me as really difficult to understand how you can even put a £700,000 or a £5.2 million figure on this without knowing where you are going to allocate that even in the broad terms of culture, arts and heritage. You seem to be unable to tell me we are going to do £200,000 to culture, £200,000 to Arts and £300,000 of Heritage of that extra £700,000. You seem unwilling to be able to tell me.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It does not work like that. There is not a culture, arts and heritage, they are not different organisations.

**Deputy K.F. Morel:**

That is what I am saying, even in that broad cluster you seem to be unwilling to be able to tell me that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I can tell you the ... it is not a question of will it is a question of I am not going to tell you before I tell them.

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

It is a work in progress, we are still having the discussions.

**Deputy K.F. Morel:**

Why have you not told them then before you ... let us face, this Government Plan was trumpeted, it was out there, you knew about it, 24th July it dropped, every little detail, we have slowly got some more detail on it, you have known about this meeting for weeks and weeks, why did you not tell them before so you could to this meeting and tell the Island how you planned to spend that money?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Essentially because we have a small department and, as you have heard, a lot of work has been diverted towards Brexit and with less money arguably than they wanted.

**Deputy K.F. Morel:**

You are an Assistant Minister whose focus is on culture, arts and heritage.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

We do have a timeline so I am quite confident that in good time before it gets to the Government Plan I will make sure that the bodies that are getting funded with that £700,000 have got the money that they can work with to stabilise them for 2020. If that is not the case, I will speak to the department to free up extra money. We are having these conversations already.

**Deputy K.F. Morel:**

As a result of this extra money, will Jersey Heritage be keeping Hamptonne open more often than it is at the moment? Will they be opening the museum through the winter?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Those are decisions they will need to make. I am not denying the fact that there will be tough decisions for them to make. They are getting less than what they would want in a blue sky world.

**Deputy K.F. Morel:**

They are getting well over £1 million less than what they want.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I have not seen any indication that they would be closing Hamptonne. They are still receiving the core funding and the uplift and they will be getting more money on top of that.

**Senator K.L. Moore:**

I would like to ask you a question, Minister; it appears that we are talking today about a lot of projects that have broad proposals and sums of money allocated to them for next year but no clarity of exactly what is going to happen within that allocation of funds. Therefore one could assume that very little money is going to be spent in quarter 1, probably not quarter 2 either of next year and then there will be race to spend money in quarters 3 and 4 as decisions are finally made. That does not seem to me to be in the spirit of this One Government programme that we are supposed to be driving.

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

Our core budgets are pretty clear, pretty set. We know what we ...

**Senator K.L. Moore:**

These are still specific and significant amounts of money. There is a 12 per cent increase in spending next year so how and when will that money be spent?

**Deputy K.F. Morel:**

R.P.I. (Retail Price Index) is a lot lower than 12 per cent so it is interesting how the Government increases its spending by vastly more than R.P.I., while Islanders have to struggle with low R.P.I. pay increases.

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

I am not quite sure I understand the connection there.

**Deputy K.F. Morel:**

I think there is a connection between the Government increasing its spending vastly more than the cost of living goes up.

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

That is not necessarily going to have an impact on R.P.I.

**Deputy K.F. Morel:**

I did not say it would have an impact on R.P.I., I just think it is interesting that the Government is willing to spend 12 per cent more.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It is not symmetrical, the Government sometimes needs to spend more to pre-empt costs that are going to be saved in the future. The ageing population ...

**Senator K.L. Moore:**

If there is going to be a rush to spend this money in the back end of the year because no decisions have been made to frontload this spending then it is going to be a very bizarre economy.

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

I will come on to that but in relation to the detail around what we are doing with culture, arts and heritage, and we have 2 proposed strategies, arts and culture and heritage. Those need to be done to guide the future, how the Government allocates its resources into the future. These details we cannot confirm yet to the organisations anyway because this is the Government Plan, the States will have to agree it. Also, from what was originally asked for from Deputy Tadier's proposition being approved, suddenly into the process there were millions and millions of pounds of additional money going to be available to those sectors in the years ahead so careful consideration does need to be made over how that money is going to be spent.

[12:30]



**Senator K.L. Moore:**

Are you not confident that States Members will support the Government Plan?

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

I am, it will be supported but it is likely to be amended. I am sure there are going to be a number of amendments that could change the figures in various departments. I would doubt it but for all we know somebody might want to use some of the extra arts money for something else.

**The Deputy of St. Mary:**

Coming back to the original question about the division of the spoils between arts, heritage and culture, and you are working on that, I accept that, to what extent is the future division of the Channel Island lottery proceeds involved in that with a view to enabling the various ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

The short answer is ...

**The Deputy of St. Mary:**

The formula you are working on now, is that going to be applied to the division?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

The short answer is it is not. Any lottery funding that is received for the arts, or for sports for that matter, is over and above the Government's core grant. So essentially the way in which I would envisage it is that ... if we are specifically talking about 2021 and 2022 is that it would ... I would envisage that it would be pro rata. For example, Heritage is a big cost driver in terms of the fact that they have such a vast portfolio that they manage on behalf of the Island and a lot of Heritage's daily work is just going into maintain sites and keeping them open. That is before they do all the great work of interpretation and expressing themselves in the museum, et cetera. Again, they are not symmetrical organisations in terms of their needs. There might be a piece of work that comes up that they want to do and ArtHouse Jersey is a good example of that, they have come up with a particular project which has been given the approval in terms of their bids. That is one thing that needs to be maintained. Over and above that I think we are going to move from a period of stabilisation, which is very much what I have inherited, so trying to keep these organisations basically open, to making them more inspiring and more productive. That is where we will see that money being used. I would just see the starting point as they get pro rata increases. For example, if the Arts Centre were to get 20 per cent of the budget then they would still get that in proportional terms. I think what the extra funding would allow me to do in the department is to do things that we have not yet done. It is to perhaps create extra funds. There are bodies out there that exist that do not receive any core funding, which maybe have a right or an argument to be able to tap into States

funding for certain projects. Branchage would be a good example of emerging creative industries, for example. At the moment we just allocate money. My job in the past would have been pretty much automatic, the money comes in, the money goes out.

**The Deputy of St. Mary:**

Two questions really. One statement. I think you have clarified that the lottery proceeds money will not go to the ... will go to new organisations or newer?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Not necessarily but the lottery funding can never be used in order to pay for what Government should already be doing.

**The Deputy of St. Mary:**

I am pleased to hear that, yes.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

That is accepted as a principle. Maybe Darren wants to jump in.

**Director, Economic Development:**

We had this discussion previously that the working assumption or working principle, the recommendations that the principle of additionality is used, so lottery funding, irrespective of whether it is culture, arts, heritage or wherever the States Assembly determine it should go would not be used for anything that should be Government funding. Obviously there is a level of subjectivity and the lines would need to be drawn by the Assembly and agreed with the distribution parties but effectively that is the principle that most public lotteries use around the world.

**The Deputy of St. Mary:**

I am just trying to clarify what organisations can get their hands on it right now. What you are effectively saying is lottery proceeds will come to the States in the due course of time so as far as this is concerned it is completely independent, although there are some organisations which would welcome an early guide as to when it might be available?

**Director, Economic Development:**

Absolutely, but it is not a reason for Government to withdraw from providing core support to any sector. It is over and above core Government funding in whatever sector that is in.

**Deputy K.F. Morel:**

Apologies for my own memory failing me here, can we ask how much you bid for, Assistant Minister, in the first place for 2020 for the additional?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It would not have necessarily been me directly, it may have happened before that. The overall bid for 2020 that went in was £755,000 and what we got was £700,000, so we are £55,000 short. That is partly why we are having these conversations now.

**Deputy K.F. Morel:**

When you put in a bid for £755,000, or whoever put in the bid for £755,000, what did they envisage that would cover? Again, you cannot just pick a number, you cannot say: "I slept last night and the number £755,000 came into my head while I was dreaming, I am going to put that in as a bid." You have to have a sense of where you will spend that £755,000. We would like to know in that sense where did that £755,000 come from?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think in this last round of bids there was not enough political involvement in that. That is the first thing I would say.

**Deputy K.F. Morel:**

Which officer was responsible for putting that bid in?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Essentially ... and the officer can clarify but can I give you the political answer first? This what I think happened, and Daniel can put the meat on the bones, is that essentially all of the organisations put their bids in based on what they wanted to do. Sometimes that was for stuff like an air conditioning unit, for example, at the Arts Centre they needed that. It could be to do with staff and ArtHouse Jersey was one that had a very detailed plan. They said: "This is what we want to be doing in the next 3 to 4 years and we need this money to do it."

**Deputy K.F. Morel:**

So there were things, whether it was air conditioning or ArtHouse Jersey or Heritage with their needs as well?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Yes, so that essentially goes to the officers and the officers submit it. That is essentially ... I do not know if there is any triage ...

**Senator K.L. Moore:**

Just before we go to that, has there not been some form of political discussion about prioritising and cutting your cloth accordingly, go and do rag ratings, red, amber, green. This is essential, this is less so. This is a nice to have. Where has that process been and what is the political ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think Daniel can speak to the technical ...

**Senator K.L. Moore:**

That is a matter for political decision making.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I have seen the red, amber, green more generally in the department. I do not think there has been that political input so far or up to this point when it comes to the bids that have come in from the arts organisations. I think that is the case.

**Senator K.L. Moore:**

It is purely officer-led the decision to reduce the bid?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think it is done above our head. That is the point, is that the officers submit effectively the bids that get put in and Daniel can tell you whether there is any triage.

**Senator K.L. Moore:**

We have heard about things today that were put in and were not reduced, we heard about other bids that were ...

**Deputy K.F. Morel:**

Sorry, one second.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It is decided by the Treasury. The Treasury and their team - and it is probably done higher than them - decide which projects they want to fund and which they do not.

**Deputy K.F. Morel:**

I am interested in this ladder, because you said it is above your heads and that is now the Treasury team, so they are above your head. Who is above the Treasury team's head?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

That is the way it has felt. Of course, it is incumbent on me ...

**Deputy K.F. Morel:**

Who is above the Treasury team? Because you said it is above their head.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

The chief executive.

**Deputy K.F. Morel:**

The chief executive.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

You will remember I said publicly on the day before my suspension that I was having a meeting with the chief executive to try and hash out what the options were for funding and this is before I lodged my proposition. I think the interrelationship between Ministers and the decision makers in the higher echelons of civil service are dependent on Ministers having the information and the policy direction that they want and that they know, and making that known to the other decision makers.

**Senator K.L. Moore:**

Can I just be absolutely clear what you have just said? Rather than political decision making directing funding decisions, that has been carried out globally by the principal accountable officer?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think what I am saying in general terms ...

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

I need to say something. Deputy Tadier will be explaining it from his perspective. I want to explain it from what happened and I am not sure you were on suspension during the bulk of the Government Plan, which I think unfortunately would have excluded him from some of that decision making. The process was very straightforward in terms of the Government, Ministers and Assistant Ministers and some Assistant Ministers might have engaged more than other Assistant Ministers. This is not in relation to anyone in particular, but the process was quite straightforward and it was politically led. It was not led by the chief officer, it was not led by the Treasurer, it was politically led. Officers were given discretion when we were going through the bids to go away and come back with any suggestions which then were discussed. Okay, so that is how it worked.

**Deputy K.F. Morel:**

So you decided to remove the £55,000 of funding? That was your decision?

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

Yes, it was, it was a political decision.

**Deputy K.F. Morel:**

It was your decision that you took and I can find that minuted somewhere?

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

It was not mine, it was a collective decision. In this case ...

**Deputy K.F. Morel:**

It is amazing these collective decisions, there is no collective responsibility, Minister.

**Senator K.L. Moore:**

Were they minuted meetings?

**Deputy K.F. Morel:**

Yes, can I find the minute of your decision?

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

I do not think all the workshops where this would happen were minuted, they generally are not. Nobody is trying to hide anything, it was just a very productive ...

**Senator K.L. Moore:**

That is why one has minutes of meetings so that you do not hide and there is a transparent process when people look back at it.

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

I am sure the Executive will provide you with chapter and verse of how the meetings were carried out and all the facts and figures.

**Deputy K.F. Morel:**

I look forward to hearing the Executive's response to that.

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

In this case £755,000 down to £700,000 that was not a difficult one to agree because, as Deputy Tadier said earlier, they had already had £200,000 of extra money to get them through this year with

their infrastructure. I fully support Deputy Tadier's position, he has fought hard to get extra funding ... you know, he has done a better job than I have.

**Deputy K.F. Morel:**

When the £55,000 was taken away what was it in your head, as a responsible Minister for this, that was not going to be funded through that £55,000.

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

For example, the Arts Centre needed some essential maintenance and we brought it forward. They have already had that money.

**Deputy K.F. Morel:**

So, anyway, going back to it, when you put in a bid for £755,000 what was that £755,000 going to be spent on? I want you to tell me, prove to me, that you did not just dream it up the night before.

**Group Director, Economy and Partnerships:**

The way, from an officer perspective, this process works is officers work with the organisations that we are funding and come up with a list of capex and revenue that relates to all 4 of those organisation that we are currently funding. That gets amalgamated into a collective bid for all of those organisations and within the business case we effectively included several things. One was the uplift that stabilised particularly the Opera House and Arts Centre, so that was a combination of revenue and capex which totalled to the £295,000. That, for example, in terms of are we going to spend the £700,000 next year, I would say Ministers may want to say that they carry that forward to continue that stabilisation effect. That is £295,000 already dealt with. But the business case was really based around the implementation of the findings from a service delivery review that was done in 2019. Again, that was capex and revenue to make sure that we fully understood the basis for the implementation of the A.I.B funding.

**Deputy K.F. Morel:**

Do you mean the I.A.B.?

**Group Director, Economy and Partnerships:**

Sorry, Investment Appraisal Board funding, yes. So it is financial stabilisation to ensure ongoing service delivery and that work is still ongoing because there are still big issues certainly in the Opera House and the Arts Centre. There was built into that the development of an arts and culture and heritage strategy and these are ongoing discussions but it looks like we are going to a heritage strategy and a separate arts strategy, that is what the feedback has been. Then effectively reassess the service delivery requirements following the production of the strategy next year.

**Deputy K.F. Morel:**

How much for the strategy?

**Group Director, Economy and Partnerships:**

We have not gone out to tender so I do not know.

**Deputy K.F. Morel:**

But in your head when you came up with £755,000 you must have had a figure aside in your own head as to how much the strategy is going to cost otherwise you could not come up with £755,000.

**Group Director, Economy and Partnerships:**

£50,000 to £70,000.

**Deputy K.F. Morel:**

So that is the £55,000 basically.

**Group Director, Economy and Partnerships:**

Yes. In addition there was a request for additional investment from Jersey Heritage Trust, which was broadly divided into 4 areas, fulfilment of current statutory obligations, and again they have ... I am precisising quite detailed business plans that we have got.

**Deputy K.F. Morel:**

They said they wanted £250,000 more for that. How much were you allocating to them for the statutory obligations?

**Group Director, Economy and Partnerships:**

We were looking at their figures and saying: "We need to have a conversation about whether we feel as the funders what the primacy is and what the triage is in the context of ..."

**Deputy K.F. Morel:**

Absolutely, so how much did you put against that statutory obligation?

[12:45]

**Group Director, Economy and Partnerships:**

I do not have the figures in front of me but we have plenty of ...



**Deputy K.F. Morel:**

No, but in your head when coming up with the £755,000? We go back to the same thing, you came up with £755,000 as the figure, part of that you are now telling me was for the Jersey Heritage Trust investment statutory obligations, so how much ... what part of that £755,000, how much of it in your head was for the statutory obligations for Jersey Heritage Trust?

**Group Director, Economy and Partnerships:**

I am not going to do it from head.

**Deputy K.F. Morel:**

No, you have to have it ... no, in your head back then you came up with a figure that was part of the £755,000; I am asking you today what part of that £755,000, how much, was allocated to Jersey Heritage Trust to fulfil its statutory obligations?

**Group Director, Economy and Partnerships:**

I do not have that figure to hand. You have to understand that we ... for example, take ArtHouse Jersey where we gave an additional £160,000, it was based on a service delivery review and effectively they were given the opportunity to prioritise the numbers that they felt were most important, and the same at the Opera House and Jersey Arts Centre too. That was a list of a range of different numbers and range of different price amounts. It is not just a single ... it is just not a ... I do not have in my head a single figure based on those business plans. I do have that information if you want to see it.

**Deputy K.F. Morel:**

What came next? Jersey Heritage Trust, statutory obligations, what else?

**Group Director, Economy and Partnerships:**

Conservation and preservation to maintain the status quo. Interpretation and display and effectively creating a world class service.

**Deputy K.F. Morel:**

Now they told you they wanted £1.7 million to do all those things. You are telling me that the maximum you will possibly give them out of the original £755,000 ... because you have now told me that you had £295,000 to Jersey Arts Centre and Jersey Opera House, 50 to 70K for a strategy and so that comes to roughly £350,000. So you had another £400,000 to go to the Jersey Heritage Trust for those investment and statutory obligations, conservation, preservation and maintenance, interpretation and display, and the fourth one, which I have put down somewhere ... and a fourth

item, which I forget. So £400,000 is left after your £755,000 for those elements of Jersey Heritage Trust, a maximum of £400,000, is that correct?

**Group Director, Economy and Partnerships:**

But bear in mind that we do not have any strategic direction at all at the moment. Our arts and culture strategy is 10 years old and all we have got is a report, which I think was quite useful, which was the report written by BOP in 2018. It has got 20 recommendations in that. We are trying to juggle a range of priorities. That recommendation goes into the process and a political process makes a decision about the numbers, but in terms of reassurance as to whether or not we will spend the £700,000, ArtHouse Jersey's quite sophisticated plan alone, depending on what they feel their current priorities at the time are, could deal with that, similarly with Jersey Heritage.

**Deputy K.F. Morel:**

Believe me, I know you can spend £400,000 or £700,000 in culture, arts and heritage. What I am interested in is that I know - we know - that Jersey Heritage Trust asked for £1.7 million in order to do those 4 things that you said. The maximum you could possibly be giving them out of what you just said to me was £400,000, so they are going to be £1.3 million short, and you talk about ArtHouse Jersey on top of that, so it is going to be a lot less than £400,000. How do you think Jersey Heritage Trust are going to be able to cope with the year ahead if they are getting less than £400,000 when they needed £1.7 million?

**Group Director, Economy and Partnerships:**

To reiterate what the Minister said, we meet these organisations on a monthly basis and their boards and their chief executives. I am getting no sign that they are anything other than happy with the settlement that they have got. You may be hearing different.

**Deputy K.F. Morel:**

Remember you are the funder. They tend to smile at you.

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

They do not always smile at us, by the way.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

When I met with them yesterday, the position was clearly, yes, of course they would want more money and could spend more money and there are things which will probably have to be delayed, but the reaction was not one of: "Oh no, the funding is absolutely not enough." There was not that. It was more like: "Okay, the good thing is with this money we can X, Y, Z" and that is the positive. I think they are making a submission to you as well, so it may well be that it is worth going into more

granular detail with them, but in terms of the stabilisation of them for 2020, I very much got the impression that they are okay. I say that in kind of global terms.

**Deputy K.F. Morel:**

If I may cut in one second, Minister; it was just alluded to that there has been no arts strategy for 10 years. I believe there has been no heritage strategy for a number of years.

**Group Director, Economy and Partnerships:**

That is not true. There is one, but it just has not been updated.

**Deputy K.F. Morel:**

Since when?

**Group Director, Economy and Partnerships:**

They are 10 years old.

**Deputy K.F. Morel:**

Ten years as well?

**Group Director, Economy and Partnerships:**

Yes.

**Deputy K.F. Morel:**

You have been Minister for 5 years. Why, may I ask, have you not updated these strategies during that time?

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

We started work, was it in ... I was appointed the end of 2014. I think we started work on that in 2015, which led to the review carried out. Deputy Norton was leading the structure of the portfolio at that time. Yes, we did pick up on it straight away. It has been quite slow-moving, but we have gained momentum now.

**Deputy K.F. Morel:**

Over that time funding has also fallen considerably and now, as a result of Deputy Tadier's proposition to the States, it is going to have to be hyped up because the arts, culture and heritage have fallen into disrepair in the Island.

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

Not totally, but we have, for example ...

**Deputy K.F. Morel:**

That has been on your watch, Minister. Would you agree the reason we now have the ...

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

No, it has not. I am afraid, no, it has not.

**Deputy K.F. Morel:**

You have been Minister for 5 years. You cannot do this slope your shoulders thing on this.

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

We will make significant progress and we have, I believe, made significant progress in what has been delivered by these organisations. I inherited that. One thing we have never been good at in the States in all of our tenure is looking after the structure of our buildings. This is something we are considering how we fund moving into the future - whether it is part of the core funding agreed by the States - is how we look after the structures of our buildings moving forward. For example, Jersey Arts Trust and the Opera House have been curtailed by the responsibilities put on them from their core funding to look after the structures of their buildings. That is one thing I will agree, we have neglected that. We have not addressed it properly. We have relied on them to do it from their core funding and that is something that has to change, but we have taken hold of this. I think coming into a new development ...

**Deputy K.F. Morel:**

It would have been easier to take hold of 5 years ago, would it not?

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

We did.

**Deputy K.F. Morel:**

We have only seen funding fall during that time.

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

I think, if you remember, there was a situation where our department saved 18 per cent of our budget during those times. I think when you look back with this £100 million black hole that did not exist ...

**Deputy K.F. Morel:**

Black holes never exist, I have noticed.

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

They never exist. We were forced into a position where we had to produce those savings and we tried to ... put it this way, had we not been there, it could have been a lot worse for the culture and arts sector and tourism and agriculture. One thing we did as a ministerial team was maintained ... among the pressure to cut in those times, we have maintained spending as best we possibly could for those areas. You are right, we did not increase it, but in the backdrop of the huge cuts that were delivered, I think we did the best we possibly can. We are moving forward now, largely thanks to the proposition lodged by the Assistant Minister with responsibility for that, and I think it is fair to say that had that not succeeded, the conversation around the Government Plan, the figures in here would be very different.

**Deputy K.F. Morel:**

I have no doubt.

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

Because they know there is more money on the horizon, everybody I think is calm in this place at the moment.

**Deputy K.F. Morel:**

I think we will move on from that. We are moving in towards the capital areas, if that is all right. The sports division, minor capital replacements. With luck, we will keep going through the half hour and with good luck we will get through all of it.

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

Do you want me to deal with that or shall I hand it over to my Assistant Minister?

**Deputy K.F. Morel:**

Whoever you wish to deal with it, Minister.

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

Assistant Minister.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Yes. I am waiting for the question. Pushing forward, there will be plenty.

**Senator K.L. Moore:**

The base budget for 2019, what is your starting point?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I believe the base budget for 2019 was £67,000.

**Deputy K.F. Morel:**

To cover how many properties?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think you know how many sports centres we have. Is it inadequate?

**Deputy K.F. Morel:**

So you are asking for another £125,000 this year on top of the £67,000?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

No, that is the budget.

**Deputy K.F. Morel:**

So that £125,000 is everything?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think that is everything. Yes, this is everything.

**Senator K.L. Moore:**

Is that adequate?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

In my view, no, it is not. We need to protect the £2 million income we get from Active. If we do not invest in our sports centres, we are going to run the risk of the Active Card scheme being put under further pressure. I do not believe it is enough. We bid for more and I am not particularly happy with what is in the Government Plan.

**Senator K.L. Moore:**

It is interesting to hear that and reflect back on the previous conversation we have just had about some of our infrastructure in arts and culture. It seems that the 2, both sports, arts and culture, are being treated with the same lack of investment over a period of time.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There is a huge piece of work being carried out at the moment with the sports facility strategy, but before we even get to the point where we start to replace buildings, we have got to keep the ones we have got up and running. I feel for the operations manager of the sports division, who I see regularly, because he came out of a commercial background. He cannot compete with the commercial market in Jersey.

**Deputy K.F. Morel:**

I was going to ask about that. Is there an argument to say in some ways Active membership, would it be more cost efficient to run it through commercial centres, rather than trying to provide the gym ourselves up there?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There is some argument for that and I have had that discussion, but I think we need to ensure that we have got sports centres that are available for everybody to access, irrespective of your background and what money you have got available to pay. I think public sports facilities offer good value for money and we need to maintain that and we need to carry on providing that service, otherwise people will not have the opportunity. There are commercial gyms in the Island and they do a fantastic job, but they are more expensive than having an Active Card. Even if you go in just for a one-off they are more expensive, so I think we need to be available.

**Deputy K.F. Morel:**

From my perspective, I am pleased to hear that you are having these conversations ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

We are.

**Deputy K.F. Morel:**

... just in the sense of keeping it always under review.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

We are. I am going to say it: I am disappointed that these figures were cut without my knowledge.

**Deputy K.F. Morel:**

Yes.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I found out about them when I read this. That, for me, is not the way it should have been done. It does not give me the opportunity to argue for maintaining the level at £250,000, which was put in

there originally. Even that I think would probably keep us standing still. This, for me, is merely going to ...

**Deputy K.F. Morel:**

Could it also impact on Jersey Sport's effectiveness, in the sense that they are trying to deliver your ... you are ploughing millions into the Inspiring an Active Jersey programme, but potentially if the sports facilities are not inspirational in themselves ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

The answer is possibly. I have seen sports facilities in Manchester, Glasgow, I have been in London. For an example, there are some very poor areas in Glasgow. We have forgotten what good is, because even in some of those sort of ... I do not know if I would say rundown, because they are not that rundown now, but certainly areas that ...

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

Well-used areas.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Yes. We have forgotten what good is here. I think if somebody that used our gyms here went out to one of the gyms there ... I was blown away with some of the stuff I saw there. It is just part of normal day activity within the sport centre. We have got to realise that if we do not invest, decay is going to continue and we are not offering the public good value for money. I want people to keep coming to our gyms, because I think our staff are the best, but they are having to work with substandard equipment and buildings that are not being maintained properly.

**Deputy K.F. Morel:**

Is there a question of danger to the public from the lack of maintenance?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

That is not something I have got a day-to-day responsibility for.

**Deputy K.F. Morel:**

Yes, because broken gym equipment or gym equipment that is not functioning properly, for instance, can be harmful.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Put it this way, £67,000 last year probably did not even pay for the guy that maintains the equipment. I go in there every day and there is always something broken. That is not a good thing to see and



seeing water leaking through ceilings is not a good thing to see. The public are aware of that. I get emails complaining about it on a regular basis, so I think there needs to be an understanding that if you do not invest in these things, they are going to deteriorate.

**Deputy K.F. Morel:**

Absolutely.

**The Deputy of St. Mary:**

Going back to your earlier point about a major piece of work going on about sports facilities, in fact, as you may know, Deputy Raymond was on the Isle of Man the other day and was pretty impressed with what they have on offer.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They have invested heavily in the Isle of Man.

**The Deputy of St. Mary:**

You referred to the need to have a new sports complex in St. Helier. How long in the offing might that be?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

We do not know the outcome of the report, but clearly if there is any move away from ... I am not going to prejudge what the report is going to say about Fort Regent, but if there is a move away from providing sports facilities at Fort Regent, we would have to provide them elsewhere in St. Helier.

[13:00]

We are not at that stage yet and I do not want to pre-empt what that report is going to say, but clearly we have got to provide sports facilities in St. Helier for a population of 30,000-odd.

**The Deputy of St. Mary:**

Going back to the budget we have here, whatever new complexes might be brought into play, it is not the immediate, this is the minimum amount you need to keep it going for the next 4 years?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is an amount. We will use it the best possible way we can to make sure we can provide the best possible service we can, but I get back to the point, our Operations Manager did not put in for that sum because he did not think it was relevant. He put that sum in because he thought that is what he needed to keep our facilities at a reasonable standard and replace equipment and now he is up

against the wall. I just want to put one point straight, some funding straight. I am now told the £125,000 is on top of the £67,000, just to be clear. I was not sure of that, but that is over and above.

**Senator K.L. Moore:**

Shall we move on to promoting Jersey? I guess the first question is what is the current budget for this line of work for 2019?

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

The current budget, the core budget. You are talking Visit Jersey and ...

**Senator K.L. Moore:**

Promoting Jersey is one. That is going to be the next line of questioning. It is one area of business, but there are several underpinning. We have got Visit Jersey, professional rugby in Jersey. There are different elements to this business case.

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

I was thinking Jersey Finance and the other organisations that promote Jersey, but if we are keeping in this portfolio, then Visit Jersey's core budget is £4.9 million and they have asked for an increase in 2020 of £500,000, £1 million in 2021 and £900,000 in 2022.

**Senator K.L. Moore:**

These are the amounts that were bid for, there has not been any cutback in the ...

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

I cannot remember off the top of my head the original cuts, but we worked very closely with Visit Jersey and we came to an amount that they were content with and that I was also content with in the overall scope of the work they are doing. I could quite easily double the budget for Visit Jersey, but ...

**Senator K.L. Moore:**

I am asking this just as a question rather than having any personal opinion. Politically, why was the decision made not to cut this budget when we have heard in other areas the amounts bid have been cut back before appearing in these business cases? Why Visit Jersey and why is this promoting Jersey business case a greater priority, as opposed to supporting our sports infrastructure, as we have just heard?

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

In terms of supporting infrastructure, I am shoulder to shoulder with the Assistant Minister on that. We have to decide when the ...

**Senator K.L. Moore:**

You cannot be, because that budget got cut back and is not as large as it needs to be to sustain a modern infrastructure.

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

But do not forget other Ministers are all equally as passionate about their portfolios and we cannot win everything around the table.

**Senator K.L. Moore:**

Why was this one not cut back then?

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

Because the Ministers - the Government brings it together - felt they would prioritise other things in a different way.

**Senator K.L. Moore:**

So it was a group decision among the Council of Ministers?

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

Yes, but everything here has worked on a majority of Ministers and Assistant Ministers.

**Senator K.L. Moore:**

Again, we will ask for the minutes of those.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Can you just let the director clarify something around the funding?

**Director, Economic Development:**

Visit Jersey's original submission for 2 business cases was for a much higher figure than that one. I think the confusion is that several business cases were amalgamated into a promoting Jersey business case, so Visit Jersey, as Dan outlined earlier, arm's-length organisations were consulted about what they wanted in terms of growth, what they needed, what their priorities were. Again, they are going through it again and there is then a filtration process where officers have a discussion and, as you would expect, push back and challenge what they are being told.

**Senator K.L. Moore:**

Then they make recommendations to Ministers, I would imagine.

**Director, Economic Development:**

Then recommendations are made to Ministers and then there is an escalation of that regarding Ministers and other officers.

**Senator K.L. Moore:**

Once again, we would ask if there are minutes of meetings where Ministers made these decisions and prioritised business cases, we would really welcome the opportunity to see those to understand how that process worked. Moving on to the deliverability of this particular business case, we have met with Visit Jersey and one thing that struck us is that one of the elements of their work is to sustain the shoulder months. It is an argument that we have heard from hospitality over many, many years, that there should be drives to maintain a vibrancy in the sector in the autumn months, for example. Of course that is why we have the Tennerfest, but equally, as Tennerfest started this week, there was a plea from the sector to say: "Some of our establishments are struggling to remain open over this period of time because we simply cannot afford to staff them." Is this a viable business case? Because you have got serious fundamental issues with the sector.

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

We are going into a completely different area. You have been a strong proponent of the living wage. That will put far more pressure on the sector than the Tennerfest does.

**Senator K.L. Moore:**

There are political reasons for doing that, but my job here today is to ask you, if you have a sector that is putting a flag up, saying: "We are really struggling to stay open", why then have you supported a business case that from the hospitality sector's perspective is almost impossible to achieve? Is this a good use of public money?

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

Yes, I would disagree.

**Senator K.L. Moore:**

Or what are you doing then to help the sector to solve their problems of accommodation and staffing so that you can fulfil the aims and objectives in this business case?

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

Where to start? This is a complex issue ...

**Senator K.L. Moore:**

It is.

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

... which we have been working very closely on with the sector. The staff shortages are not the Government of Jersey's making or the sector's making. It is just a factor in the E.U. and the U.K. that there is a shortage of people to do certain jobs in Jersey. You know how our economy works. There is far more attractive work available - some people might consider it that way - than there are those jobs.

**Senator K.L. Moore:**

Yes. Question 1: is it the role of Government in this situation to step in and give help to the sector in order for it to overcome this issue?

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

The answer is yes. I will come to how we are planning to do that. We have done it to date with the trial scheme for the 9-month permit, which I believe is the way forward and one of the only ways that we are going to provide staff for those sectors. Secondly, in my opinion, we have to create a new housing qualification. People that come here to work and are not able to rent property, we have to eliminate this substandard accommodation that exists at the moment in the market.

**Senator K.L. Moore:**

At the moment the problem is there simply is not any accommodation, whether it is substandard or adequate. For example, there is one building that was due for demolition that had previously housed nurses and doctors that is sitting empty while your hospitality sector is crying out for accommodation.

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

Yes, I cannot disagree with you. I agree, and we have to move much faster.

**Senator K.L. Moore:**

Your department is aware of this: (a) it manages the building, and (b) it has been drawn to their attention by me and to your hospitality sector.

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

I do not have the power to knock buildings down and rebuild them just like that. What we have to do is, first, the work permit scheme, the 9-month scheme. That is a trial. That was meant to be for 2 years, but I am proposing to revisit that now and I think we have to lower the bar. There are quite

stringent rules and regulations about who comes in on that permit scheme, for example. We are asking for people with 2 years' experience in the hospitality sector and so on and so forth. I think the bar is set a bit too high, but that is why we had the trial scheme. We need to grow the work permit scheme. We have to understand what the impact would be on the local rental market should we open it up, so we have to do a piece of work, because if we are not careful, while trying to solve one problem we could create another one, so we are going to do some work on that to see if it is feasible to address that, because I think that is important. The third point is going to the economics of it. Some businesses have staff shortages; some do not. Some are fully staffed; some are not. It is causing a bit of a wage spiral because staff are moving obviously to the highest wage, but there is capacity in the visitor economy to grow it in the winter months. A lot of hotels, bars and restaurants do have quiet times. There is a lot of evidence available in the sector, so there is capacity there.

**Deputy K.F. Morel:**

Do you think that we can be successful? Because my issue with the shoulder months, I would love to see the shoulder months filled with tourists, but this is a strategy that has been ongoing for the best part of 20 years, I think. We have been saying: "We need to fill the shoulder months, our aim is to try to fill the shoulder months."

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

We are growing it.

**Deputy K.F. Morel:**

What I have not seen is much success in that area.

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

But we are growing it. If you look at the figures in recent years, the visitor numbers in the shoulder months have grown significantly. By the way, there was a reduction of what was asked in year one, but they got what they asked for in years 2, 3 and 4. Some of the money here is to go into route connectivity over the shorter months. I think if we develop our events-led programme, the Festival of Words and Super League Triathlon, and there are other things lined up that we are looking at. We might never fill the Island in the winter months, but we can certainly grow the numbers.

**Senator K.L. Moore:**

It goes back to the original question though, which is: is there any point in making this investment and encouraging greater route connectivity? Absolutely fantastic, but if more people come to the Island and there is nowhere for them to stay or nowhere for them to go out and eat because there is a fundamental problem within the sector in terms of staffing and remaining open in those periods, is there any point in having this business case?

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

Absolutely there is. While some businesses are finding it difficult to recruit staff, 99.9 per cent of businesses are functioning. We punch way above our weight in the quality of our hospitality sector over here. We have got fantastic bars and hotels and restaurants, so while businesses might suffer, it is not going to have any detrimental impact on the overall sector, which I think will continue to perform well.

**Senator K.L. Moore:**

So as an Island, we just have to accept that there may be fewer establishments?

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

Possibly.

**Senator K.L. Moore:**

Is that what we are looking at?

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

Possibly. That might be a result of the pressures placed on businesses by the lack of staff available, but also, if we are honest with ourselves, that might not be a bad thing, given the challenge that we have with our population policy in the future. I think Deputy Tadier ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I was just going to add that I did hear the radio interview yesterday about the Tennerfest and where the issues were raised, but I think if we had not agreed to the uplift for Visit Jersey, we would have probably been accused of not doing enough for the rest of the sector, which some say is suffering. I think looking at the ones that are successful in providing a year-round service, it is important that we do invest and provide the infrastructure around them. As I said, if we had not put that money in, then you would be saying to us: "You are not doing enough for the failing industry."

**Senator K.L. Moore:**

We have seen in other business cases officers have talked about the Venn diagram element, so the cross-cutting and the intersecting of those business cases. Where are the other business cases that have that cross-cutting impact on this one in terms of investing in accommodation and the other elements that will help to underpin and support this one?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think the wider cultural one, if I can just focus on my area, I think the investment in culture is not just about one of throwing money at the industry, it is about tying together the elements that are available on-Island, so the events that happen, things like Branchage, why does that not happen anymore? There may have been organic reasons and personal reasons why that did not continue, but that was ultimately really successful and that should be tying in ...

**Senator K.L. Moore:**

But the fundamental problem here is the accommodation essentially, is it not? That is what the industry is telling you, so where is the business case that is going to help them with that problem?

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

Sorry, I am not quite sure what question you are asking.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Do you mean the accommodation for staff rather than for visitors?

**Senator K.L. Moore:**

The hospitality sector is essentially saying that their staff cannot find accommodation that is affordable for the sector, okay, so it is not even a matter of the living wage causing this problem. They simply cannot access accommodation so that they can sleep somewhere and work on the wages in the sector. Some establishments are finding that they are unable to find sufficient staff to keep open. In the middle of summer, some of them said that there was a problem with this, let alone keeping open in the shoulder months, so we are just trying to test the viability of this business case and to understand what else is underpinning it to help the sector maintain the ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I will take one example through H.A.W.A.G. (Housing and Work Advisory Group) and a couple of cases that we have dealt with recently, where local hospitality businesses have come to us looking to invest in a lodging house or something of that nature and invest in that so they have got long-term opportunities to house staff. It just shows that there are people in the hospitality sector beginning to think outside the box a little bit about what they can offer and being more responsible to their staff as well. That is an example I think where we can support that; H.A.W.A.G. can support that.

[13:15]

Again, that one particular case put pressure on registered permissions, for example, so you sort one problem out and you sort of raise another one, but there is a role for Government to play in there in terms of providing the support to some of these businesses to get them through a very sticky patch.



The Senator is quite right, it is a really sticky patch for hospitality and accommodation for hospitality, but we have got to start thinking a little bit differently.

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

Can I just come in? Elements of the sector will have accommodation problems, but the majority of the sector, it is not the availability of the accommodation now, it is the quality, I think.

**Senator K.L. Moore:**

And affordability.

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

The bulk of the large employers provide their own staff accommodation and I know most of them have capacity in that accommodation, especially at this time of year, but the real issue is a shortage of people because of Brexit, the value of sterling and all sorts of other improvements in the economic situation in these countries these employees reside. A whole host of complex global economic issues are meaning they are not wanting to come and work in the sterling area. That is a bigger challenge, I think. How we are wanting to deal with that is by developing the 9-month permit, so we can go outside to the rest of the world and bring people in.

**The Deputy of St. Mary:**

Before I ask my next question, perhaps I can just say that I have a Jersey rugby club tie in my wardrobe, but I thought it should stay there today.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

As I do.

**The Deputy of St. Mary:**

Indeed. We gave or advanced £200,000 to the club last year. I note that the idea is to reduce that in future years. Can you assure us that the club can cope with that? I appreciate the value to the economy of the rugby club visitors and so, which may well explain improvements in the shoulder months, for instance, but you are not in any doubt that the club cannot continue to be viable without the help?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

The decision to give that money on an economic basis was a no-brainer. From a sporting point of view, I think you could ask questions and I think people have asked me questions around whether that was the right thing to do and whether that money would be better spent through a range of sports in the Island, but from an economy point of view, I think it was absolutely the right thing to do,

considering the number of visitors they bring to the Island, the benefit of the club as a professional club and the numbers they employ and the tax take, blah blah blah. Do I think they can become sustainable? I think they can. They are working month to month on making themselves more viable. We have seen that from talking to them, the way they model the club, the way they sign their players, the way that they run the club. I think there has been a big move from them to make themselves more financially viable and I think the intention is to support them for a short period of time to get them through this period. There is a piece of work being done also by the sports facility strategy group looking at how they could work possibly in tandem with football and one or 2 other sports on one site where it might be more financially viable for all those sports to work together from a hospitality point of view, from a facilities point of view. That piece of work is currently in play and we should have some results from that fairly soon. But clearly, from a sporting perspective, it was uncomfortable for me to some degree because I have to represent all sports in the Island, and seeing that amount of money go to one sport, people were right to ask questions. But I think from an economic point of view - and I know some figures have been bandied about around what they are worth to us and I know you mentioned £2.1 million in your question - it is anything between £1.4 million and £2.1 million. I think they are figures that are reasonably easy to judge from the benefit that that club provides, but we should not be supporting them economically; it should not be open-ended.

**The Deputy of St. Mary:**

Two points arising from that. You mentioned before about sport being available to schools and so on. Am I right in thinking that the ... I am not saying there is a proper deal with the club, but the club do make their professional players available to schools and so on and that presumably can be encouraged more.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They have always done that. You know, and I think probably everybody here knows, how popular and successful the academy has been. I think it has got 800 or 900 young boys and girls ...

**The Deputy of St. Mary:**

I think it is the biggest academy in the U.K., yes.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

... because it is very inclusive in that regard, so that is very beneficial from a sporting perspective in the Island. They create their own coaches, a lot of parents and young people get involved in coaching, so that is very good as well. In terms of what they provide to the Island it is very beneficial. But I think the club needs to be on a sustainable footing moving forward. I know that the chairman and all his board and support staff have been working extremely hard behind the scenes to make

the club viable. We all know there are potential developments on the site which have eased some of the cost burden to them in terms of some of the money we loaned. That is their issue, not mine. It is an issue for the rugby club, but they have looked at every single avenue to bring down their loan and make sure that they can bring down their level of outgoings to a degree that is sustainable.

**The Deputy of St. Mary:**

The final question, does Jersey Tourism, for instance, or Visit Jersey make as much capital as they might by targeting the professional clubs that come over? We cannot rely on London Irish every year to bring in 1,000 people.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Absolutely. I think Visit Jersey are very proactive in terms of what Jersey can offer to clubs like London Irish and Newcastle and clubs like that and what Jersey offers to those that want to come down and spend a short break or even an extended break here, so I think they are cognisant of the benefits of the link with those clubs. The club themselves have got very strong links with those professional clubs and promote within themselves. Yes, I am convinced they make the most of it.

**Deputy K.F. Morel:**

Did Visit Jersey know the money was going to be allocated to rugby out of that extra? They have got £500,000 for next year.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They were part of the discussion, yes.

**Deputy K.F. Morel:**

Were they?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They had to be, they had to be.

**Deputy K.F. Morel:**

Because they seemed very surprised when we told them that money was for rugby as well.

**Director, Economic Development:**

I think you are talking about 2 separate things, so 2 business cases were effectively amalgamated. Were Visit Jersey part of the discussion about the amalgamation? No, they were not. Were they part of the original discussion about ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Around the funding.

**Director, Economic Development:**

... the Council of Ministers' decision to fund the rugby club? Yes, they were. I think in answer to your question ...

**Deputy K.F. Morel:**

But of the £500,000 for next year, £250,000 is for Visit Jersey and £250,000 is for rugby.

**Director, Economic Development:**

I was not at the meeting where that discussion took place, but I do not think it was taken from one to fund the other. I think 2 business cases were supported to an amount and those 2 were put together as 2 business cases being amalgamated into one, rather than one being taken ...

**Deputy K.F. Morel:**

Did Visit Jersey know they were getting £250,000 and not £500,000?

**Director, Economic Development:**

Do they know or did they know?

**Deputy K.F. Morel:**

Yes. Did they know? They know now.

**Director, Economic Development:**

They know now, of course. Yes, of course they do.

**Deputy K.F. Morel:**

But they may not have known when that decision was taken. I will tell you, they did not know.

**Director, Economic Development:**

No, as the Minister said, it is a delay in funding rather than a ...

**Deputy K.F. Morel:**

Yes, that is fair enough. Quickly, we are going to move straight on - you have got 7 minutes - to the skate park, because that is a ...

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

We will never discuss that in 7 minutes.

**Deputy K.F. Morel:**

Yes. We can discuss some of my questions here, so skate park funding. It was a huge election topic and it has gone very quiet. I think people are wondering why it has gone so quiet.

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

There is a huge amount of work going on in the background, led by Senator Pallett, who I will hand over to if you have a particular question or just a general update initially.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Where we currently are is that after the preferred site was announced earlier this year, there was - and rightly so - a consultation that took place for those that lived in the area of Les Quennevais and in fact a consultation from an Island-wide perspective. It gave us a lot of really good information, feedback data, which we have put into an initial report. That initial report is currently sitting with the department. We are reviewing that, and off that report there are some recommendations, which we are reviewing at the moment. What we need to make clear is if we are going to move forward, one thing is I want to have a correct timeframe and I think we need to understand what the funding is and where the funding is coming from.

**Deputy K.F. Morel:**

What is the timeframe at the moment for delivery of the skate park?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I have made it clear all the way along - I am going to repeat it again here - irrespective of what anybody has said, that I wanted to see this built by the Olympics next year.

**Deputy K.F. Morel:**

By the Olympics next year. Are you satisfied with the funding for the skateboard park? Is there enough funding in this? It is £700,000.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

No, but if you look at the Government Plan, there is £785,000. It does not account for the satellite parks which was part of what I think the deal was for the skate park community and I think what States Members and the public were expecting. As much as there is funding in here for a new skate park, it does not include the extra facilities.

**Deputy K.F. Morel:**

I have to ask: where was that decision made? Was that a political decision or was that over everyone's heads at the Executive level? Here was me thinking you guys were in charge.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

The first time I saw this was when I opened the document. I knew there was going to be some money for the skate park, but I did not know it was going to be split over 2 years. It was not something I was involved in the discussion about. I am very disappointed, because it means now that on the face of it, it cannot be delivered until 2021, which puts me in a bit of a position. In saying that, I have had some support from both Senator Farnham and from the Chief Minister around whether that funding can be brought forward, but in essence, what it says in here, if you go by what is said in here, it could not be built until 2021.

**Deputy K.F. Morel:**

Who made that decision to split the funding over 2 years?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It was not a political decision. I think it is an officer decision.

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

It was an officer recommendation. That is something we have to think about now. We have been discussing it internally, because it was an election promise and it is a promise we are all going to stand by.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

We are going to have to deliver.

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

It is about the timing. Like Senator Pallett, we want this built in 2020 if we can. We might have to look at bringing an amendment to the Government Plan to try to find that funding if we have to, but we are prepared to.

**Senator K.L. Moore:**

Where did the funding from Ports come from? How was that £500,000 allocation from Ports concocted?

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

I am not sure that was the correct amount, but there is some confusion over this.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

This is a political issue, this is not an officer issue. At the time this was printed, Ports had not agreed to this funding and I am not even sure they knew about this funding. If they knew about it, it certainly had not been agreed. I do not know how you can put something like that in the Government Plan when you do not even have the agreement of a third party to the funding of this.

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

Can I just come in? I think it is fair to say that Ports had offered financial support in the past, but it was about the amount.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

They have given some.

**Deputy K.F. Morel:**

But they may not have been expecting to be told how much that financial support was going to be.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think we both would be thinking about some of the things Ports could do with £500,000. It is not their responsibility to build the skate park. To be fair to them, they have been extremely supportive. They provided £50,000 towards the initial report and some of the work that has gone on up to date and including some of the drawings, but I think to have put this in was not the correct thing to do.

**Senator K.L. Moore:**

It could be said that there is an economic value to Ports of releasing the site on New North Quay for them.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Correct.

**Senator K.L. Moore:**

But who had that discussion, if you were not aware, Senator, that that funding was in the business case until it was printed? Where were those discussions carried out or who put that funding in?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

That discussion was taken at officer level.

**Director, Economic Development:**

I have had subsequent discussions with Ports of Jersey around the quantum of support that they have provided. As the Assistant Minister has already suggested, and as you yourself have highlighted, there is obviously an advantage in Ports not having a skate park in the middle of a ferry terminal. Ports have supported that. They have supported that financially. We would not be, I think it is fair to say, where we are today were it not for Ports providing £50,000 worth of funding to get us to where we are.

**Deputy K.F. Morel:**

We are grateful to Ports, yes.

**Director, Economic Development:**

I think there are 2 questions here, one of which is the timing. I think officers profiled this on a much more conservative estimate of delivering effectively what is just shy of a £1.3 million planned project, so that is for a main Jersey skate park plus 2 ... I think they are referred in the business case as satellite skate-friendly areas as opposed to necessarily discrete skate parks. I think there are 2 issues that are resolved, based on the conversation earlier. One of them is a timing issue, so I think there is a decision. If it can be done in 2020, and that is the subject of discussion, there are obviously processes that we need to go through. There is a planning application.

[13:30]

I think the way that it was profiled by officers is a more conservative, arguably slightly more pessimistic, I think, view of the delivery of the entire project. Then there is where the bulk of what effectively is the £500,000 over 2020 and 2021 or whether that is all ...

**Deputy K.F. Morel:**

The thing that surprised me is that the department presented to us those plans, first of all the plans about which areas, should it be Millbrook Park, should it be out in St. Brelade and so on, and that all happened really quite fast and quite quickly after the election. I remember having conversations where it was moving, it was moving, so it is quite a surprise to see it slow down quite so dramatically. Is there a reason for that slowdown?

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

The work is done. It is now agreeing the funding and the time. We have agreed the investment. We are going to have a skateboard park and ancillary areas. Strong political support is going to happen, absolutely no doubt about that. What Senator Pallett is quite rightly concerned about, and we are resolving it, the chief executive is working on it and we have asked the chief executive to



come up with a solution - he is liaising with Senator Pallett - and that is the work we are trying to do between now and the Government Plan.

**Deputy K.F. Morel:**

Do you not think, Minister, that when something is a clear election issue for all, for Senators, for the Deputies, for Constables, it was something that everyone was united on and then it seems that officers come in and slow things down, mess around with the funding, do you not think that says a lot about who is in charge in this Government?

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

No, I do not. This business about who is in charge, there is ...

**Deputy K.F. Morel:**

It is a really valid question because we are not seeing the people being in charge that we expect to see in charge.

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

The officers, there will have been no intention to try to derail this. They just have a different idea as to the speed we want this delivered and that is a bit of an aspiration.

**Deputy K.F. Morel:**

Yes, but they should be operating to your idea.

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

They should be, yes, and they do most of the time. On this, they are under no doubt whatsoever now that this has to be delivered more quickly than they had perhaps anticipated and we have charged them to come back to us with solutions.

**Deputy K.F. Morel:**

The Olympics does sound like a very good one, given that skateboarding will be in the Olympics.

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

Yes, absolutely. I agree with the Senator's aspirations.

**Senator K.L. Moore:**

But, Minister, one of the common themes of this hearing today has been a lack of clarity as to how some decisions were made and what funding was adapted over time and when and with whose knowledge. Forgive us for pushing on the point, but it really is important that we understand. This

is yet another example that we have seen today - it is not the first - and how many more are there throughout the Government Plan where there are situations like this?

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

I understand. I just want to be able to come back to you on that. I hear what you say. The vast majority of what we propose in this Government Plan I believe is very good, it is well-considered. Some of it lacks detail because there was not the time to get the detail together, as highlighted by yourselves. That is something that has to be addressed in future Government Plans. There is a continued effort to drive a wedge between the political governance and the chief executive and I think it has to stop.

**Deputy K.F. Morel:**

It is not an effort to drive a wedge, it is just observing what we are seeing.

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

I think it is not serving anyone.

**Senator K.L. Moore:**

You had been in Government for 14 months before you published this Government Plan.

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

We are here to serve the people of Jersey and we do that by working together. You are right to highlight some of the issues around this, but I have to say, from my perspective ... and it is a tough job. We do not do this job to get 8 hours' sleep every night. We do this job to help the people of Jersey. There are challenges. I am challenged by my officers all the time and I challenge them back. That is part of running the Government and running this Island, but there must be no question, the States Assembly is sovereign in our little Island. The States Assembly appoint the Government; the Government are in charge. Different Ministers might have different styles, but I want to emphasise that I would not be participating if I was not in control and fellow Ministers were not in control. From my perspective, I just wanted to make that absolutely clear. Steve, you were going to say something.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I was. I was elected by the public. I am accountable to the public. We have made a political decision to build this. I expect officers to deliver that decision.

**Deputy K.F. Morel:**

Absolutely, so do I.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I do not expect officers to get in the way of delivering that decision.

**Deputy K.F. Morel:**

I completely agree.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I think we have made it quite clear that that has to stop. I think we have got the support of the Chief Minister and the chief executive to make sure, if it has happened, it does not carry on happening. But it is disappointing on such an issue like this, which was a big election issue.

**Deputy K.F. Morel:**

It was.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It is a minor tadge of a thing in the Government Plan, but it is a high-profile public issue.

**Deputy K.F. Morel:**

Exactly.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

People keep asking: "Where is it? Where is it? Where is it?" They are right to ask and I want to see it delivered. If there are going to be delays, at least somebody should be having the discussion around: "This does not work, that does not work. Yes, the timeframe is wrong." Those discussions have not taken place and that is the disappointing part.

**Deputy K.F. Morel:**

Absolutely, but it will happen and you are regaining ...

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

It must do.

**Deputy K.F. Morel:**

... control of the project so that is a positive note to end on.

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

Can I just go back? There are other instances which I cannot name where this has happened in the past and it is likely to happen again in the future, but the majority of it I think is working well, but we all have to work together to hold the officers to account in situations like this.

**Senator K.L. Moore:**

Can I just ask ...

**Deputy K.F. Morel:**

We had a positive note then.

**Senator K.L. Moore:**

Okay, I will let you end on a positive note and I will write you a letter.

**Deputy K.F. Morel:**

We are absolutely on time as well. Thank you for that. Sorry, Senator.

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

Fantastic, thank you.

**Deputy K.F. Morel:**

Thank you, Minister, Assistant Ministers, and officers, who have had a hard time.

[13:36]