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By email

25th April 2024

Dear Chair,

Public Hearing

Thank you for your letter of 16th April, in which you provide a number of questions which were not raised during the recent Quarterly Hearing. I have set out answers to each of these questions below:

Filming

- 1. What is the Ministerial policy regarding granting of funding to media projects such as films, for example what elements such as topic or genre are considered?*

Culture Arts and Heritage have commissioned a local film expert to develop a proposal for a screen commission for the island. The author has reached out to a number of jurisdictions and will complete the report, for consideration and publication, in Q2 2024.

- 2. The Panel has discussed recent media reports of potential Government funding for filming of Bergerac, can you please provide details?*

Government officers have been working closely with Visit Jersey and industry experts to assess the Bergerac project and its potential for an investment of significant amounts of public money. This work is ongoing and no public funds have been committed at this time.

- 3. Can you please outline the governance of such funding requests, for example what Ministerial decisions are needed in these circumstances?*

In the absence of a screen commission, we do not currently have standardised processes in place to analyse and review film-based proposals. This is why we have commissioned the report on the development of a film / screen commission which will contain recommendations on governance. Given the significant levels of funding associated with such requests they would be approved at a Ministerial level based on a costed business case and officer recommendation in line with the Public Finances Manual. In the absence of a clear recommendation from officers, a Letter of Instruction would be required.

- 4. There have been historic instances of funding to filming productions that have not materialised, what learnings have been recorded and what safeguards are now in place?*

Funding support from the Government would only become available to production companies either after the production has been aired or after receipt of independently audited accounts documenting the on-island spend of the production company. In addition significant due diligence and consultation with industry experts has been undertaken. There is a significant amount of film and television expertise in Jersey and we have engaged extensively with some of these experts.

5. *How would potential funding be distributed, for example would third parties such as ArtHouse Jersey be involved?*

In the case of Bergerac, we have been in discussions with Visit Jersey as a potential partner. We believe this would maximise the positive exposure and marketing of the island through the projects.

6. *What direct revenue do films provide to Jersey, for example are there permits or other such charges and payments?*

Revenue would be limited to on-Island expenditure although charges for specific filming locations would also be possible. Indirectly it is accepted that cinema provides a significant marketing opportunity for the Island via “set-jetting” which may benefit the Island’s hospitality sector in particular.

7. *What levers does the Island have in promoting a film industry?*

The forthcoming report will contain analysis on both the strengths and weaknesses of a Jersey-based film industry in comparison to other jurisdictions.

Retail

8. *The Panel is aware that your ministerial priorities include design and delivery of a new retail strategy, can you please outline the progress in this area?*

Development of a retail strategy is underway and is planned to be published in Q4 this year. Initial themes within this strategy include:

- Entrepreneurship.
- Meanwhile use and vibrant public realm considerations.
- People and skills, opportunities for business prosperity.
- Changing needs of the consumer and future spaces.
- Supply chain.
- The markets as a cornerstone.
- Local produce and local promotion.
- Community
- The environment.

Work is being undertaken alongside stakeholders and with close input from the Parish of St Helier and Jersey Business.

9. *There is a belief among some that a number of retailers operating in the Island fail to remove Value Added Tax from their prices when selling in Jersey. What, if any, consideration have you given to this topic and will the Retail Strategy include any actions in this regard?*

This will be addressed by the Retail Strategy as an opportunity. Anecdotally we understand that some retailers are using the extra margin gained by including VAT in their prices to offset the additional shipping and operating costs in Jersey.

Inward Investment

10. *The Panel understands that an update to the Inward Investment Strategy was anticipated to be shortly forthcoming, can you please outline when this can be expected?*

The inward investment strategy refresh for 2024-2027 is in its final form, awaiting Ministerial sign-off. I have requested input from Deputy Scott which has now been received and am considering final amendments.

11. *Are there any updates to the strategy that you would like to highlight at this juncture?*

The refresh deliberately maintains support for existing and mature sectors which align with the Island's proposition for inward investment more broadly, but it now also takes account of current economic conditions, the impact of recent global macro-economic shocks on inward investment and introduces a focus on sectors of strategic importance for the Island. The refresh identifies 4 key objectives for '24-'27;

- i. Align inward investment focus with strategic sector objectives that support our future economic vision, pro-actively targeting new opportunities; and
- ii. Develop specific propositions for sectors being targeted; and
- iii. Work in partnership with relevant ALOs and the private sector to maximise use of resources and avoid duplication of effort; and
- iv. Continue to support 'appropriate' inward investment enquiries and applications through the process to ensure alignment with Island needs, priority areas for investment and the future economic vision for the Island.

Ports Policy and connectivity

12. The Policy Framework for the Ports Sector was published earlier this year. How has then been received by stakeholders and the wider public?

The Ports Policy Framework was published in January. In advance of its publication, Government undertook a public consultation on its draft with industry partners, private individuals, and regulators. The framework was generally welcomed by all stakeholders and certain amendments were made to final Framework in line with their feedback.

13. The Panel understands that Condor Ferries Chief Executive Officer resigned earlier this year, what actions have you been undertaking to ensure continuation of shipping services?

The Government of Jersey has in place contingency arrangements for secure lifeline ferry services in a range of scenarios.

14. Are you able to provide any update as to the progress of the negotiations for the ferry Operating Agreement, due to expire in March 2025?

The Operating Agreement (OA) with the incumbent ferry operator expires in March 2025. The Government of Jersey and the States of Guernsey are collaborating on procurement for the future of passenger and freight ferry services beyond the end of that OA. The Government has identified contestable market for the provision of sea connectivity, through an open and competitive process.

The procurement process is underway. It is market sensitive.

15. The Framework indicated that the Public Service Obligations of Ports of Jersey should be periodically reviewed and updated, can you please outline how this works in practice?

The Ports Policy Ministerial Group was reconstituted under the new Council of Ministers in April 2024. Delivery approaches for elements of the Ports Policy Framework remain under development by the group and supporting Officers.

16. The Panel is aware of the recent events and discussion of fixed connections, such as tunnels to France and Guernsey. Can you please outline what consideration and actions the Government of Jersey will be undertaking in this area?

These conversations have been prompted by the long-term demographic challenges outlined in our Future Economy Programme, specifically how might we ensure that there is enough housing stock to accommodate the additional health and care workers needed to support an ageing population. I believe the concept of a fixed link provides a useful framing for the types of innovative solutions that will be needed to meet the scale of the demographic challenge facing our Island. The Delivery Framework for Sustainable Economic Development was published in October 2023 and included a commitment to publish a high-level Cost Benefit Analysis for a tunnel to France. We are on track to publish this during 2024 and your Panel might wish to consider this in detail in due course.

For now, no decision has yet been taken as to whether or not to pursue this project, and it is anticipated that such a decision would need to be endorsed by the States Assembly. We are therefore in a very early stage prior to the Council of Ministers considering whether they wish to develop this concept further with a feasibility study.

I hope the above information provides clarity to the areas you have raised.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kirsten Morel', written in a cursive style.

Deputy Kirsten Morel

Minister for Economic Development, Tourism, Sport and Culture

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