



Environment, Housing and Infrastructure Scrutiny

Panel

Government Plan Review

Witness: The Minister for the Environment

Wednesday, 9th November 2022

Panel:

Deputy S.G. Luce of Grouville and St. Martin (Chair)

Connétable M.K. Jackson of St. Brelade

Deputy M.R. Le Hegarat of St. Helier North

Witnesses:

Deputy J. Renouf of St. Brelade, The Minister for the Environment

Ms. K. Whitehead, Group Director of Regulation

Mr. F. Walker, Head of Governance Policy, Cabinet Office

Ms. D. Bratch, Head of Finance Business Partnering, Interim

[10:32]

Deputy S.G. Luce of Grouville and St. Martin (Chair):

Welcome, Minister, to a meeting with your Scrutiny Panel to talk about the Government Plan specifically. But just before we get on to that, just a sort of an off-the-record/on-the-record question of how you are settling in, how you are getting on, how you are finding it, and where the challenges are that you were not expecting. In 30 seconds.

The Minister for the Environment:

In 30 seconds. I am enjoying it, it is a challenging brief, it is a wide-ranging brief, but it is all in areas which I have a particular interest in so, in a way, the fun of it is finding out so much interesting stuff. In terms of the challenges, I think what strikes you when you come into government fresh from

outside is the extraordinary complexity of many of the issues that we deal with. Possibly when you sit outside government you sort of imagine that magic wands can be waved a bit more than they maybe can when you sit in government, and you realise the need to bring so many different elements together to make change happen. That has been an interesting learning curve, and probably a journey I am still on.

Deputy S.G. Luce:

Thank you for that. Getting stuck into questions about the Government Plan, and something that politicians probably do not like to get involved in too much is the finding the money in order to put their policies they want to do into action. But we see here that E.H.I. (Environment, Housing and Infrastructure), if approved, the budget is going to increase to £55 million from £48 million. Are you satisfied generally that the proposed E.H.I. Department budget is where you want it to be? Do you consider it sufficient? I think I probably know the answer to that one. But have you got enough to deliver the key environment services that you want to do?

The Minister for the Environment:

Well my bit is much smaller than that, so obviously a lot of that sits in the infrastructure.

Deputy S.G. Luce:

Yes, yes, I appreciate that.

The Minister for the Environment:

So if I can speak specifically to my sections, there are 2 particular bits that I was particularly pleased to get funding for which was an increase in the Natural Environment budget which was something we had to fight for. It was initially not looked on with favour from Treasury and we went back and put a case to them for why we needed that. That is funding to enable us to do work, particularly, for example, relating to the Wildlife Law that was passed, I think, 2021, but particularly to do that and around clean air, and around countryside access. These were all areas which I think have historically been underfunded and certainly that was the case that we made with that. So I was very keen that we should get that funding and indeed we did. It is with one qualification in that the money currently is made up of a mixture of money from the Climate Emergency Fund and the growth bid that we put in. The Climate Emergency Fund money runs out in 2 years' time at the end of next year and, in order to maintain funding, we would have to gain government funding to compensate for that Climate Emergency Fund dropping out, or propose keeping the climate emergency funding going beyond where it was originally intended to go, which I would not like to do. I think we should use the Climate Emergency Fund for climate emergency work, not for ancillary slightly-related stuff like footpath maintenance which I do not really consider as a core climate emergency thing.

Deputy S.G. Luce:

Yes, and I think we will come back to that later on. Are there any other parts of your portfolio where you were hoping for money that you did not get or bids that you were not successful?

The Minister for the Environment:

Well, I do not think it would be a secret to say that I was disappointed we were not able to increase the money for the Climate Emergency Fund in line with the 2 P that would have been normally put in, and we froze fuel duty. I think there was a lively debate among Ministers around the best way forward. Some people wanted to cut fuel duty, some people like me felt that we should have kept the Climate Emergency Fund increase going. We settled on a freeze, but that is government, is it not, you have different views and you come to a position. While I am sorry to see that money not go into the Climate Emergency Fund, in the end it adds up to £1 million, and in the scheme of the amount of money we need, it is not the hugest amount, I think we can live with it.

Deputy S.G. Luce:

In your ministerial priorities, Minister, you highlight tackling carbon emissions and net zero. You talk about protecting and enhancing the natural environment and heritage, delivery of homes, quality of homes, and promoting flexibility, responsiveness and efficiencies. Are you confident you have got money for that or are you going to have to fight for more in those heads?

The Minister for the Environment:

I think a lot of those things come out of what we do anyway and it is about where you prioritise the staff that we have. For example, if we are talking about delivery of housing and so on, we know we have to produce briefs for, for example, the rezoned housing sites, we have to produce design briefs and supplementary planning guidance. The officers are already in place to do that. It is about saying: "What is the sequence? What do we prioritise to come first?" and what maybe gets put slightly further back. So I am comfortable that we have a very good team working in those areas; same with Natural Environment. As I say, we got a growth bid, we got some extra money, I think it is a good amount of money to do what we need to do. We will be employing extra countryside rangers and so on to enable us to deliver some of those path improvements, to do the wildlife work and, as I have mentioned in the Assembly, hopefully to bring forward better monitoring of air quality so that we can identify where our problem areas are and take action.

Deputy S.G. Luce:

You mentioned the challenges of delivery and having the staff to deliver. We have heard in previous hearings that regulation, for example, is under a lot of pressure with shortages of staff, but we hear of shortages across the board. Do you feel that that is still an issue when it comes to proper and immediate delivery of policy? You mentioned the Draft Bridging Island Plan, and that is a very fine

example, a good example inasmuch as we are trying to deliver homes, sites have been identified, but if we cannot get the S.P.G.s (Supplementary Planning Guidance) out of the door, the developer will not know what they are going to be asked to do.

The Minister for the Environment:

Yes. Well there are 2 things with that. To reassure you on the S.P.G.s, that is going to be a priority and that is after the current consultation which you know about around densities and so on, and housing outside the built-up area. We will be moving on to those in those design groups, and parking standards as well, which have significant implications for town and will be ...

Deputy S.G. Luce:

I can only say that is very good news. We have been waiting on parking standards since before I was born maybe. No, that is an exaggeration but I cannot remember a time when we were not waiting for parking standards, and it does give planning officers a great deal of headaches.

The Minister for the Environment:

Understood, and that is why we are going to bring it forward.

Deputy S.G. Luce:

But getting back to the initial question, staffing challenges? Numbers of staff?

The Minister for the Environment:

So regulation, we are closing the gap, I would say, and closing it reasonably quickly in terms of filling places. I might ask Kelly to just fill us in on the very latest in terms of staff vacancies but my understanding is that we have managed to recruit reasonably successfully. There is an apprenticeship scheme in place which will deliver people coming forward into the future. I think we are still short of one or 2 people. But, Kelly, do you want to fill in ...

Group Director of Regulation:

Thank you, Minister. Kelly Whitehead, Group Director of Regulation. We had an open evening for apprenticeships where we had a range of officer-level roles that were unable to be filled with skilled people on-Island, so we converted those to apprenticeship roles where we would grow our own talent. Currently we are out to offer on 16 apprenticeship offers with training progression programmes that are being negotiated. That currently leaves a vacancy only of 12 additional staff. We have 3 major campaigns running at the moment: one for building standards officers, an off-Island campaign for planning officers, and an on-Island campaign for environmental health officers.

Deputy S.G. Luce:

Thank you. That really does sound like we are making some progress there which is great news.

Deputy M.R. Le Hegarat of St. Helier North:

Can I just ask before you carry on? In relation to that apprenticeship scheme, does that include planners?

Group Director of Regulation:

Yes, it does.

Deputy M.R. Le Hegarat:

Thank you.

Connétable M.K. Jackson of St. Brelade:

Can I just come in while Kelly is at the table, in terms of we have not spoken about ... well, marine resource funding seems to be remaining the same but because it is partly regulatory, does that come under your remit as well or is that just always kept separately?

The Minister for the Environment:

I think it is mine, is it not? Not yours anyway. So the marine resources budget sits under Natural Environment, and I thought it had increased but I would have to go back and check the figures on that. We have a good resource in place there which, as you know, has been put in place to deliver the Marine Spatial Plan and that I regard as a key piece of work going forward. The Marine Spatial Plan was mandated in the Bridging Island Plan for delivery in 2025. I have brought it forward to the end of next year because I believe it is such a powerful tool for what we need to do in terms of marine conservation, fisheries protection, and so on. Also things like renewable energy if we want to deliver wind farms, and so on, the Marine Spatial Plan gives us the evidence base to be able to make decisions about those sorts of things and that is resourced.

The Connétable of St. Brelade:

I think what I am trying to understand is in terms of regulating the industry, which is the case at present, whether it is our fishermen or French fishermen. I know that at our previous meeting you were talking about all regulation coming under one hat, I wondered if that was the case with that or whether it is just absorbed because the department have had significant amounts of work dealing with that obviously in the last year and there is still more to go.

The Minister for the Environment:

The licensing system that we have in place means that we know where all the boats are, certainly where all the French boats are, at any given time. In fact, I was on the Norman Le Brocq last week

and they are able to tell what they are doing from looking at the tracks in terms of their speed, where they are, they can predict with a high degree of accuracy what activity the boat is engaged in. So, that is part of ongoing marine resources protection work that they do. It does not sit under the regulation directorate, it sits in marine resources.

The Connétable of St. Brelade:

Do you think it should be under the same regulatory area, given that licences are issued and somebody has got to keep an eye on them?

The Minister for the Environment:

I have not seen it as a problem. I am not sure what the problem is that we have been trying to solve in the sense that the most important thing to me seems to be: is the work being done efficiently and effectively? Notwithstanding the odd complaint, they seem pretty effective at finding the odd transgression by French boats when they occur. The fact that that data has to be ... the French fishing fleet is quite professionalised, it does have the tracking systems that they need to have. So I have not perceived a major problem there; I am happy to look into it further.

[10:45]

The Connétable of St. Brelade:

I think my point is that it would be a shame to have so much resource absorbed into regulatory matters where they would be better applied to conservation matters which is almost a separate thing.

The Minister for the Environment:

Yes. I would be happy to look at that but I see your point there, yes, understood.

Deputy S.G. Luce:

Getting back to the plan, Minister, it is always a challenge finding enough money to do everything, and I would be fairly certain that the Minister for Treasury and Resources has also told you that you need to go away and find some savings. Have you identified any value-for-money savings in your portfolio?

The Minister for the Environment:

He has not explicitly said that. What he has said to all of us is that the budgets are fixed for next year but after that they are flatlined as a starting assumption, and if you want any more, ie, anything more, even inflation, then that case has to be made. You will see that in the figures, that they go steady after 2025.

Deputy S.G. Luce:

Well, I was going to come to that.

The Minister for the Environment:

So that is an effective cut unless you can make a case to increase it. So, you will forgive me for having spent most of my effort trying to get the figures up to where they are but the next stage will be indeed to identify those areas where it would be a mistake, in my view, to flatline those figures.

Deputy S.G. Luce:

I was going to ask it later but I will do it right now because flatline figures are something that we have noticed here and, of course, with inflation running at the rate it is currently, it may or may not go a bit higher, it may well come down a bit. But it is clear that in real terms you are going to be losing money in the next few years on those flatline numbers and, well, I am not going to put words in your mouth, I suspect you will be fighting for the ones you really want to increase.

The Minister for the Environment:

Yes, of course. I think the intent behind that is laudable. Your first question on this subject was: "What have you been tasked with finding in terms of savings?" Those flatline figures are essentially the question to you as a Minister: how do you justify going back to your current spending because that is going to, on present figures, be a 10 per cent cut in 2025, so, yes, we will have to justify it. That is a reasonable question to ask of Ministers. We do have to make efficiency savings and I am committed to finding them where we can. I do think that one of the most striking things coming in has been to see the level of underfunding, historic underfunding, in key areas. Certainly in the Natural Environment, the reason why I was so keen to get that money in there was because there had been so little spent, air quality monitoring, case in point, so little spent on these areas for so long. Of course in the Infrastructure area it is potentially an even bigger problem in terms of underinvestment in our key services in estate. So I think there is an element of catch-up going on and I therefore find it hard to imagine how we are going to find savings because we are just trying to catch up for historic underinvestment.

Deputy S.G. Luce:

I am just trying to look at my questions here. I am going to keep going on that because it says in the Climate Emergency Fund, for example, that the carbon neutral initiatives funding it is budgeted at £6.3 million for next year but it is down to £5 million in 2025 and £5.6 in ... when you factor inflation into that, that is going to be quite a step backwards financially for that particular one. Then we get on to policy development and again we know the streams of policy that are going to be needed and yet the numbers, they are completely flatlined at 300 for the next 4 years.

The Minister for the Environment:

Yes. So on the Climate Emergency Fund clearly, if I thought that was the last word, I would be disappointed. We need to generate more money for the Climate Emergency Fund and we will be aiming to bring forward a long-term plan for that. As you know, that is mandated in the Carbon Neutral Roadmap, so I would regard those figures as baseline and we will need to add to them, without a doubt.

Deputy S.G. Luce:

The specific initiatives, the funding for in 2023 you have secured, what are those particularly? If you could just run through those.

The Minister for the Environment:

Do you mean what do we intend to spend it on?

Deputy S.G. Luce:

Yes.

The Minister for the Environment:

So the programmes coming up are to have a scheme in place to support transfer away from fossil-fuelled boilers - home heating - and transport, and there will be a scheme for each of those. The home heating scheme will be delivered first in the early part of the year next year, and the transport scheme we expect to deliver probably towards the end of the first quarter, beginning of the second quarter.

Deputy S.G. Luce:

We have a meeting next week with Jersey Electricity, and I do not want to dwell on it here, but are you confident that they can deliver on supplying electricity into those homes that currently have oil-fired boilers that they are not going to be able to replace after the end of 2025?

The Minister for the Environment:

There are undoubtedly going to be challenges in terms of the grid going forward and that is part of an ongoing discussion about the investment needed from Jersey Electricity's side which they are fully aware of. They know the demand, the increase in demand, that is coming. Like all networks, it will have bits which are robust and strong and have got an excess of capacity, and they will have bits which are pinch points where investment is more needed. So there is a complexity there in terms of some areas look fine, some areas of the Island we may have difficulties there, and that is where we need to work with J.E. (Jersey Electricity) to identify those areas and make sure they are bringing forward a programme of investment.

Deputy S.G. Luce:

Do you think they have got time to do it? I do not want to dwell on this because it is not really Government Plan but I am interested in your answer. Irrespective of the level of investment which is just basically writing a cheque, have they physically got the time to do what they need to do between now and the end of 2025?

The Minister for the Environment:

Well they have got the time between now and the end of 2025. Is what your saying the job be too big for that time?

Deputy S.G. Luce:

Yes, you have got me. Maybe we will come back to that another time, it is a bit of an unfair one.

The Minister for the Environment:

I think it is more of a question for J.E., to be honest.

Deputy S.G. Luce:

Yes, okay. I just want to go slightly off track for a couple of questions, Minister, because in the Government Plan, the Council of Ministers has taken a sustainable well-being into account throughout the development. Can you just run through where you have taken sustainable well-being into account with business cases and how you are measuring that, please?

The Minister for the Environment:

Well, I would point you first at the Natural Environment budget where we are committed to several programmes there. So obviously we have talked about air quality, we have talked about the footpath network, what we have not talked about is habitat protection, wildlife protection, the programme of grazing on cliffs, and so on. These are programmes designed to enhance our natural environment which I regard as one of the great things we can offer in Jersey in terms of well-being. Making that a sustainable well-being offer in terms of knowing that we have the funding in place to deliver those environmental improvements and sustain them going forward was the point of that government bid, particularly in terms of, for example, maintenance of enhanced footpath networks, and so on, which has been underinvested in in the past. So I think I would point it first there and then, I suppose, in terms of regulation, which we have not really talked about much yet, but part of one of the growth bids that went in was for the extension of the Jersey Care Commission's inspection to the hospital and to the ambulance and fire services. I think if we are talking about well-being, making sure that those services are at the required level seems to me absolutely fundamental to well-being in the Island.

Deputy S.G. Luce:

That is quite a target to meet, Minister, so I appreciate your answer. We will move on for now and talk to ... well I am sure we are going to come back to that because that would be very interesting, and we have got a question or 2 on the Care Commission in a moment. But I just want to go back to fuel duty and your Climate Emergency Fund. We note the measures that are only going to partly offset the reduction in income from freezing, where are you going to get the remaining estimated shortfall that you would normally have expected in a normal Government Plan?

The Minister for the Environment:

Well that is ongoing work but I would point to a couple of things. One of the strange things about having a hypothecated fund is that the rules around it are strict, they are set, and the rules are the rules. So, for example, we increased vehicle excise duty on all vehicles, but particularly on the largest vehicles in the Government Plan, and that money is not currently available to the Climate Emergency Fund, it does not go into the Climate Emergency Fund. I would make a strong case that it should. So there are funds that we have access to that go into government coffers at the moment that I think should go into the Climate Emergency Fund, and that is a case that we can make to help offset losses elsewhere.

Deputy S.G. Luce:

That being the case, how do you then see that as the ... that would be an impact, a shortfall impact, on other government finances, so you obviously would expect to come up against the Minister for Treasury and Resources with your proposals. We know how hypothecation is resisted as much as it always is.

The Minister for the Environment:

Yes. But we either believe in this or we do not, so in a way my challenge is to my fellow Ministers: "Okay, if you do not believe in that method which I am suggesting, what else would you suggest?" The point is, with a hypothecated tax, the tax revenue should have some relevance to the goal you are trying to achieve. That seems to me to have that relevance, so it is a good case to make.

Deputy S.G. Luce:

Do you think there is a case for hypothecation to be used more generally across government income?

The Minister for the Environment:

Well it is interesting. When you sit in the Council of Ministers the Treasury officials regularly raise their objection to hypothecated taxes on the grounds that ... well they do not like them on lots of

grounds. One of them is inefficiency, money sits in a pot until it is spent, it cannot be just moved around. That is an inefficiency from their point of view but they would also point to inflexibility of the kind that I have mentioned. The rules are the rules until you change them and that is an inflexibility. Personally, despite those drawbacks, in the context of a small community where you can understand where the money is coming from and where it is going to, I find them useful. I think they have a really powerful role to play in helping the public understand the direct relationship between revenue and expenditure. To me, that advantage outweighs the - what shall we call it? - the efficiency and rigidity arguments.

Deputy S.G. Luce:

So you think then locally people would be much happier to see their taxes going to somewhere where they could see work being done rather than disappearing into a general exchequer and the Government wasting the money that ...

The Minister for the Environment:

I think hypothecated taxes work particularly when you have a new goal. I do not think it works if you say: "Let us try and fund the health service out of hypothecated taxes." The health service is already there, it is already funded.

Deputy S.G. Luce:

What about recycling, for example, or the replacement Energy from Waste Plant, whatever that is? Would that be something that you would say: "Well we know our recycling targets are low, we want them to be higher, our percentages, we are going to hypothecate something to go in there"?

The Minister for the Environment:

So, it could be hypothecation but I would say that we are probably straying more there into the realm of user pays which is slightly different. That is an even more direct mechanism, if you like. So what we could ...

Deputy S.G. Luce:

Well user pays has been something that has been advocated by successive governments, do you go for that one as well?

The Minister for the Environment:

I do believe in user pays as a general principle. I am not going to commit to any one particular one here, but I do believe in it in a general principle. Because we have a relatively low tax economy and I think one of the corollaries of that is that we do not pay for things out of general taxation, we ask people to pay for specific things that are specific services that they demand and not other people.

If that is the case, then the user pays rather than out of general taxation. The balance between those 2 things is always changing in society, is it not, so there is always a debate about which bit falls under general taxation and which bit should be a user pay.

Deputy S.G. Luce:

I just want to go back to the fuel duty just to get the last question in before we move on to carbon. Is the proposed freeze of ... I presume it is considered a short-term measure, how short term are you ... well, over to you.

The Minister for the Environment:

It is a freeze for one year.

Deputy S.G. Luce:

As far as you are concerned, that is it, and then it will be back on track?

The Minister for the Environment:

Well, who knows what the circumstances will be in a year's time but absent totally different circumstances, I would be arguing that we should be resuming the fuel duty escalator, if you like, with the Climate Emergency Fund contribution because it is part of a long-term plan.

[11:00]

We need to shift people away from carbon, we need to raise money to enable that, so it is a carrot and stick, both are encapsulated within that fuel duty. You have an element of stick in that the price rises, but you also have an element of carrot in that you are able to fund changes from it. So, it feels to me essential that we maintain that principle.

The Connétable of St. Brelade:

Do you not think it is unfair to force fuel rises on the public when there is not much in the way of alternatives, given that the electric vehicle alternative is one, just is not available to the general public? You are on 6, 9-month waiting lists, prices are extremely high, they have not filtered down into the second-hand market and local tradesmen, for instance, just do not have the option to buy commercial vehicles.

The Minister for the Environment:

So I think that is why it is a staggered process but I would also draw attention to the fact that it is not just about electric vehicles. I take your point about tradesmen, tradesmen certainly, tradespeople these days will still depend largely on vehicles. That is a cost of being in that line of work, as it is

for carers, for example, driving around; that is implicit in your business model. But in general, yes, I think we should be moving it at a level which says that as the price increases, so does the level of support for the alternatives so that there is an alternative there. It could be public transport, it could be enhanced walking and cycling routes, it could be an e-bike support scheme, there are lots of ways in which we could offer that support. You may not save, as a person on a trade or a carer, on your petrol-driven emission journeys around your work, but you might save on your leisure journeys or your journeys to the shops or whatever because you might have access to other alternatives for that. So that one cost element would not come down but others would.

The Connétable of St. Brelade:

I often think, and you may agree, that it is easy to forget the pensioners in this whole scheme of things and people of a certain age will not be jumping on a bicycle and maybe probably do rely on their cars for independence, so I will just encourage that they not be forgotten.

The Minister for the Environment:

I have elderly parents myself and am fully aware of the need. I am always very keen to point out I am not anti-car. I have a car, I drive my kids around everywhere, I take my son surfing. It is clear that we need cars. This is about a shift away from fossil fuel combustion basically and that does not imply that we do without cars.

Deputy S.G. Luce:

Well, moving then to the Carbon Neutral Roadmap, Minister, there is a financing strategy in place, are you on track to deliver that by this time next year when the next Government Plan comes out?

The Minister for the Environment:

You mean are we on track to deliver £6 million of expenditure?

Deputy S.G. Luce:

No, are you on track to deliver the strategy for a much bigger scheme moving forward? A financing strategy, that is.

The Minister for the Environment:

The financing strategy. Are we on track for that? I would say that we have prioritised the delivery of our first schemes to encourage people to transition away from fossil fuel, so that is the home heating and the vehicle schemes that I mentioned earlier. So, I would say that we will need to move at pace in the second half of the year on that. I could not tell you at the moment whether we are behind on that but it is something we will have to move at pace on.

Deputy S.G. Luce:

Can you tell us if there are any other income streams that you are considering for financing a Carbon Neutral Roadmap?

The Minister for the Environment:

There are streams. I can tell you that we are considering other streams but I am not going to discuss them at the moment, if that is okay.

Deputy S.G. Luce:

Are you talking with the Minister for Treasury and Resources about long-term investment into the fund?

The Minister for the Environment:

I am having lots of very interesting discussions with the Minister for Treasury and Resources. Yes, clearly at some point we need to do a step-up. We need to step up from the money we are dealing with at the moment by an order of magnitude, and that is a big conversation that we need to start to have. I would say we are at the beginning of that conversation.

Deputy S.G. Luce:

Before I just press you a little bit further on that, can I just ask if you have money in your fund and, given the current inflation interest rates, do you get to hold on to the interest if your fund accrues interest?

The Minister for the Environment:

As far as I know, yes. But I do not know, can I get back to you on that? They will have to take it out of my back pocket.

Deputy S.G. Luce:

Given obviously we spoke about flatlining budgets and inflation and cuts in real terms, it would be interesting to know whether if you have got money in a hypothecated fund whether it accrues interest.

The Minister for the Environment:

Yes, that is a good question. I honestly do not know whether it is sitting in a bank account going up, even as we speak. I do not know, sorry.

Deputy S.G. Luce:

Well, it would be interesting to know the answer. Getting back to alternative funding options, we have had already some submissions from various people and one of them is the Earth Project Jersey about how we might look to medium and longer term, and they describe them as “innovative solutions and initiatives to raise revenue for the Climate Emergency Fund”. Are those type of options something you are likely to look at in the longer term, Minister?

The Minister for the Environment:

You may have an advantage on me here because I am not sure I have seen that document. Was that something sent to you?

Deputy S.G. Luce:

Well it has been sent to us specifically in questions that we have gone out and asked for submissions around Government Plan and stuff like that.

The Minister for the Environment:

I would be very interested to hear what those ideas are.

Deputy S.G. Luce:

For example, are you consulting with a wide range of stakeholders as part of the development of a longer-term financing strategy?

The Minister for the Environment:

Yes, this is the point really. We cannot do this just by decree. It cannot be done by me or Deputy Jeune or the Minister for Treasury and Resources or anyone just saying: “Look, we are going to do this.” This is something that has to happen ... we have to move forward as a society on this. We have to be doing this together otherwise it is not going to happen. So, consultation is the absolute key to whatever funding mechanism we come up with; it is going to need broad support. As I say, I know you all want to draw me on what sort of things we are considering at the moment, and I would rather not at the moment. I think we have to ...

Deputy S.G. Luce:

No, I am happy to stick to generalisation. I think there is certainly an understanding that government will have to fund it initially in the short term.

The Minister for the Environment:

As we are.

Deputy S.G. Luce:

As you are. I am just looking for some sort of an indication that you will be looking outside of the public's purse, if you like, for future ideas and that you will be very open to talk to private concerns as to how one can share the costs of moving this forward.

The Minister for the Environment:

Private and indeed arm's-length organisations.

Deputy S.G. Luce:

Good. I think that probably takes us to a few questions that we have around the Care Commission and Constable Jackson's going to just head off that.

The Connétable of St. Brelade:

Yes, Minister, could you just provide a summary of the Jersey Care Commission phase development, which is part of the Government Plan Annex: Proposed Additional Revenue Programme, what does it entail, and what is the proposed funding of £751,000 for 2023?

The Minister for the Environment:

So the Care Commission has been engaged in a sort of phased expansion of its work which was agreed by the Assembly, and each new phase has to be agreed by the Assembly by separate regulation. So the next phase is regulation of the hospital and the ambulance and fire services. That is clearly a very big step. The ambulance and fire services less so, but certainly moving to examine the hospital and the associated care services is a huge job. So, there were 2 elements in that bid: one was to increase the capacity of the Care Commission itself to bring in the expertise that would be able to do that inspection, and the second element was to enable the services themselves to prepare for the inspection. That involves a lot of liaison between the Care Commission and the services to establish what standards the hospital will be judged against in each area of its service provision, enabling them to get to the point where an inspection is a valid thing to do, as these services have not been inspected in this way before.

The Connétable of St. Brelade:

I am aware of that. Do you not think that over-strengthening the Care Commission which is, to all intents and purposes, a government-funded department, is just going to look at another government department? In the stage we are at with regard to developing a new hospital, are we not wasting money on that?

The Minister for the Environment:

No, I do not think that for several reasons but I could highlight a couple. One is that unless we regulate the hospital to the required standard, many of our practitioners, healthcare practitioners,

are given their authorisation to operate by U.K. (United Kingdom) bodies, they are licensed effectively by U.K. bodies, and increasingly those bodies will not license people to work in environments which are not regulated, so we would run the risk of losing the ability to recruit staff if we did not provide these services. I think that is one key thing. I think the other key thing is that we have to respond to public concern, also expressed through the Assembly, about the standard of care in certain areas. We can always talk about improvement programmes and so on, but at some point you need an independent assessment of whether you are reaching standards, professional standards. I think it is a really vital part of maintaining public confidence in our vital health services that they are inspected by outside bodies to those standards. My in box certainly has plenty of messages from people saying: "Why is the hospital not being regulated properly?"

The Connétable of St. Brelade:

Just going to private care enterprises which of course are regulated, will there be an impact on them? Because since the Care Commission was set up, costs have just gone up and up and up and it is not clear whether there is a great benefit for them in so doing. Can we be sure that this additional funding will not impact on the private enterprises in terms of cost?

The Minister for the Environment:

Well, that is interesting, is it not? The purpose of regulation is to raise standards and it is therefore to identify where there are problems and to require improvement. So I would argue that in most cases what we are talking about is investment that is needed to reach the required standard. I suspect, if I may speculate for a moment, that what you are talking about is the fear that what we have is over-officious regulation, possibly putting unnecessary burdens to be a bit pernicky about things when it is not necessary. But at the core ...

The Connétable of St. Brelade:

Yes, not quite so really. My question is directed by the fact that a lot of government funding goes into support of the long-term care situation which I appreciate is not your area.

The Minister for the Environment:

No.

The Connétable of St. Brelade:

But given that we have massive inflation upon us at the moment, effectively a profit element and the ability to reinvest is much diminished, this is obviously an area for the Social Security Department to consider. But private businesses will look at every overhead and it is a question of continuing to make them function but without increasing costs.

The Minister for the Environment:

Yes. In the end what you are raising is a bigger question about where the costs should fall because I would argue that we should be raising standards to the minimum levels that are identified. What you are pointing out is that that can lead to heavy costs on private providers who are already struggling to provide a cost-effective service to Islanders and that that service then might either become too expensive for people or the service providers will withdraw from the market because the costs are too high. What I would say is that is a bigger question for us to answer than the regulatory question. I do not think we should be answering that question by saying: "Let us not regulate or let us not regulate to quite such a high standard." I think we need to regulate to the required standards and see what implications that has and then address those implications.

The Connétable of St. Brelade:

I would agree. The other point I think needs to be raised is that, shall we say, increasing care regulations in any sector will have a staff implication. In an Island where we seem to struggle engaging staff in this line, I think we need to be cognisant of that. Would you agree with that?

The Minister for the Environment:

Yes, I would. As I say, in terms of the wider context definitely, or wider implications, but I would still make the same point that we need to reach those standards. I think it is appropriate now for the hospital and those other services to be drawn into that network of an inspection.

[11:15]

I think the results will be overwhelmingly positive but I take on board your point that we need to keep a very close eye on how it plays out in terms of the implications on the service providers and the funding that they ... their funding models, their business models.

The Connétable of St. Brelade:

Just a last one on that. As the Minister with oversight of the directorate, how does it work in practice? Is it basically Kelly's department that deals with that side of it?

The Minister for the Environment:

Not the Care Commission, that comes through S.P.P.P. (Strategic Policy, Planning and Performance) but Francis here is able to talk to that if you want. It is a strange one this because originally the Care Commission sat under the Chief Minister's remit and it was moved to the Environment, I think only last year, was it not? Yes. There have been questions in government about where it should sit and whether it might go back to the Chief Minister's remit. I have been asked for my view, and my view was that I was very comfortable with it staying in Environment. My

understanding is, although you will have to speak to them themselves, but the commission itself is happy to be looked after by me, if you like, or by the department. So it is not part of Kelly's, it is part of S.P.P.P. is the answer.

The Connétable of St. Brelade:

It just seems curious that my understanding was that most of the regulatory work was being done by Kelly's department. Why is this split off?

The Minister for the Environment:

That is a piece of government history that I am afraid my relative newness in post does not really qualify me to answer. I do not know, Francis, if you have got anything that you can say. Would it be okay to ...

The Connétable of St. Brelade:

Yes, of course. Thank you.

Head of Governance Policy, Cabinet Office:

Francis Walker, Head of Governance Policy in the Cabinet Office. So, yes, the first thing to highlight is the Care Commission is set up as an independent body, as a body corporate, and obviously is made up of commissioners. The commissioners feed into effectively governance, ensuring proper financial governance into what was S.P.P.P., now the Cabinet Office. So effectively the accountable officer for ensuring that the monies that are provided to the Care Commission are spent properly and is overseen is the Director General of S.P.P.P. Then obviously, as the Minister said, he is responsible under the law for the policy, setting the policy, and also for appointing the Care Commissioner as well. So that is how it works and the legacy behind how it is in S.P.P.P. is because it formerly fell under the Chief Minister, and it was in the Chief Minister's Department, and then it came into S.P.P.P. That is the history.

The Connétable of St. Brelade:

We will try and understand. Thank you very much.

The Minister for the Environment:

Perhaps an anomaly but one that seems to, at the moment, work.

Deputy S.G. Luce:

We will keep an eye on that. Minister, countryside, biodiversity, water and air quality are the proposed additional revenue programme estates that the proposed investment will enable the delivery of commitments agreed by the previous States Assembly and those currently funded

through other sources. Can you just elaborate a little bit further on that and tell us also what those other sources are?

The Minister for the Environment:

The previous government had a couple of programmes that came out of post-COVID recovery which were about increasing access to the countryside. Those have effectively been taken over and subsumed in that bid, so they were long-term funding implications of those bids which had not been budgeted for and now they are. That is the incorporation of things like the countryside access, particularly the footpath network, and also support for countryside rangers working with voluntary groups. So Natural Environment does a lot of work working with voluntary groups to help them develop countryside access or to run educational programmes, and so on, in the countryside, so that is support for that previous Government Plan. Sorry, what was the other part of your question?

Deputy S.G. Luce:

The other bit is around other sources because it says they are currently funded by government or through other sources.

The Minister for the Environment:

I will have to get back to you on that, I am sorry.

Deputy S.G. Luce:

All right. Well just moving on the same subject, do you consider that £331,000 is sufficient to fund Wildlife Law implementation, maintenance of countryside, protected sites, upkeeping the files, air quality and radioactivity monitoring?

The Minister for the Environment:

It is not quite what it seems because the thing that is missing from that is the climate emergency funding that sits already there which is ... I cannot remember but is something of the order of £250,000 and that is the reason why there is a drop down because when that runs out, we are just left with the £325,000 which I do not consider to be sufficient on its own which is why I said right at the beginning that I will be seeking to reinstate the climate emergency funding element from government revenue.

Deputy S.G. Luce:

Notwithstanding that, Minister, do you think that the proposals are good enough to increase your work in air quality and radioactivity monitoring?

The Minister for the Environment:

In terms of air quality monitoring, we have people actively working on that now. It is also true to say that we are still filling posts to meet that budget, so handing us more money at the moment would not necessarily mean we could do more. We have capacity issues and we need to do that in a staggered way otherwise you end up with what often happens in government budgets, you allocate the money and it does not get spent at the end of the year and that is a waste because it is money that could have been spent somewhere else where it would have been able to be spent purposefully. So I would say I am happy for the next year. I do not think I could use much more money at the moment purposefully.

Deputy S.G. Luce:

Another part of the Earth Project Jersey submission was a call for a database of environmental data and information, soil and water testing, management, bird, mammal and insect surveys, soil food web analysis and plant surveys. To what extent does government monitor that at the moment, Minister?

The Minister for the Environment:

There was quite a long list there.

Deputy S.G. Luce:

Extremely long, yes.

The Minister for the Environment:

So, well there is work ongoing in all those areas; if I can pick out a couple. Well air quality we have already talked about. Soil quality is something that I have initiated, I suppose what you would call a ministerial project, I guess, to understand more about our soil quality issues and to come up with a programme that would enable us to enhance soil quality. Do we have data on that? Yes, we do. We have monitoring data that tells us about soil quality, it is measured in different parts of the Island, and that is ramping up; we are doing more of that now. I think what we could be talking about here is, is there a way of drawing together, scraping all that data together into one place is, I guess, what that might be driving at.

Deputy S.G. Luce:

Yes, the quote particularly from them says: "To provide a proper detailed picture of the whole ecosystem and become a great resource with which we can monitor progress."

The Minister for the Environment:

Well, without examining too much those lists of things, they are clearly different data sources, are they not? The number of puffins on the Island is a very different data source, data type to the soil quality which is ...

Deputy S.G. Luce:

Yes.

The Minister for the Environment:

So you would be talking about putting all the different data sets in one place and saying: "Look, if you want to find out about anything to do with our environment, it is all here." That is an interesting idea, I would like to go away and think about it.

Deputy S.G. Luce:

Deputy Le Hegarat has got a few questions on capital projects as we get towards our time limit.

The Minister for the Environment:

Very patient. Very patient.

Deputy M.R. Le Hegarat:

Yes. Minister, we note that - this is a subject we have already spoken about - the heads of expenditure are included for countryside access and well-being, planning obligation agreements, and that funding for this has been generated from programme underspends and third-party planning applications for developments. Please can you elaborate further on what the programme underspends are?

The Minister for the Environment:

I cannot off the top of my head, I will have to get back to you on that. I do not know if there is anybody ... do you want to introduce yourself?

Head of Finance Business Partnering, Interim:

Deanne Bratch, Head of Finance Business Partnering, Interim. So at the end of every financial year there is a summing up of projects and approvals, and then they come to the point where not all projects that were envisaged to be completed have been completed. So there is a process that Treasury and departments go through to look at funding that potentially might be required in additional years, so it is that programme that they are referring to in the Government Plan looking at underspends from capital projects in general. Then in terms of planning obligations within Kelly's team, as part of development agreements there are portions of work that are undertaken that are

funded by development agreements related to specific capital project schemes. I hope that is helpful.

Deputy M.R. Le Hegarat:

Yes, thank you. How much has been generated ... you might have to ...

The Minister for the Environment:

You might want to stay there.

Deputy M.R. Le Hegarat:

Yes. How much has been generated from both programme underspends and third-party planning applications? So how much money are we talking about?

Head of Finance Business Partnering, Interim:

So the underspend amount varies annually and that process currently within Treasury is underway. So, that comes about normally in November or December and the final figure is generally known in the January of the next year. So, in previous years it has varied between sort of £20 and £40 million, that moves across the financial year overall across all capital projects, not just in this Minister's portfolio. In terms of planning obligations at the moment, my understanding is there are currently circa £3.7 million that relates to development agreements with planning obligations within them and they can be used for a variety of different types of things: public realm, bus shelters or bus services, countryside access, that type of project; anything where the development itself has had an impact either on the community or in the locale.

Deputy M.R. Le Hegarat:

Yes, you have got 2 people on Planning here, so we have some idea. In relation to the £20 million, do you know what sort of percentage it is likely to be for the Environment, or is that just unknown?

Head of Finance Business Partnering, Interim:

It is unknown because that process is still ongoing. The summing up and that exercise happens centrally and it ...

The Minister for the Environment:

It is likely to be low, though, in the sense that we are a small-spending department and with relatively little capital.

Head of Finance Business Partnering, Interim:

It will be. Yes, so the amount that this Minister has in ongoing projects, and then therefore there would be underspends that happen across that financial year which are likely to be extremely low.

Deputy M.R. Le Hegarat:

So is that not quite difficult then because you do not know how much you are going to have potentially for this from those underspends? You do not have any idea what you are going to have, so how can you sort of ... you do not know what you are going to have, so how can you manage that unknown, if you like?

The Minister for the Environment:

Well, there are several things. First of all, I think, as I say, it will be a very low figure in my case. Secondly, a lot of those underspends just get carried forward, so it is not like you have lost the money.

Deputy M.R. Le Hegarat:

No, no.

The Minister for the Environment:

It just carries forward because it is work that has not been done and still needs to be done, so it is not a net loss in that way.

Deputy M.R. Le Hegarat:

No.

The Minister for the Environment:

What you are really identifying is work that you have been unable to do in the year that you thought you were going to be able to do it.

Head of Finance Business Partnering, Interim:

Exactly.

Deputy M.R. Le Hegarat:

Yes, but you do not know how much that is even though you have not done the work as such.

The Minister for the Environment:

No, but it is funded, that is the point.

Head of Finance Business Partnering, Interim:

But it is funded because it has an approval against it. It is much more about understanding what work will need to carry on across the financial year, to be completed early in that next financial year. Then the certainty for this Minister comes in, the approval of the Government Plan in terms of the amounts of growth, et cetera, that has been put within this Government Plan.

Deputy M.R. Le Hegarat:

Okay. Do you consider that the funding of these heads of expenditure is sufficient to deliver these programmes or will additional investment be required in future or an ongoing basis?

The Minister for the Environment:

So, circled around that a little bit, I think for this year I am fine with it subject to unknowns, is something we might call them. Going forward, I think it is hard to predict but I have identified one clear area where there is a shortfall, in my view, in terms of the Natural Environment budget. I would also count the Climate Emergency Fund shortfall in that as well. So, there will be a need for more money but I think we need to assess that halfway through next year when we have a better understanding of what requirements have come up. Who knows exactly what things will come up. Maybe a big fishing issue will come up, maybe something else, maybe a regulatory issue will arise that needs more funding. My experience so far, I must say, of being in the Council of Ministers is that there are fairly intelligent discussions that happen. If a clear need is there, people are not sitting there saying: "Well we have always said we were not going to do that. Look what you said here." I think those intelligent discussions happen when something crops up that is needed.

Deputy M.R. Le Hegarat:

For the capital project Regulation Group Digital Assets £1.252 million funding is requested for 2023, please can you advise what this capital project entails and what the funding will specifically cover?

[11:30]

The Minister for the Environment:

Yes, we can.

Deputy M.R. Le Hegarat:

That is nice.

The Minister for the Environment:

I will ask Kelly to also join me.

Head of Finance Business Partnering, Interim:

Yes, so I am going to swap places.

The Minister for the Environment:

So this is a project you should be, I think, quite pleased with in the sense that it is to do with digital modernisation of particularly the planning system. So it is to do with making the planning system a fit-for-purpose system in that the old planning application system runs on software that is 15 ...

Group Director of Regulation:

Twenty years.

The Minister for the Environment:

Twenty years-old. No longer maintained, no longer possible to maintain it except with key people who happen to have been around for a long time and know the history, so that is not exactly a robust business situation. But if it is okay with you, Kelly can fill in the details.

Deputy M.R. Le Hegarat:

Yes.

Group Director of Regulation:

Thank you, Minister. Kelly Whitehead, Group Director of Regulation. The programme gained I think capital funding nearly 4 years ago. There was a delay in terms of COVID but we have been looking, extensively, researching the market in terms of planning, building, regulatory systems, what other councils have used, what is available internationally, with the support of Modernisation and Digital Department and the Design Authority. We have come to a position where we are investing in Microsoft's services and we are now in a development phase. So we are now implementing and delivering, building the products into test, and we are hopeful that we will have small sprints next year in releasing "go live" in different sections. We do not want to do a whole big bang by the end of the year but we will be doing small services coming online over the course of 2023.

The Minister for the Environment:

One of the advantages of this is that it should give us an integrated system which means we can interrogate the planning system in a way where: how many sites that have been given permission have not yet been built on? We would love to be able to just find that out without having to sort of do an exhaustive trawl through things and this much more modern approach means that we should be able to do that. There is a very nice diagram here which I am sure we will be happy to share with you which will show you all the benefits.

The Connétable of St. Brelade:

Can I just check in? This may assist the Minister for Housing and Communities possibly in establishing how many houses are empty because they are waiting planning permission or whatever?

The Minister for the Environment:

It should assist the whole of government because it will give us a much better oversight over the whole planning system so we will know what ... we should be able to, correct me if I am wrong again, but we should be able to know things like how long applications have been sitting in the system, how many items are sitting in the system. I am sure we can find these things out now but it is much more of a tough scrape through the system than it should be. It should be much ... I hope I am not over-promising here.

Group Director of Regulation:

No, I am going to over-promise even more. I think the other key thing is for the whole regulation directorates, the systems will link to housing, to rented dwellings, to the food premises, trading standards, pollution control, so we will be able to see from a geospatial point, a location, all of the applications and potential enforcement we have across the entire regulation directorate that enables us to, instead of sending 4 officers to one site, one officer, for example. It makes for a much more efficient service but also enables for us to be able to see exactly what is happening at any point at any time.

Deputy S.G. Luce:

I am going to stop Kelly there, Minister, because I have just got 2 small questions. I am conscious we are over time but I certainly applaud any effort to move from paper to online, and Kelly and I bear the scars of many years of attempts to do that. I am going to, if I may, Minister, send you a few written questions because I just wanted to ask you a little bit about how things are going this year, so if I might do that and just see how much money you have managed to spend in various departments. We will do that online with questioning. But can I just ask, this is a penultimate question, how much has inflation impacted on what you have been trying to do this year, in 2022?

The Minister for the Environment:

Well it has impacted on any service where we are having to buy consumables. I think to be fair, if you had Andy Scate sitting here, he would be talking to you about this in extreme detail because it is a massive cost in terms of the running of fleets, of chemicals for water processing, at the sewage treatment works, all of those things which do not fall directly in my remit. Most of my expenditure really sits in staff and I would say that, therefore, the main inflation in fact is wages, really, and we have not come through that cycle yet.

Deputy S.G. Luce:

Okay, fine, which sort of leads me into my last question, if I needed a hook. We have spoken about staff, we have talked about the number of staff in policy, for example, and policy development, and I just want to finish with this question. It is not really in the Government Plan but I am interested to know your views on the development of the new Island Plan which will be coming in in 2026 because obviously that is a major piece of policy work and requires a number of officers. Is it still your intention to deliver the new Island Plan again in 2026?

The Minister for the Environment:

I have said that, in my view, we should extend the life of the Bridging Island Plan. By exactly how much I have not taken a view yet, but I do think we should extend the life of the Bridging Island Plan, because to bring in a new Island Plan in 2026 would mean essentially starting work now, as you know.

Deputy S.G. Luce:

Which is why I asked the question, Minister. Obviously, I would need to look at the legal details, but certainly being in the previous States Assembly where we voted on a Bridging Plan for 4 years, and all the way through we were told: "This is just for 4 years and we will have another plan." Do you have legal hurdles to get over in order not to deliver in 2026?

The Minister for the Environment:

I have to bring something to the States to make that a reality.

Deputy S.G. Luce:

I presume you will be doing that in quite short order.

The Minister for the Environment:

So I would be doing that next year. I would plan to do that next year to give everybody certainty; I think we all need to know. If the Assembly is of the view that we should move to a new Island Plan, then that is fair enough, but my view is that the Bridging Island Plan was a substantial piece of work that has set a very good framework for planning for the next few years. I guess the main reason for having another one would be if we felt we were not delivering enough new sites for homes. I do not see the case for that at the moment but that is the sort of question that will be entirely legitimate to address when I bring a proposition to that effect.

Deputy S.G. Luce:

I can only concur with that view, Minister. If you are going to propose any deviation from what is currently in place, one would expect that you might come quite early next year, inasmuch as if it is

decided by the Assembly to move for a new plan in 2026, your officers are going to need every month they have got available.

The Minister for the Environment:

I would very much appreciate the chance to talk about the practicalities of that and whatever the implications are of extending the Bridging Island Plan from somebody who has been there, in fact, people who have been there for a lot longer than me, so, yes.

Deputy S.G. Luce:

Thank you, Minister. Have the panel got any further questions? Our hour has extended by 6 or 7 minutes, so I am very grateful for you coming in this morning with your team, Minister, and look forward to seeing you again soon.

The Minister for the Environment:

I look forward to it too. Thank you very much for your time.

Deputy M.R. Le Hegarat:

Thank you.

The Minister for the Environment:

Thank you.

[11:38]