

19-21 Broad Street | St Helier
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Connétable Mike Jackson
Chair, EHI Panel
BY EMAIL

11 November 2020

Dear Mike

Re: Government Plan 2021 – Written Questions

Thank you for your letter dated 29 October 2020 regarding the Government Plan, and I have taken each of your questions in turn. Please note that my officers are preparing a response to question 9 which will be returned separately and in due course.

General

1. Please can you provide spend to date, including breakdowns of specific spend allocations in relation to the following projects:

i. Climate Emergency Fund

Please see Re: Government Plan 2021 - Written Questions - Appendix A.

ii. Assessment of public infrastructure and resources

Please see Re: Government Plan 2021 - Written Questions - Appendix A.

iii. Countryside access

Expenditure to the end of October 2020 was £107,838, with a forecast spend to the end of 2020 of £169,800. Projects include maintenance and improvement of the Island's footpath network, fencing and tree surveys and associated works.

iv. Island Plan review

Please see Re: Government Plan 2021 - Written Questions - Appendix A.

Climate Emergency Fund

2. Minister, we note that proposed revenue measures in 2021 include a proportion of increases in fuel duty to fund the CEF. Given the unforeseen impact of Covid-19 and reduced travel please can you advise:

i. 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 this point in time the fund has not been credited with Impôts duty receipts in respect of 2020. Work will be undertaken prior to the end of the year to finalise the amount to be transferred.

- ii. **What do you now expect to raise in revenue from road duty specifically for the CEF by year end 2020?**
The figures included in the Government Plan assume an income from Impôts duties in 2020 of £1.3m, which were based on the latest estimates at the time of drafting.
- iii. **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?**
The issue is mainly in timing, and the impact of covid-19 on delivery of projects means that delivery will be delayed rather than lost. Balances remaining at the end of 2020 will be rolled forward to 2021 to fund future projects and works.
- iv. **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?**
Estimates for the income to the Climate Emergency Fund include a total of £2.7m income from Impôts duties, which takes into account a reduction from the proposals in the Government Plan 2020 of £3.0m. It was envisaged that there would be a balance remaining at the end of 2021 to roll forward to future years and there will be limited impacts of a reduction in 2021 income due to further potential impacts of covid-19 restrictions. These latest estimates take into account a reduction from the base position in 2020 and the revised estimates for 2021.

Marine Resources Management

3. **How confident are you that this level of funding will be sufficient to deliver the aims of the project? What case can you make that this funding, if approved, offers value for money for the taxpayer?**
Careful consideration was given to the funding required for the constituent parts of the bid made. The purchase of IVMS allows uprated compliance as well as assists the industry whose French counterparts are governmentally funded for the same equipment. The licencing and data packages associated with the industry too are required to run up to date reporting systems. Parts of the bid are required to fund officers who have historically been funded thought alternative government funding streams and who's continued employment is instrumental to the smooth running of a marine resources and fisheries protection service. This is increasingly important as Jersey prepares for the UK reaching the end of the transitional period and leaving Europe. Separately funds have been requested through the auspices of the Climate Emergency Fund bid for improved fisheries research, again fundamentally important in providing evidence of the health of stock and the quality of our marine ecosystem. This information underpins sustainable fisheries and also serves to justify where Jersey might divert from EU proposed fishing quota in future years.

Natural Environment – Water

4. **Do you consider the level of funding is sufficient to meet these aims? If yes, please outline why? If no, please outline what would be adequate funding and why this cannot be fulfilled?**
The requested funding through the Government Plan is for the following;

i. Understanding the extent, migration and feasibility of clean-up of PFAS

To fulfil recommendations contained in the 2019 PFAS Report in order to undertake a hydrogeological survey to better understand the extent, movement and possibility for remediation of the PFAS plume both in St Ouen's Bay and, as recently identified, in the Pont Marquet catchment.

This is important being that tightening regulatory EU and UK standards for PFAS compounds, if brought into force, will pose an increasing risk to our Island's public water supply (the St Ouen's Bay Jersey Water well fields and the large water aquifer that could be exploited further, and the Pont Marquet catchment currently use a public raw water supply). It is also important from a Government perspective being that although actions to address the fire-training ground and the historic known plume in St Ouen's Bay were best practise at that time, our understanding and hence the public expectations when dealing with PFAS has moved on.

ii. Re-instigate the monitoring of pesticide levels in streams and groundwater.

This was previously undertaken by Jersey Water and results formed an important tool to feed back to the agricultural industry through the Action for Cleaner Water Group (AFCW) on exceedances (note that these are not necessarily breaches, but exceedance of the low laboratory detection limits). This information enabled the AFCW Group to adapt the advice to farmers (the pesticide risk map) and inform them of what pesticides can be used in which catchments (Val de la Mare, Mourier and Queen's valley) are classed as high risk and hence only 'lower' end pesticides can be used. Knowledge of trends and levels of pesticides also enabled Natural Environment Officers to 'chase out' sources of such pesticide exceedances and give advice to farmers, land managers and householders on their use, or not.

Jersey Water recently adapted their sampling of pesticides to a more risk-based approach mainly based on reservoir abstraction points, hence the need to undertake this targeted sampling approach in stream and groundwater. Jersey Water will contribute to this activity (possibly providing the sampling and shipping costs) as the results also inform their operations.

iii. Status Assessment and update of the Water Management Plan

This is required under the current Water Management Plan. The cost is based on the previous cost of this work. The work is important to inform what improvements have been made since the last Water Management Plan, the current status of water in the island (quality as well as quantity) and the identification of pressures and associated required work areas and responsibilities.

iv. Catchment Officer

This is long awaited and has historically been constrained by a lack of funding. The post has been combined and, as well as offering advice on water safeguard, will also provide input to biodiversity and biodiversity across the rural sector.

The delay in funding has meant that the recent Water Management Orders face delay. This is because a time period is necessary in order to advise landowners of their responsibilities and the changes they need to make to comply with the Orders. The lack of a catchment officer has meant that this advice has not been able to be provided.

v. **Other funding pressures on improvements of the quality and availability of water (the Water Pollution (Jersey) Law 2000 and the Water Resources (Jersey) Law 2007.**

These primarily relate to the adequacy of resourcing of teams in Natural Environment and Regulation whose responsibilities include the quality and availability of the island's water resources. Ensuring the correct funding of a phased Target Operating Model is critical to the ongoing good work and workstream evolution of these Directorates. Phase 1 of this TOM must be self-funding while later phases rely on successful bids to the Government Plan process. The imposition of workloads from external drivers means that baseline budget for the work of this area and indeed work in the Environmental field generally is stretched if not inadequate in a world where standards and regulatory limits will only continue to improve.

Associated and linked workstreams from monitoring, green seaweed, AFCW, PFAS, droughts and water resource licensing and management, discharge permit licensing, contaminated land, fly tipping, the control, licensing of waste activities, export of waste and response and enforcement of pollution incidents has historically been achieved through officers adapting and working together as one close team and this will be required to continue through the evolution of IHE. Whilst this is expected of a changing government department, the workstreams must be adequately resourced to ensure successful delivery of these water-based objectives.

5. Could you outline how the proposed funding will offer value for money?

The proposed funding will;

i. **PFAS**

make use of one of the top experts in PFAS (the consultants who undertook the clean-up and remediation of Guernsey Airport). This is important as it needs to be done once and done right. All sampling undertaken will be bespoke and risk based. A forward plan will be agreed with Natural Environment Officers. This short-term cost will help offset longer term island costs through better understanding water security pressures.

ii. **Pesticide monitoring**

This will be done in conjunction with Jersey Water. The sampling will be targeted, and risk based (for example sampling concentrating on catchments during planting etc). The work will help offset long term island costs- such as historic contamination of surface and groundwater by the pesticide Oxadixyl, Chlorthal.

iii. **Water status assessment**

Data is now stored and easily accessible from a bespoke database which will lessen costs. Identification and result ion of pressures on our island's water will offset longer term island costs. This is evidenced by the current work on nitrates which equates to lower costs of water and wastewater treatment, less green seaweed clean up and associated costs and better long-term health from those households utilising private water supplies.

iv. **Agri/catchment officer**

The officer will primarily offer advice being that this is the longer term and sustainable approach. Changes in behaviours by landowners can result in large potential gains for water quality and indeed the Island's reputation (demands required by supermarkets when exporting produce and by high net worth families wishing to re-locate to the Island).

6. How often does the Action for Cleaner Water Group meet? What outcomes are there from these meetings?

This group is a good example of open cooperation based on trust between Natural Environment, Jersey Water and land users. The Group meet four times per year. Key meetings are the pre and post planting of Jersey Royals when improvements are identified and actioned. The delay in recruiting to the catchment role (a commitment made in the current Water management Plan) has meant that most actions and improvements have come from the cooperation of farmers. These stakeholders are now looking to Government to fulfil their commitments in order to continue the effective joint working.

The outcomes are recorded in Minutes from each meeting, as well as the improvements made which are identified through monitoring of water quality (both by Natural Environment and Jersey Water).

7. In your view, how successful has the Water Management Plan 2017-21 been in addressing issues with:

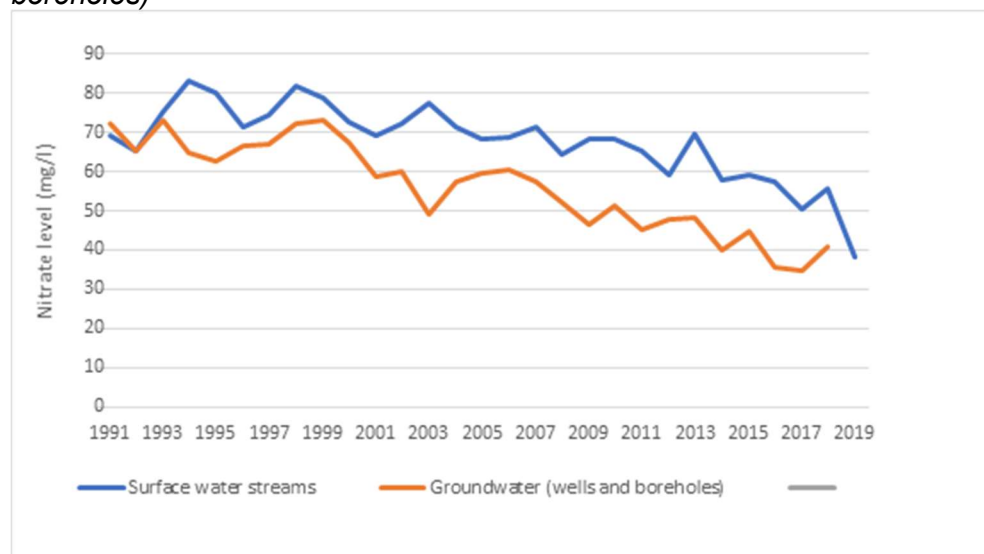
i. Nitrates

This work remains important as although average nitrate levels in surface water streams and groundwater across the Island are below the EU and local drinking water limit (50 mg/l), there are many instances where individual boreholes and wells exceed this limit. On occasion, this can be as much as a three-fold increase from the recommended 50 mg/l limit. The Medical Officer for Health has stated that nitrates remain the main concern.

The work by members of the Action for Cleaner Water Group [1] has continued. Improvements such as the use of placement fertiliser and using less fertiliser on our fields have contributed to lowering the level of nitrates in streams.

The graph below shows the average nitrate levels recorded in surface water streams monitored at the Jersey Water sampling sites in the eight water management areas during the past 19 years. Since the mid 1990's, the level of nitrate in streams has reduced. The average reduction in nitrate per year since 2000 was almost 1.5 mg/l per year. The nitrate level of surface streams in 2019 was 38.2mg/l.

Annual average nitrate (mg/l) in surface streams and groundwater (wells and boreholes)



Jersey Water recognise the positive impact on the Island's water quality, which has been fully compliant with nitrate limits for six years running. To view the latest nitrate levels in the area you farm and the longer-term trend, please go to the link; <https://jerseywater.maps.arcgis.com/apps/webappviewer/index.html?id=aee3af0e447b4220b6b55ca909e619ad>

The main actions for improving nitrate in water have now taken place and, although average levels in water continue to reduce, occasional spikes above the drinking water limit threshold still occur. This can have a negative impact on the 3200 private boreholes and wells, especially given that such water sources cannot blend supplies or treat to the same extent that Jersey Water are able to.

IHE and the Action for Cleaner Water Group have published a revised Water Code which underpin the Water Management Orders that will come into force next year. These are a handy reference and by following these it will help ensure that we use best practice standards for certain activities, such as the storage, application and management of fertilisers.

The revised Water Code can be found at;

<https://www.jerseylaw.je/laws/revised/pages/27.800.50.aspx>

The work of the Action for Cleaner Water Group can be viewed on a video produced by Jersey Water at <https://www.jerseywater.je/action-for-cleaner-water-group/>

ii. Phosphorus

As mentioned above work of the Water Management Plan and the AFCW Group has resulted in the industry targeting the use of pesticides. This has resulted in fewer exceedances of the laboratory detection limit and fewer breaches. This equates to fewer reservoir closures and loss of public water through reservoir diverts.

The other benefit is that the industry (inc. agricultural merchants) now discuss new products being used. In a recent example, this has led to farmer trials and laboratory testing to enable a fuller understanding of the potential impact of certain pesticides used by in Island's intensive farming system. This work is vital in that it helps prevent the historic contamination seen in previous instances (the widely used and now ever-present blight spray active ingredient oxadixyl and chorthal).

iii. Pesticide

Farmers now only import fertilisers that contain low or no phosphorus fertilisers. Jersey Water are increasingly noting algal blooms that require treatment in their reservoir and it will take some years to reduce levels bound in the soil of this chemical. Levels are being monitored and will be reported in the next Water Status update.

8. Does this funding seek to feed into producing the next Water Management Plan? Or will that funding be sought separately at a future date?

Yes, part of the funding includes this activity.

Departmental Budget, Efficiencies and Rebalancing

9. Noting the Efficiency measure to increase income from new charges and increased cost recovery, will this include new fees for services from IHE and if so, what can we expect them to be?

a. **The annex business case for this project (pages 144-5) states that a subset of fees and charges “may be reinvested in protecting the environment”, including to “incentivise the right behaviours and disincentivise wrong behaviours based on policy decisions”. Could you give us an example of what you intend by this?**
Response to be returned separately.

b. **Would you be willing to brief or supply Scrutiny with documents outlining proposed new charges and cost recovery strategies, in order for us to better-understand the details of this proposed measure?**
Response to be returned separately.

10. What work has so far been carried out on identifying reductions in non-staff budgets in IHE during 2020, and have they been mapped to the cross-Ministerial efficiency measure?

c. **How has COVID-19 affected this measure? What have you been able to locate and reduce during this period as a direct or indirect result?**
Much of the work on contract efficiencies has been delayed as a result of covid-19 and pressures on the commercial services team. The current economic climate is not suitable for re-tendering of goods and services contracts due to uncertainties over covid-19 restrictions and Brexit. Work will recommence in 2021 to target such contracts with a view to achieving these efficiencies in future years. Until the outcome of this work, an approximate allocation has been made to Ministerial portfolios based on non-staff “influenceable” spend.

11. Minister, what is your understanding of how the Efficiency target for £750,000, to be achieved through the IHE TOM, will be clearly mapped across Ministers, given that there are three assigned to it?

Work on the Target Operating Model for all areas of the department is still underway and crosses Ministerial portfolios. Until this work is complete is it not possible to map to individual Ministers.

12. What is the total sum of the allocation removed from IHE for 2021 as a result of Economy being moved out?

The sum transferred to the Office of the Chief Executive included base budgets of £15.8m, growth in 2020 / 21 of £2.8m and £6.7m and efficiency savings of £0.3m, totalling £18.3m and £22.2m respectively, prior to any rebalancing proposals put forward by this area in the budget of OCE.

a. **Have any of these allocations been counted as efficiency savings?**
£308,500 of efficiency savings identified in the Government Plan 2020-23 were remapped to the Office of the Chief Executive as a result of the move of the Economy and Partnerships function. These were included in the savings target of £1,459,340 included in the Government Plan 2020-23 for the GHE department.

b. **Aside from the removal of Economy, what are the other reasons for the £20,000,000 drop in the Heads of Expenditure between the two Government Plans, despite the considerably lower drop in project income?**
After taking account of the transfer of the Economy function (which is the major driver for the reduction in Head of Expenditure), changes to the departmental budget include:

Efficiency / Savings proposals in 2020	(£1.45m)
Net service transfers from / (to) other departments	£1.3m
Growth in the Housing portfolio (reduced compared to GP20)	£0.25m
Additional Investments:	
Natural Environment – Water	£0.3m
Natural Environment – Marine Resources	£0.25m
Property – Rental 28-30 The Parade	£1.14m
Technical adjustment – GST – LibertyBus	£0.4m
Impacts of Pay awards and Pension contributions	£1.6m
Efficiency / Savings proposals for 2021	(£5.3m)
Transfer of Economy function (net of efficiency/growth)	(£18.3m)
Net adjustment 2020 base to 2021	(£19.8m)

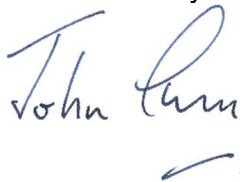
Projected income is reduced largely a result of the “growth” item in 2020 for waste charges (£6.9m) being classified as expenditure growth in the GP 20-23 but reclassified in base budgets in 2021 as a reduction in income. The net impact of this reclassification is nil.

c. How has the change from GHE to IHE changed how investment is allocated, mapped and monitored to/within this department?

The change in name has not impacted on how investment is allocated, mapped or monitored.

I hope the above is of use to the Panel and please do not hesitate to contact me if you require anything further.

Yours sincerely



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Climate Emergency Fund

Spend area	Spend to date	2020-year end spend (cumulative)	2021 forecast spend
CNS policy development	£94,171	£199,676	£500,000
STP policy development	£8,695	£55,120	
STP Strong Start	£4,450	£82,228	£3,150,000
Strengthening Environmental Protection	£72,416	£199,964	£415,000
Additional expenditure to strengthen the protection of the natural environment	£0	£0	£458,000
TOTAL	£179,732	£536,988	£4,523,000

Island Plan Review programme budget and expected expenditure to year-end 2020

The primary budget allocation for the Island Plan Review programme are set out in the table below.

A forecast year end position is included as the Island Plan Review programme currently has a high number of open orders for evidence base development, strategic advice, and temporary/secondment staff.

Year	Budget	Actual spend to date	Confirmed and forecast year end
2019	£350,000	£166,839	£166,839
2020	£650,000	£361,392	£520,000
2021	£325,000 (subject to Gov Plan approval)	-	-
Total	£1,325,000	£528,000	£686,839

The below table summarises the key expenditures that together form the expenditure within the spend to date and forecast total spend to year-end 2020:

Expenditure commitment	Total forecast to year-end 2020
Strategic Partner (Strategic advice component)	£76,000
Strategic Partner (Additional capacity component)	£133,467
Strategic Partner (Specialist studies):	
Labour needs assessment	£13,000
Employment land study	£29,887
Integrated Minerals, Waste and Water Study (land use planning implications component)	£13,750
Historic Environment Review	£42,842
Viability study	£40,000
St Helier Urban Character Appraisal	£50,375
St Brelade Character Appraisal	£15,000
Integrated Landscape and Seascape character assessment	£34,800
Landscape sensitivity analysis	£17,900
Coastal National Park Review	£10,000
Chartered Planner (Internal secondment)	£75,000
Consultation, engagement and events	£96,000

Miscellaneous (comprising of equipment, software, travel, accommodation, subsistence etc.)	£38,818
Total	£686,839

Other budgets aligned to the Island Plan Review programme

Further budget aligned to the Island Plan review programme, as set-out in Government Plan 2020-2033, comprising of:

CSP5-1-1 Climate emergency fund: £100,000

Expenditure commitment	Total forecast to year-end 2020
Sustainability Appraisal	£29,314
Strategic Flood Risk Assessment	£24,880
Integrated Minerals, Waste and Water study (water and sustainable use of resources component)	£40,000
Total	£94,194

Expenditure commitment	Total forecast to year-end 2020
St Helier Public Realm and Movement Strategy	£129,500

Capital funds – Island Public Realm including St Helier

Assessment of Public Infrastructure and Natural Resources

Government Plan 2020 allocation: £150,000

Due to the impact of COVID-19, phase three will be delivered in 2021.

Phase	Product	Total forecast to year-end 2020	Anticipated spend by end 2021
1	Infrastructure Capacity Study (Part 1)	£37,975	
2	Infrastructure Capacity Study (Part 2)	£23,975	
2	Integrated Minerals, Waste and Water study (mineral resources and waste infrastructure component)	£40,000	
3	Infrastructure plan		£50,000
	Total	£101,950	