

Minister for  
Treasury and Resources



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Connetablé Mike Jackson  
Chairman  
Environment, Housing and Infrastructure Scrutiny Panel  
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(Via email)

13<sup>th</sup> of November 2020

Dear Connetablé,

Thank you for your letter dated 6<sup>th</sup> November 2020. I have answered the questions presented to me as far as I am able to, however regarding your questions around the impact of reduced revenue raised, I would ask that you please refer such questions to the Ministers responsible for these matters.

**Infrastructure Fund – prefeasibility**

**Please can you provide a breakdown of how the £500,000 will be spent as well as what this work entails?**

The Government Plan 2021-2024 includes £300,000 in Central Planning Reserve. £500,000 was included in Government Plan 2020-2023 but the project was then put on hold due to the pandemic. I can confirm that the work undertaken up to that point was absorbed within existing resources.

The project is planned in 4 phases:

Phase 1 – Discovery - which includes:

- Review / Update on Government Strategic finance requirements
- Development of / Review of potential infrastructure pipeline
- Options analysis of funding options given scale and nature of pipeline/strategic finance review (External – quotes already obtained at circa £100k but this was aborted due to covid)

Phase 2 - Discovery II – which includes;

- Internal team review of options (Officer level)

- Production of Strategic Outline Case
- Political oversight, briefings and decision to proceed

Phase 3 - Business Case Development – which includes;

- Outline Business Case to be produced by internal team – some limited external support may be required (e.g. legal advice of fund – subject to outcome of the Strategic Outline Case/Options Appraisal)
- Full Business Case to be produced by internal team
- Internal decision making and oversight

Phase 4 Set up -

- Subject to the conclusion of the Outline Business Case and Full Business Case

If the Government Plan 2021-2024 is approved by the Assembly, the intention is to resume this work swiftly. Starting with a further request to the market of potential advisors. The funding in this plan will allow us to work through phases 1 and 2. If a decision is made to proceed, further funding will be required at that point.

### **Climate Emergency Fund (Road Duty)**

**What is the actual revenue achieved for fuel duty to date in 2020 against what was forecast to be received at this point in 2020?**

At the end of September 2020 (quarter 3), £1,004,437 had been received from fuel duty - relevant to the Climate Emergency Fund. We were expecting approximately £1.5 million by the end of September 2020.

**What do you now expect to raise in revenue from road duty specifically for the CEF by year end 2020?**

The allocated budget for 2020 was £2 million and we now are forecasting £1.3 million.

**What impact will the reduction of funds received from fuel duty revenue have on the Climate Emergency Fund? For example, will we see less sustainable transport initiatives than planned? How will this loss be mitigated?**

If I can refer you to the Terms of Reference for the Climate Emergency Fund, the expenditure incurred from the fund is approved by the Government Plan. The Minister for the Environment has overall policy responsibility within the executive, on behalf of the Council of Ministers, for the Fund; this will include being answerable to the States Assembly and responding to questions relating to the assessment of climate conditions, appropriate strategy and responses, and delivery of associated policies and initiatives through the Fund.

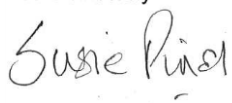
As Minister for Treasury & Resources I have ministerial responsibility for setting an appropriate investment strategy for the Fund, as required.

**What planning or mitigation have you taken into account when setting the projected figure of £895,000 to be utilised from road fuel duty increases in 2021 specifically for the CEF, in case there should be any further potential impact of reduced travel brought about by the possibility of future Covid-19 related restrictions?**

Please see my response to the previous question.

I hope the information I have given provides you with the clarifications you were looking for.

Yours sincerely

A handwritten signature in black ink that reads "Susie Pinel". The signature is written in a cursive style with a small flourish at the end of the name.

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