Treasury and Exchequer



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Connétable Jackson Chairman Environment, Housing and Infrastructure Scrutiny Panel

29th of March 2022

Dear Connétable Jackson

Draft Carbon Neutral Roadmap Review – Responses to Written Questions

I am writing in response to the questions outlined in your letter of 17th March 2022.

The draft Carbon Neutral Roadmap (CNR) sets out a long-term climate action plan for Jersey and, if implemented, will set the Island on a path to a net zero future. Delivering the CNR will be a government-wide effort. Treasury and Exchequer has played an important role in the development of the draft CNR and will be involved in its implementation as and where appropriate.

Carbon Neutral Steering Group

1a. As a member of the CNSG, my Assistant Minister, Deputy Ash was sighted of all papers and, of the fourteen meetings of the Carbon Neutral Steering Group, attended two. It should be noted, however, that throughout the development of the CNR either myself, my Assistant Minister, or my officers have been engaged with the workstream through various avenues such as the Council of Ministers, the RPDB and its environmental tax group, and at meetings of the Executive Leadership Team. During these meetings, our involvement has focused on the development of revenue policy. We also contributed to the development of expenditure-side policy to make sure that taxpayer's money is spent wisely, and all financial implications or decisions are understood.

It should also be noted that the draft CNR has been discussed extensively during meetings of the Council of Ministers, of which I am a member.

Proposed Carbon Reduction Policies

- 2b. The level of involvement of myself, Deputy Ash and the wider department in the development of the policies outlined was as follows:
 - Supporting Transition Fuels (TR3): Deputy Ash and myself, supported by the department, were involved in the development of this policy through a sub-group committee of the Revenue Policy Development Board (RPDB).
 - Vehicle Emissions Duty Optimisation (TR4): Again, the Assistant Minister and myself, supported by the department, were closely involved in the development of this policy through a sub-group committee of the RPDB. If

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- implemented, Treasury and Resources will be responsible for the administration of this policy, supported operationally by Jersey Customs & Immigration Service.
- Financing Strategy (SP3): This policy remains under development. The
 development and implementation process will be supported by myself, the
 Assistant Minister and the wider department. Senior members of the
 department participated in preparatory analysis to support relevant aspects
 of the draft CNR.
- Carbon Offset Purchasing Strategy (EN6): Although this policy is still under development, the Assistant Minister and myself, supported by the department, have provided input. For instance, senior members of the department participated in preparatory analysis to support relevant aspects of the draft CNR.
- 2c. Delivering the CNR will be a government-wide effort, as I say above. The development and implementation of tax policy designed to achieve the ambition of a number of the CNR policies will, naturally, fall to the Minister for Treasury and Resources. Beyond this, I expect that the Minister for Treasury and Resources will be involved in helping set expenditure-side policies to make sure that taxpayer's money is protected.

Capacity and Resourcing

- 3a. Resourcing constraints are commonplace and, regrettably, will not be unique to the delivery of the CNR. Steps have been taken to improve the resilience of Treasury and Exchequer in respect of the CNR, including the use of external consultants and bolstering the environmental tax policy capacity of Revenue Jersey with new hires. I am confident that the combination of these steps will provide Treasury and Exchequer with sufficient resources to deliver on any workstreams falling to them within the CNR.
- 3b. As with resourcing constraints, competing priorities regularly occur. Competing priorities within the delivery of the CNR, or between the CNR and other Treasury and Exchequer workstreams, will be dealt with through the appropriate Ministerial forums, such as the Council of Ministers or the RPDB.

Long term Governance and Oversight for Delivery of the Roadmap

4. It is my view that the best way to ensure appropriate levels of governance, oversight and commitment to the CNR over the long term will be to continue to promote effective and efficient communication across government, business and society. The structures and processes we have used over the current term of government have, in my opinion, proved effective. These include a sub-group committee of the RPDB tasked with considering environmentally motivated changes to revenue policy, dedicated leads within the relevant government departments and open public consultation.

Of course, the extent to which this is achieved will be greatly influenced by the views and preferences of the incoming Government following the election later this year.

I note the intention to publish these responses and trust that they will be useful inputs to the valuable work of the Panel.

Yours sincerely

Deputy Susie Pinel

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