

# Government Plan Review 2020

Environment, Housing and  
Infrastructure Scrutiny Panel

11<sup>th</sup> November 2019

This report forms Section 4 of the Government Plan Review Panel's report  
on the Government Plan – S.R.13/2019



**WE  
SCRUTINISE  
GOVERNMENT.**

**ENVIRONMENT,  
HOUSING &  
INFRASTRUCTURE  
SCRUTINY PANEL**

**GOV  
PLAN  
2020-23**

States of Jersey  
States Assembly



États de Jersey  
Assemblée des États



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## Section 4 – Environment, Housing and Infrastructure Panel’s Government Plan Review

### 4.1 Environment, Housing and Infrastructure Panel membership

The Panel comprised of the following States Members:



Constable Mike Jackson (Chair)



Constable John Le Maistre (Vice-Chair)



Constable Sadie Le Sueur-Rennard



Deputy Kirsten Morel



Deputy Inna Gardiner

## 4.2 Chair's Foreword



My panel is pleased to present its report on its areas of interest in the proposed 2020 Government Plan.

We have endeavoured to probe into the detail of the proposals whilst being cognisant of the timelines involved.

Analysis has been undertaken of projects submitted and comment invited from industry representatives where appropriate to enable the panel to form a view. We understand that some areas are constantly evolving and present our views based on information received at the time of writing.

There is considerable concern over the level of funding directed towards environmental matters particularly in light of the net carbon neutrality strategies which are likely to require a significant financial input. There are no indications of realistic incentivisation which the panel found disappointing but anticipate the department will be addressing this during 2020 as part of the process of updating the 10-year-old Sustainable Transport Policy.

Detail on the long-term housing policy and the £10 million spend is presently lacking and the panel look forward to being involved in its development in early course.

A strategy and funding level sufficient to enhance the St. Helier Urban Environment appears to be insufficient and once again the panel are keen to monitor progress. Proposals by the Connétable to restructure could potentially have an effect on this. Revenue raising measures in the guise of broadening the hours of car parking charges are likely to be unpopular and therefore the panel questions whether any work has been carried out on the consequential effects. An increase in fuel duties has been proposed on the basis of a desire to stimulate behavioural change however there is little in the report to justify this in terms of predicted social and economic outcomes.

Details on a vehicle testing strategy are anticipated during 2020 and the panel note the significant spend forecast for subsequent years.

The panel are pleased to see funding directed towards necessary infrastructure maintenance with more than 50% going towards transport due to backlogs from the past. Perhaps we should learn from this.

The panel looks forward to monitoring government business cases, actions and expenditure over the next 12 months so that the public of the island receive value in return for their taxes, duties and contributions.

M.K. Jackson

**Chairman  
Environment, Housing and Infrastructure Panel**

## 4.3 Methodology

The Proposed Government Plan<sup>1</sup> is presented as a series of Actions aimed at meeting the Government's five Common Strategic Policy priorities, as well as a new sixth priority of Modernising Government.

A supplementary document<sup>2</sup> has also been lodged to accompany the Plan, detailing planned expenditure over and above that budgeted in previous years for additional measures and capital projects.

This document provides the most detail of proposed Government expenditure for 2020, even though it only represents around 18% of the total budget, while the actions in the Plan have limited, or no, information on expenditure.

The Scrutiny review of the Government Plan has taken a thorough approach, looking at each Action, Business Case for Additional Revenue Expenditure, and Business Case for Capital Expenditure in as much detail as possible with the information provided by Government.

A summary of all Actions and Business Cases reviewed by this Panel is provided in Section 4.6 below. Only those Actions that do not correspond to a Business Case are listed in the summary table.

All Scrutiny Panels have agreed to use a common system to report on the status of each project, as follows:



This status means that the Panel has reviewed the background information on the project and is satisfied with it.



This status means that the Panel has reviewed this and either has concerns or considers that it needs more work, or further detail should be provided. It might also mean that the Panel considers it too early to make an informed decision. This may or may not lead to recommendations and/or amendments.



This status means that the Panel has reviewed this and is not satisfied or does not agree with the proposal. This may or may not lead to an amendment.

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<sup>1</sup> [Proposed Government Plan 2020-2023](#)

<sup>2</sup> [R.91 - Government Plan 2020-2023: Further Information on Additional Revenue Expenditure and Capital and Major Projects Expenditure](#)



## 4.4 Findings and Recommendations

### FINDING 4.1

The total Heads of Expenditure for the Department for Growth, Housing and Environment is £64.4m, although the proposed efficiencies are hoped to reduce this figure to £62.2m. In respect of Ministerial allocations, the Minister for the Environment receives the lowest allocation of funding (£7.3m) for his remit out of all the Council of Ministers.

### FINDING 4.2

There are historic concerns that the former Environment Department was under-resourced and under-funded and there is still uncertainty as to whether the proposed funding under this Government Plan is sufficient enough to adequately deliver the operations, functions and projects within the Environment remit of Growth, Housing and Environment.

### FINDING 4.3

A total of 40m in efficiency savings is proposed for 2020. In respect of Growth, Housing and Environment, £2.2m in efficiency savings is planned, £500k of which is planned to come from a spend reduction in the Target Operating Model (staffing re-organisation) for the Department for Growth, Housing and Environment. However, as the new structure is not yet complete, it is not yet possible to be certain of the final outcome.

### FINDING 4.4

A further £700k is proposed to come from increasing revenue by extending the hours parking charge hours from 8am-5pm to 7am-6pm, although the full impact of this proposal is unknown.

### FINDING 4.5

The Panel found that there is no funding request for the Shoreline Management Plan in the proposed Government Plan as funding has previously been approved.

### FINDING 4.6

The Panel found that there is £400,000 already set aside to 'enhance the St. Helier Urban Environment' for 2020, however it is questionable as to whether this funding is sufficient enough to achieve the aims set out in the Government Plan.

### FINDING 4.7

The types of homeownership schemes to be funded by the proposed additional investment are not yet known and the estimation of the funds required is based on uplifting a previous deposit scheme which was piloted in 2013.

### FINDING 4.8

There is currently no robust definition of a 'key worker', only a guideline. The true demand of accommodation for key workers is also unknown.

### FINDING 4.9

The £110,000 funding requested for 2020 would cover part year funding for a Housing Options service.

### FINDING 4.10

There is ambiguity around the indicative funding requests for 2021-23 and how projects could be self-funded, suggesting that further work needs to be done to provide a more informed estimation of the figures.

### FINDING 4.11

The Climate Emergency Fund business case proposes a one-off transfer of £5m from the Consolidated Fund in 2020 and outlines forecasted income of £2,000,000 and expenditure of

£2,545,000 for 2020. Income is expected to come from a rise in fuel duty, as well as depositing the balance of the income raised above Retail Prices Index (RPI).

**FINDING 4.12**

The Climate Emergency Fund is proposed to fund the development of a Carbon Neutral Strategy, Sustainable Transport Policy and various other expenditure to 'strengthen environmental protection.'

**FINDING 4.13**

An estimate of £1.55m of the Climate Emergency Fund is proposed for the funding of sustainable transport initiatives although it was acknowledged in the business case that it is not possible to define the exact policies or initiatives until the Sustainable Transport Policy is agreed.

**FINDING 4.14**

There is a large degree of uncertainty over whether the proposed funding of the Climate Emergency Fund will be sufficient to deliver the aims of the project and any tangible results.

**FINDING 4.15**

There is lack of clarity as to whether there has been adequate engagement and discussion with key stakeholders on the Carbon Neutral Strategy.

**FINDING 4.16**

The commercial sector was not consulted on proposals to increase fuel duty and a thorough impact assessment was not carried out as to how the proposals would especially affect businesses with large vehicle fleets.

**FINDING 4.17**

The £150,000 funding requested for 2020 would provide funding for an external partner to develop an infrastructure model, carry out assessments and develop a future Island Infrastructure Plan.

**FINDING 4.18**

The Minister for the Environment is the Lead Minister for the assessment of public infrastructure business case, not the Minister for Infrastructure, as this work feeds directly into the Island Plan for which the Minister for the Environment is responsible.

**FINDING 4.19**

The £195,000 funding requested for 2020 would provide £150,000 for contractual management and improvement of the countryside access path network and £45,000 for staff costs.

**FINDING 4.20**

The Minister for the Environment is Lead Minister for the countryside access business case and there is evidence of joint working with the Minister for Infrastructure regarding access to infrastructure.

**FINDING 4.21**

The £100,000 funding requested for Jersey National Park for 2020 would provide funding for staff costs, as well as other initiatives, such as marketing, education and information materials.

**FINDING 4.22**

The Minister for Economic Development, Tourism, Sport and Culture is the Lead Minister for this project rather than the Minister for the Environment. This was justified due to the part the Jersey National Park plays in tourism. There appears to be some evidence of joint working between the two Ministers.



**FINDING 4.23**

The Jersey National Park has relied heavily on the commitment and drive of volunteers in previous years who welcome the proposed additional funding and believe the funding should be sufficient to meet the project's aims.

**FINDING 4.24**

The Government Plan requests additional funding of £650,000 to deliver the 2020 Island Plan, which together with the £350,000 in funding already allocated, brings the total cost of the Island Plan Review to £1,000,000. This is approximately double the cost of the previous 2011 Island Plan.

**FINDING 4.25**

The rationale for the request for a substantial increase in funding is due to it being considered that previous Island Plan funding was not considered adequate to deliver the Island Plan in a timely manner, without further investment to produce a robust evidence base, as well as resources to provide enhanced public engagement and communication.

**FINDING 4.26**

The £130,000 funding requested for 2022 would cover refurbishment costs for Government House which on average received 3,000 guests each year including members of Royal Family, Heads of State, Ambassadors, Ministers' of State, foreign dignitaries and islanders.

**FINDING 4.27**

The Office of the Lieutenant Governor does not have capacity to fund the required refurbishment works at Government House.

**FINDING 4.28**

Jersey Property Holdings hold the Governor's residence on behalf of the public and therefore the Minister for Infrastructure has ultimate political accountability for the refurbishment of Government House.

**FINDING 4.29**

Having reviewed all the supporting information, the Panel is satisfied with the funding requests for the pre-feasibility studies which are being requested in this Government Plan.

**FINDING 4.30**

Funding of £12,650,000 is requested for 2020 to fund the ongoing maintenance and replacement of: the sewerage network, roads and sea defences. Historically, networked assets have not received 1% of value due to funding pressures and therefore there is currently a maintenance backlog.

**FINDING 4.31**

£6.56m is required to address the maintenance backlog in respect of Jersey's highways. This amount is considered to be sufficient in terms of what is also deliverable regarding the scheduling of works on Jersey's roads.

**FINDING 4.32**

Funding of £7,850,000 in 2020 and £4,000,000 in 2021 for the Sewage Treatment Works is requested in this Government Plan to enable its completion. £29m in funding allocations has previously been made from the Infrastructure Rolling Vote, which is considered not to be a sustainable funding mechanism going forward.

**FINDING 4.33**

The total funding of £11.85m is considered to be sufficient to deliver the Sewage Treatment Works project to completion.

**FINDING 4.34**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £1,500,000 for 2020 for the drainage foul sewer extensions, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.

**FINDING 4.35**

The business case for Sewage Treatment Works – odour mitigation does not request funding for 2020 and only outlines indicative funding for 2021 of £1,500,000, therefore a States' decision is not required at this time.

**FINDING 4.36**

The business case for Bellozanne Sewage Treatment Works outfall rehabilitation does not request funding for 2020 and only outlines indicative funding for 2023 of £1,000,000, therefore a States' decision is not required at this time.

**FINDING 4.37**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £650,000 for 2020 for the First Tower pumping station upgrade.

**FINDING 4.38**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £500,000 for 2020 for an inert waste site feasibility study.

**FINDING 4.39**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £500,000 for 2020 for the La Collette waste site development, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.

**FINDING 4.40**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £400,000 for 2020 for the Island Public Realm including St. Helier, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.

**FINDING 4.41**

The £580,000 funding requested for 2020 would cover the costs of refitting the Norman Le Brocq fisheries vessel which are required to operate legally on health and safety grounds. The £2,800,000 indicative funding for 2023 will cover the costs of a new build vessel which is required to meet the challenges and pressures on Jersey's fishing territories following Brexit.

**FINDING 4.42**

The Norman Le Brocq vessel is currently the only States owned fisheries vessel and is not deemed adequate in size to deal with fishing disputes which are likely to arise as a result of Brexit.

**FINDING 4.43**

Funding of £4,333,000 is requested in 2020 for the replacement of various fixed assets including elements of the Energy Recovery Facility, pumping stations, La Collette Waste Site and Bellozanne Sewage Treatment Works.

**FINDING 4.44**

There are a number of capital projects which do not require funding decisions for 2020 and only provide indicative funding proposals for 2021-3. The Panel will review these projects in

future Government Plans when requested funding is confirmed and further details are available.

**FINDING 4.45**

This Government Plan is requesting funding approval for 2020-23, totalling £6.5m for a new Vehicle Testing Centre despite the options appraisal not having been concluded. The rationale has been given that this is due to the project being defined as a likely major capital project.

**FINDING 4.46**

The funding requested for the Prison Improvement Works Phase 6(b) is for both 2020 (£1,714,00) and 2021 (£90,000) and will involve the demolition of A, B and C wings and relocation of the Atlas Lock Hub.

**FINDING 4.47**

Funding of £450,000 is requested for 2020 to convert Courtroom 1 in the Magistrates Court Building to be able to accommodate Assize trials (Jury trials). Currently only the Royal Court Building can accommodate an Assize trial.

**FINDING 4.48**

The Chief Minister considers the funding proposals to be sufficient at this time, although the final cost will be dependent on fluctuating prices for construction materials. He also considers the conversion to be sustainable for a minimum of 10 years.

**FINDING 4.49**

There is a discrepancy between page 128 of R.91/2019 and page 149 of the Government Plan as to whether the funding request for Dewberry House is for both 2020 and 2021 or just 2020. The Minister for Justice and Home Affairs confirmed in response to written questions that it is only funding for 2020 which is being requested at this time.

**FINDING 4.50**

It was first identified that Dewberry House was not fit for purpose in 2015.

**FINDING 4.51**

The Minister for Justice and Home Affairs considers that it is impossible to be entirely confident that the level of funding for the project is sufficient, however, the estimate has been based on 'reasonable assumptions and current build costs'.

**FINDING 4.52**

There is a discrepancy between page 128 of R.91/2019 and page 149 of the Government Plan as to whether the funding request for Five Oaks is for both 2020 and 2021 or just 2020. The Department for Health and Social Services has confirmed that it is only funding for 2020 which is being requested at this time.

**FINDING 4.53**

There are no plans to incorporate the relocation of the services provided at Five Oaks into plans for a future hospital at this time.

**FINDING 4.54**

The Minister for Health and Social Services is confident that the funds are sufficient to deliver the project's aims, based on the advice he has been given.

**FINDING 4.55**

The funding requested for Jersey Fleet Management is for the purchase of vehicles that generate an income from internal leases to various Departments of the Government of Jersey.

**FINDING 4.56**

A decision on funding of £553,000 for 2020 is requested for car park maintenance and refurbishment. Further indicative funding proposals are given, including those for car park modernisation plans in 2022-3, although a decision on these proposals is not required until a future Government Plan.

#### **RECOMMENDATION 4.1**

The Panel does not consider the extension of parking charges to be an efficiency as it is a revenue raising initiative. The Panel recommends this be removed from the Efficiencies Plan. If the Minister for Infrastructure wishes to continue with this measure, a full impact assessment on the proposal to extend the hours for parking charges should be provided to the Environment, Housing and Infrastructure Scrutiny Panel for proper scrutiny prior to actioning the proposal.

#### **RECOMMENDATION 4.2**

The Council of Ministers should ensure that detailed strategic direction on how to deliver the action 'enhance the St. Helier Urban Environment' is provided in 2020 for the next annual approval of the Government Plan 2021, including more robust leadership and co-ordination to deliver on the intended aims.

#### **RECOMMENDATION 4.3**

The Minister for Children and Housing should, by the end of February 2020, provide more robust estimations which are backed up by more extensive evidence-based research for the delivery of long-term housing policies and initiatives.

#### **RECOMMENDATION 4.4**

The Minister for Children and Housing should ensure that, for the next Government Plan, a clear proposal is provided in the business case detailing what will be self-funded and what will be Government funded and that appropriate stakeholder engagement and consultation is carried out when developing this proposal.

#### **RECOMMENDATION 4.5**

The transfer of £5m in funds currently proposed to come from the Consolidated Fund should instead be transferred from the Strategic Reserve Fund.

#### **RECOMMENDATION 4.6**

The Department for Strategic Policy, Planning and Performance should carry out improved stakeholder engagement, even in the initial planning stages of policy proposals for a Carbon Neutral Strategy and Sustainable Transport Policy, in order to take on board crucial feedback, expertise and, where appropriate, recommendations from key stakeholders. This should be started before the end of Q4 2020.

#### **RECOMMENDATION 4.7**

Impact assessments and consultation with the commercial sector should be undertaken in respect of the proposed increases in fuel duty before January 2020.

#### **RECOMMENDATION 4.8**

The Panel recommends that the Minister for the Environment and the Minister for Infrastructure should take a joint lead approach to delivering this project throughout the remainder of 2019 and until the project's completion, in order to ensure the highest level of expertise, collaboration and political oversight.

#### **RECOMMENDATION 4.9**

The Minister for Economic Development, Tourism, Sport and Culture should provide the Environment, Housing and Infrastructure Scrutiny Panel with quarterly cost-benefit updates,

starting from January 2020, detailing how the requested funds for the Jersey National Park have been spent and what has been achieved.

**RECOMMENDATION 4.10**

In order to demonstrate clear political accountability, all business cases within the Government Plan, including for projects driven by Non-Ministerial Departments and capital projects, should clearly state a Lead or 'Accountable' Minister / Assembly Committee or Panel in order to demonstrate clear, transparent political accountability and leadership for the project's delivery. The Council of Ministers should incorporate this for the next Government Plan 2021.

**RECOMMENDATION 4.11**

The Minister for Infrastructure should provide the Environment, Housing and Infrastructure Panel with a report on the outcome of the options appraisal for a vehicle testing centre as soon as this has been concluded.

**RECOMMENDATION 4.12**

The Panel recommends that further information is provided in the next Government Plan outlining how future requests for funding will take into account the purchase of electric vehicles, which are generally more expensive than other fossil fuel vehicles.

## 4.5 Departmental Budgets and Efficiencies

### Departmental Budgets

The following table provides a summary of the proposed expenditure for the Growth, Housing and Environment Department:

Summary Table 3(i) Proposed 2020 Revenue Heads of Expenditure <sup>3</sup>			
	Income (£000)	Expenditure (£000)	Head of Expenditure (£000)
Growth, Housing and Environment	37,975	102,377	64,402

The Panel requested a further breakdown of how this figure is allocated across the wide remit of the Department, as well as the expenditure for 2019. The following information was provided to the Panel on the 27<sup>th</sup> September 2019<sup>4</sup>:

2019 Net Revenue Expenditure (£000)	Service Area	2020		
		Income (£000)	Expenditure (£000)	Net Revenue Expenditure (£000)
163	GHE - General	(371)	534	163
17,680	Economy & Partnerships	(5,153)	25,782	20,629
3,357	Natural Environment	(769)	4,321	3,552
19,533	Operations & Transport	(19,768)	46,224	26,456
12,545	Property & Capital Delivery	(4,739)	17,284	12,545
1,057	Regulation	(7,174)	8,231	1,057
<b>54,335</b>	<b>Net Revenue Expenditure</b>	<b>(37,975)</b>	<b>102,377</b>	<b>64,402</b>

These figures correspond with the figures in the Government Plan. However, the draft Business Plans<sup>5</sup> for each department were subsequently published on 23<sup>rd</sup> October 2019 and

<sup>3</sup> [Proposed Government Plan 2020-2023 – P.71/2019 - Appendix 2](#)

<sup>4</sup> Email from the Ministerial Support Unit to all Panels, 27<sup>th</sup> September 2019

<sup>5</sup> [Departmental Operational Business Plans 2020](#)



details the Heads of Expenditure figures *including* efficiencies. Therefore, the figures in the draft Business Plan are less than the figures detailed above:

Changes to GHE Departmental Budget Heads of Expenditure <sup>6</sup>			
	2020 Budget (£000)	Efficiencies (£000)	2020 Revised Budget (£000)
Growth, Housing and Environment	64,402	(2,159)	62,243

The Panel further notes that much of the project policy work under the Environment, Housing and Infrastructure remit sits with the Strategic Policy, Performance and Population Department, with the proposed Head of Expenditure for 2020 being set at £12,508,000.

The Government Plan states that, as expenditure is approved based on departments, it therefore does not directly align with areas of Ministerial responsibility. However, an indicative mapping of departmental allocations to Ministers' portfolios is included on page 138 of the Plan. The 2020 resources allocated to the Ministers within this Panel's remit are as follows:

Resources mapped to Ministerial portfolios <sup>7</sup>	
Minister	2020 Allocation (£000)
Minister for Children and Housing	31,557
Minister for Infrastructure	39,379
Minister for the Environment	7,259

The Panel would have liked to have seen these breakdowns provided for each Minister as an Appendix to the Government Plan, in order to identify more easily where the money is coming from and how they translate / correspond with Department budgets.

In a public hearing, the Panel questioned the Minister for the Environment as to whether he considered the budget allocated to environment related department operations and projects was sufficient, given that previous resources allocated to the former Department for Environment under previous Medium-Term Financial Plans (MTFP) had not been considered sufficient. The Minister responded as follows:

***The Minister for the Environment:***

*The answer is a qualified yes, for now it is a good start. My position is well known. A starting point on this is that budgets for the environmental functions or the functions*

<sup>6</sup> [Efficiencies Plan 2020-23 p .49](#)

<sup>7</sup> [Proposed Government Plan 2020-2023 – P.71/2019 p. 138](#)

*that sit within the Minister for the Environment is around £4 million, which is a net budget. That is a very minuscule amount of money compared with the States overall budget. I think it is about 0.5 per cent. I have always thought that falls well short of what is really needed to bring the Environment more into balance with the way we put money into our economy. But nonetheless, what we have had to do is be practical about it. It is a major start that the new Council of Ministers, of which I was pleased to join, has decided to make the Environment a priority. Therefore that was one of our 5, which meant that it has therefore received favourable treatment in the plan and there are additional funds in there...I think that, relative to the very poor amount of money that has been historically spent on the environment, it is a very, very significant improvement but is it enough to, I think, transform the situation? I think the jury is out on that. The way I see it, is this is a plan for 2020. There are illustrative figures in 2021, 2022 and 2023, but there is no doubt about it, that as we progress we will be certainly revising those figures and I believe we will be revising them upwards.<sup>8</sup>*

Given the degree of uncertainty surrounding whether the allocated funding to the environment is considered sufficient, as well as noting that the Minister for the Environment receives the lowest allocation out of all the Ministers, the Panel requested a breakdown of the figures regarding the Minister for the Environment's allocation of £7.3m (see Government Plan page 138). The following breakdown was provided:<sup>9</sup>

Breakdown of funding allocation to Minister for the Environment				
<b>Protecting our environment</b>	Embracing environmental innovation and ambition	Climate Emergency Fund	(£000)	<b>Government Plan pg. no.</b>
			2000	205
	Protecting the natural environment	Assessment of public infrastructure and resources	150	205
		Countryside access	195	205
Improving the built environment	Island Plan Review	650	205	
<b>Total</b>			2995	
Base budget			4264	
Total			4264	
<b>Overall Total</b>			<b>7259</b>	

<sup>8</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p. 2](#)

<sup>9</sup> Email correspondence from the Ministerial Support Unit to the Environment, Housing and Infrastructure Panel on 11<sup>th</sup> October 2019.

It is difficult for the Panel to ascertain whether the funding for the environment remit of Growth, Housing and Environment is a sufficient improvement on previous years due to the way the figures have been presented in the Government Plan, as we are unable to easily draw direct comparisons with the previous MTFP. Given that, to a certain extent, the Minister for the Environment is also reserving judgment on whether the environment remit has received sufficient funding, the Panel remains unconvinced that the funding provides as much investment as there should be after having declared a climate emergency.

The Panel would have liked to have seen the figures displayed in the Government Plan in an easier, more translatable way, in order to easily identify comparisons with previous years' funding under the MTFP.

## Efficiencies

The Government Plan proposes £40m of efficiency savings in 2020. Of this total, £7m is increased tax revenues arising from more efficient tax collection. The remaining £33m is included at the bottom of Summary Table 3(i) Proposed 2020 Revenue Heads of Expenditure in Appendix 2 of P.71/2019.

### Growth, Housing and Environment (GHE)

The Departmental Business Plan for GHE outlines overall proposed efficiencies as follows:

GHE Efficiency Targets 2020 <sup>10</sup>	
Efficiency Targets	(£000)
Departmental (Target Operating Model)	500
Efficient commercial operations	1,500
Efficient organisational structures	75
Modern and efficient workforce	84
<b>TOTAL</b>	<b>2,159</b>

Further information provided in the Efficiencies Plan 2020-23<sup>11</sup> informs that approximately £500k of this £33m will come from a spend reduction in the Target Operating Model for the GHE Department. The Target Operating Model is aimed at achieving the re-organisation of staffing and it is anticipated the reorganisation and redesign of tier 3 and 4 of the GHE Department will achieve savings of approximately £500,000. However, it is stressed in the Efficiencies Plan that until the structure is complete and appointments made at tiers 3 and 4, it is not yet possible to be certain of the final outcome.

In addition, the Efficiencies Plan also proposes to extend the hours of parking charges from the present 8am-5pm to 7am-6pm, asserting that doing so will increase revenue by £700k and enable Government to achieve *“a financial return in excess of the cost of delivering the service.”*<sup>12</sup>

<sup>10</sup> [Departmental Operational Business Plans 2020, p. 134](#)

<sup>11</sup> [Efficiencies Plan 2020-23 p .49](#)

<sup>12</sup> [Efficiencies Plan 2020-23 p .49](#)

The Panel questions whether this is a true 'efficiency' as instead of saving the public money, it imposes a cost rise to increase revenue. As acknowledged in the Efficiencies Plan there is no guarantee that this will increase revenue as forecasted, as the demand for parking may reduce as a result. Additionally, the required cost of increased enforcement may reduce overall income. If it does, this could result in a situation where higher parking costs are imposed on the public with little to no extra revenue to show for it. The Efficiencies Plan further notes that this will be analysed in greater detail to determine the impact. The Panel is of the view that this impact assessment should have been carried out before being proposed in the Efficiencies Plan. The Panel considers it imperative that these proposals are subject to full and proper scrutiny before they are actioned.

### **Key Findings**



#### **FINDING 4.1**

The total Heads of Expenditure for the Department for Growth, Housing and Environment is £64.4m, although the proposed efficiencies are hoped to reduce this figure to £62.2m. In respect of Ministerial allocations, the Minister for the Environment receives the lowest allocation of funding (£7.3m) for his remit out of all the Council of Ministers.



#### **FINDING 4.2**

There are historic concerns that the former Environment Department was under-resourced and under-funded and there is still uncertainty as to whether the proposed funding under this Government Plan is sufficient enough to adequately deliver the operations, functions and projects within the Environment remit of Growth, Housing and Environment.



#### **FINDING 4.3**

A total of 40m in efficiency savings is proposed for 2020. In respect of Growth, Housing and Environment, £2.2m in efficiency savings is planned, £500k of which is planned to come from a spend reduction in the Target Operating Model (staffing re-organisation) for the Department for Growth, Housing and Environment. However, as the new structure is not yet complete, it is not yet possible to be certain of the final outcome.



#### **FINDING 4.4**

A further £700k is proposed to come from increasing revenue by extending the hours parking charge hours from 8am-5pm to 7am-6pm, although the full impact of this proposal is unknown.

### **Recommendations**













#### **RECOMMENDATION 4.1**


















The Panel does not consider the extension of parking charges to be an efficiency as it is a revenue raising initiative. The Panel recommends this be removed from the Efficiencies Plan. If the Minister for Infrastructure wishes to continue with this measure, a full impact assessment on the proposal to extend the hours for parking charges should be provided to the Environment, Housing and Infrastructure Scrutiny Panel for proper scrutiny prior to actioning the proposal.

## 4.6 Actions, Programs and Capital Projects Reviewed




















The tables included below provide a summary of each action, program and capital project, the Common Strategic Policy (CSP) reference (where applicable), the Scrutiny 'RAG' (red, amber, green) rating, and the page number within this report where each is discussed in further detail.

Actions			
Action	CSP reference	Page number	Scrutiny RAG Status
Produce a Shoreline Management Plan	N/A	19	
Enhance the St. Helier urban environment	N/A	20	

Additional Revenue Programs			
Program	CSP reference	Page number	Scrutiny RAG Status
Long-term housing policy	CSP4-2-01	22	
Rights for tenants	CSP4-2-02	25	
Climate Emergency Fund	CSP5-1-01	27	
Assessment of public infrastructure and resources	CSP5-2-01	32	
Countryside access	CSP5-2-02	34	
Jersey National Park	CSP5-2-03	36	
Island Plan Review	CSP5-3-01	39	
Government House refurbishment	OI-Non-02	42	

Capital Expenditure Projects			
Capital Project	CSP reference	Page number	Scrutiny RAG Status
<b>Prefeasibility vote</b>			
Jersey Instrumental Music Service premises	1	44	
VCP replacement school	1	44	
North of St Helier Youth Centre	1	44	
Le Squez Youth Centre/Community Hubs	1	44	
Rouge Bouillon site review	1	44	
Mont a l'Abbe secondary school	1	44	
Review of Greenfields	1	44	
Piquet House – Family Court	1	44	
Further education campus	3	44	
Infrastructure funding	O14	44	
<b>Infrastructure including the Rolling Vote</b>			
Rolling Vote	5	45	
Sewage Treatment Works (existing major project)	5	47	
Drainage Foul Sewer extensions	5	48	
STW odour mitigation (P.115/2017)	5	49	
Bellozanne STW outfall rehabilitation	5	49	
First Tower Pumping Station upgrade	5	50	
Inert waste site feasibility	5	50	
La Collette Waste Site development	5	51	
Island public realm, including St Helier	5	52	
<b>Replacement assets</b>			
Refit and replacement of Fisheries protection vessel and auxiliary vessels	5	53	
Replacement assets and minor capital	5	54	




<b>Estates including new schools</b>			
Jersey Instrumental Music Service premises	1	55	
VCP replacement School	1	55	
Le Squez Youth Centre/Community Hubs	1	55	
North of St Helier Youth Centre	1	55	
St Aubin Fort upgrade	1	55	
Mont a l'Abbe secondary school	1	55	
Review of Greenfields	1	55	
Elizabeth Castle development	5	55	
Vehicle Testing Centre (major project)	5	57	
Prison Improvement Works – Phase 6b	2	59	
Prison Phase 7	2	55	
Prison Phase 8	2	55	
Conversion Courtroom 1 Magistrates Court	2	60	
Dewberry House SARC	2	62	
Piquet House – Family Court	2	55	
Five Oaks refurbishment	2	63	
Rouge Bouillon Site review outcome	2	55	
<b>Trading Operations</b>			
Jersey Fleet Management	5	65	
Jersey Car Parking	5	66	

## 4.7 Reports on Specific Actions and Business Cases

### Actions not linked to a Business Case

The following two actions that were allocated to the Panel to examine are not linked to a business case.

Protect the environment – Produce a Shoreline Management Plan	
Minister(s)	Scrutiny RAG Status
Minister for the Environment	

### Summary Report

On page 85 of the Government Plan, one of the actions specified under ‘Improve the built environment’ is to produce a Shoreline Management Plan. This action pledges to<sup>13</sup>:

Produce a Shoreline Management Plan. Outputs from an extensive technical analysis and wide-ranging public engagement in 2019 will be incorporated into the Island Plan throughout 2020. Work in 2020 will also include the design and public consideration of initial shoreline management infrastructure schemes, in order that they can be delivered, in a phased way, throughout the Government Plan period in order to make our coastline more resilient to the effects of climate change.

In the public hearing, the Panel questioned the Minister for the Environment as to why this action did not relate to a business case for additional investment or a capital project. The Minister advised the Panel that this was due to the fact that funding had already been approved and the Shoreline Management Plan was due to be finalised and published before the end of 2019. The Panel therefore has no concerns relating to the funding of this action in the proposed Government Plan.


### Key Findings



#### FINDING 4.5

The Panel found that there is no funding request for the Shoreline Management Plan in the proposed Government Plan as funding has previously been approved.

<sup>13</sup> [Proposed Government Plan 2020-2023 – P.71/2019 p. 85](#)

Protect the environment – Enhance the St. Helier Urban Environment	
Minister(s)	Scrutiny RAG Status
Minister for the Environment	

### Summary Report

On page 86 of the Government Plan, one of the actions specified under ‘Invest in our infrastructure (capital investment)’ is to enhance the St. Helier urban environment. This action pledges to<sup>14</sup>:

Shape plans to enhance the St Helier urban environment (set out in our 2020 plan for a sustainable, vibrant economy, above) so that environmental improvements are prioritised – such as legibility enhancements to the public realm, tree planting, and access to high quality open spaces.

In public hearings the Panel questioned both the Minister for Infrastructure and the Minister for the Environment as to why this action did not relate to a business case. In the public hearing with the Minister for Infrastructure, when questioned on why this action did not link to an expression of interest for additional investment or a capital project, the Panel was advised:

**Director General, Growth, Housing and Environment:**

*There is funding available through receipts from S.O.J.D.C. (States of Jersey Development Company).*

**Director of Transport:**

*Basically, within the Government Plan for Island public realm, including St. Helier, there is a provision for £400,000 next year... We have the developing southwest of town planning framework and the measures that are included within the States of Jersey Development Company. We also have the northwest of town master plan. We have a town cycle network, which is being developed, and the eastern cycle network and western cycle network. The intention for that £400,000 is to start pulling all those different aspects together into a cohesive and legible programme of works.<sup>15</sup>*

When asked a similar question in the public hearing with the Minister for the Environment, the Panel was advised:

**Minister for the Environment:**

*In terms of making things happen, I am disappointed that we have not gone express provision in the Government Plan for this... we need probably at least £25 million to be able to make a significant difference with land acquisition, creation of public realm, improved spaces and so on with a major programme. We have not got it, I think, as an express provision, and nor do we have unfortunately yet the ministerial structure to*

<sup>14</sup> [Proposed Government Plan 2020-2023 – P.71/2019 p. 86](#)

<sup>15</sup> [Public hearing with the Minister for Infrastructure – 19<sup>th</sup> September 2019 – p. 41](#)

*produce an overall coherent strategy for our urban area, which is something the Constable of St. Helier and I are concerned about.*<sup>16</sup>

The Panel is concerned that there currently appears to be a lack of strategic direction around this action in the Government Plan. The Panel is not convinced that adequate funding is in place to achieve the aims of this action. Whilst the Panel was advised that there is a Regeneration Steering Group established to co-ordinate the project, the Panel considers that a more co-ordinated approach to leadership is required, along with improved collaboration with internal and external stakeholders. The Panel has placed this action as amber and will monitor the delivery of this action over forthcoming Government Plans.

### **Key Findings**



#### **FINDING 4.6**

The Panel found that there is £400,000 already set aside to 'enhance the St. Helier Urban Environment' for 2020, however it is questionable as to whether this funding is sufficient enough to achieve the aims set out in the Government Plan.

### **Recommendations**



#### **RECOMMENDATION 4.2**


The Council of Ministers should ensure that detailed strategic direction on how to deliver the action 'enhance the St. Helier Urban Environment' is provided in 2020 for the next annual approval of the Government Plan 2021, including more robust leadership and co-ordination to deliver on the intended aims.

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<sup>16</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p. 27](#)

## Business Cases for Additional Revenue Expenditure

The following business cases are for department programs requiring additional expenditure:

CSP4-2-01 – Reduce inequality – Long-term housing policy			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Publish the Housing Policy Development Board's review</li> <li>➤ Extend the key worker accommodation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Nurturing a diverse and inclusive society</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Preparing for more Islanders living longer</li> </ul>	Minister for Children and Housing	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £140,000**
- 2021: £1,425,000
- 2022: £1,450,000
- 2023: £1,450,000

The business case further states that the Housing Policy Development Board will be considering options to:

- Ensure appropriate renting and ownership choices are available in Jersey
- To help with housing costs
- To increase the supply of land and finance
- To maximise the use of existing stock
- To consider options to reduce the cost of building new homes

To deliver on these supporting these options, it is stated that over 14 million will be available from 2021.<sup>17</sup>

It was not clear to the Panel how the £14 million funding was split and so in response to a written question, the Minister for Children and Housing clarified that the £14 million breaks down into two elements:

**Minister for Children and Housing:**

*The first element, £10 million, will provide homeownership schemes for households who are unable to purchase a home in the open market based on the recommendations of the Housing Policy Development Board.*

*The second element, £4.5 million, relates to a continuation of the funding set out in response to question 1 [to provide housing policy officer support and possible consultancy fees for external support to develop housing policy], and to provide a funding mechanism for recommendations made by the Housing Policy Development*

<sup>17</sup> [R.91/2019 – p. 78-9](#)

*Board in relation to issues such as making the efficient use of existing housing stock (e.g. tackling vacant homes and incentives to support downsizing) and the introduction of support for innovative approaches to housing delivery.<sup>18</sup>*

Page 139 of the Government states that the £10 million in existing funds will be transferred from the States' Consolidated Fund.<sup>19</sup> The Panel requested a breakdown of the £10 million requested for homeownership schemes, however the response was that this was not yet known as it would depend on the types of schemes recommended by the Housing Policy Development Board. When questioned as to how this figure had been estimated, the response was that it was based on funding allocated to a starter home deposit loan scheme in 2013 which provided £3 million to assist with the cost of a deposit when purchasing a home. The Panel is advised that this scheme helped 50 households to purchase a home, and therefore the £3 million figure has been uplifted to reflect the current demand for assisted purchase schemes evidenced by the Affordable Housing Gateway.<sup>20</sup>

The Panel is unconvinced that £10 million is a reliable estimate, given that the types of homeownership schemes have not yet been identified and also given the present scale of housing unaffordability in Jersey.

These concerns are also shared by Andium Homes who wrote the following in their submission to the Panel:

**Andium Homes:**

*We welcome the £10 million investment to support home ownership schemes, albeit it is not clear what these schemes might be. The Government's "Deposit Loan Scheme" which was piloted in 2013 was only obtainable for existing stock, which in our view did nothing for affordability. We strongly believe that any investment in housing must be directed into the supply of new homes...£10 million is not sufficient investment to address the housing issues facing the Island today.<sup>21</sup>*

This business case also encompasses the action 'to extend key worker accommodation'. The Panel questioned the Minister for Children and Housing in the public hearing, asking whether Government had a robust definition of what constitutes a key worker. The response was that only a "guideline definition" presently exists and that more work was required to put in place a definitive definition. The Panel was also advised that the true demand for key worker accommodation was also not yet known and that work was underway to assess the demand. The Panel is therefore concerned that the figures included in the business case do not reflect a robust enough estimation supported by sufficient background research. The Panel considers that for figures of this substantial amount, evidence-based research should be carried out prior to Government Plan funding proposals.

Due to concerns over ambiguous and indeterminate estimations of the funding and delivery of homeownership schemes, as well as key worker accommodation, the Panel has designated this business case amber.

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<sup>18</sup> [Minister for Children and Housing – Response to written questions](#)

<sup>19</sup> [Proposed Government Plan 2020-2023 – P.71/2019 p. 139](#)

<sup>20</sup> [Minister for Children and Housing – Response to written questions](#)

<sup>21</sup> [Andium Homes – Submission](#)



**Key Findings****FINDING 4.7**


The types of homeownership schemes to be funded by the proposed additional investment are not yet known and the estimation of the funds required is based on uplifting a previous deposit scheme which was piloted in 2013.

**FINDING 4.8**

There is currently no robust definition of a 'key worker' only a guideline. The true demand of accommodation for key workers is also unknown.

**Recommendations****RECOMMENDATION 4.3**

The Minister for Children and Housing should, by the end of February 2020, provide more robust estimations which are backed up by more extensive evidence-based research for the delivery of long-term housing policies and initiatives.

CSP4-2-02 – Reduce inequality – Rights for tenants			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Improve support and protection of tenants</li> </ul>	<ul style="list-style-type: none"> <li>➤ Nurturing a diverse and inclusive society</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Preparing for more Islanders living longer</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for Children and Housing	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £110,000**
- 2021: £680,000
- 2022: £380,000
- 2023: £380,000

The business case further states that the aim of this project is to strengthen the legal protection of tenants in both the private and social rented housing sectors. This will include<sup>22</sup>:

- Setting up a new ‘Housing Options’ service to sign-post people to appropriate housing support
- Extending the Discrimination Law to cover the provision of accommodation for parents with Children
- Introducing a legal framework to control letting fees that can legally be charged.
- Introducing measures in the Residential Tenancy Law to provide additional security of tenure and rent stabilisation
- Reappointing a tenancy deposit scheme provider in November 2020
- Establishing a social housing regulator

The business case stresses that some of these projects could be self-funding. However, if Government fully funds solutions, there will be ongoing costs for the Housing Options service, social housing regulator and a rent tribunal and deposit scheme.

As the £110,000 for 2020 is being requested now for this Government Plan, the Panel requested a breakdown of this allocation of funding and was advised that the funding, if secured, would cover part year funding for a Housing Options service<sup>23</sup>. The Panel is satisfied

<sup>22</sup> [R.91/2019 – p. 80](#)

<sup>23</sup> [Minister for Children and Housing – Response to Written Questions](#)

with the proposed funding for the 2020 element of funding a Housing Options service based on the recommendation made in the independent 'Review of Access to Social Housing'.

With regard to funding for 2021-23 and the suggestion in the business case that some of these projects could be self-funding, following the public hearing with the Minister for Children there still remains ambiguity around how projects could be self-funded. Whilst assurances were given in the public hearing that regulation is proposed to be at no cost for social housing providers<sup>24</sup>, the Panel is still nonetheless concerned that much is still unknown and that there needs to be further consultation and engagement with stakeholders. The Panel considers that any such proposals brought forward will require further scrutiny at that time.

This ambiguity which remains around what will be self-funding and what will Government funded is why the Panel has designated this business case amber. The Panel will monitor the progress of these projects and the funding requests made in future Government Plans.

### **Key Findings**



#### **FINDING 4.9**

The £110,000 funding requested for 2020 would cover part year funding for a Housing Options service.



#### **FINDING 4.10**

There is ambiguity around the indicative funding requests for 2021-23 and how projects could be self-funded, suggesting that further work needs to be done to provide a more informed estimation of the figures.

### **Recommendations**




#### **RECOMMENDATION 4.4**

The Minister for Children and Housing should ensure that, for the next Government Plan, a clear proposal is provided in the business case detailing what will be self-funded and what will be Government funded and that appropriate stakeholder engagement and consultation is carried out when developing this proposal.

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<sup>24</sup> [Public hearing with the Minister for Children and Housing, 1<sup>st</sup> October 2019, p. 12](#)

CSP5-1-01 – Protect our environment – Climate emergency fund			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Tackle the climate emergency</li> <li>➤ Develop a new Sustainable Transport Plan</li> <li>➤ Fully design and propose changes to how we price and cost pollution</li> <li>➤ Enhance environmental protection</li> </ul>	Not provided in full business case	Minister for the Environment	

### Summary Report

The business case in R.91/2019 proposes a transfer of £5m from the Consolidated Fund in 2020 and outlines forecasted income and expenditure for 2020- 23 as follows:

Climate Emergency Fund	2020 (£000)	2021 (£000)	2022 (£000)	2023 (£000)
Opening Balance	0	4,455	4,005	4,705
Income	2,000	3,000	4,000	4,000
Expenditure	(2,545)	(3,450)	(3,300)	(3,300)
Transfers	5,000	0	0	0
Closing Balance	4,455	4,005	4,705	5,405

In the public hearing with the Minister for the Environment, the Panel questioned why the transfer to the Climate Emergency Fund of £5m was proposed from the Consolidated Fund and not the Strategic Reserve Fund which is “to be used in exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster”.<sup>25</sup> The Minister responded that he was not aware of the reason why the Consolidated Fund was the preferred choice to transfer the funds from and that he was not given a choice as to the source of the funds.<sup>26</sup>

In further correspondence that was received from the Department for Treasury and Exchequer, the Panel was advised that the transferring the funds from the Strategic Reserve Fund was not consistent with the purposes of that Fund and would establish a precedent of using the Fund to fund carbon neutrality into the future, when depleted reserves could leave the Island at risk in the future.<sup>27</sup> The Panel is nonetheless of the opinion that the Climate

<sup>25</sup> [Establishment of a stabilisation fund and policy for strategic reserve – 24<sup>th</sup> October 2006](#)

<sup>26</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p.10](#)

<sup>27</sup> Email correspondence to the Environment, Housing and Infrastructure Panel from the Department for Treasury and Exchequer, 9<sup>th</sup> October 2019.

Emergency Fund is 'emergency' funding to prevent and mitigate against the potential of any future natural disaster and therefore funding should be borne out of the Strategic Reserve Fund. The Panel considers the source of funding to be important in terms of who is paying for the Climate Emergency Fund. With the Consolidated Fund acting as the Government of Jersey's 'current account' it would mean that last year's tax payers are bearing the costs of the Climate Emergency Fund. Given that climate change is a cross-generational issue, the Panel considers it appropriate and fair that the £5m transfer to Climate Emergency Fund is made through the Strategic Reserve Fund, which has been built up through contributions from multi-generational tax-payers.

The source of income from 2020-23 is proposed to come from a rise in fuel duty as well as depositing the balance of the income raised above Retail Prices Index (RPI) into the Climate Emergency Fund. The expenditure noted in the table above is for the initiatives noted in the business case in R.91/2019, such as the development of a Carbon Neutral Strategy, Sustainable Transport Policy and other relevant expenditure deemed necessary to 'strengthen environmental protection'. Further breakdown of the amounts for each initiative is provided in R.91/2019 pages 85-7.<sup>28</sup>

With regard to the Sustainable Transport Policy, the Panel questioned the Minister for Infrastructure as to how the £1.55m proposed funding for sustainable transport initiatives had been estimated, given that it is acknowledged in the business case that it is not possible to define the exact policies or initiatives until the Sustainable Transport Policy is agreed. The Minister for Infrastructure provided the following written response:

**Minister for Infrastructure:**

*The £1.55M is noted as illustrative expenditure and has been identified on the basis of a selection of likely schemes and initiatives that have been identified as 'no regrets' i.e. are likely to form the basis of any interventions proposed within a new STP. They have been costed using professional's experience and scheduled according to their likely feasibility in the 2020 delivery timescales available<sup>29</sup>*

On the basis of these estimates, the Panel questioned the Minister for Infrastructure as to whether he considered the requested funding to be sufficient to meet the aims of the Climate Emergency Fund. His response was as follows:

**Minister for Infrastructure:**

*The Climate Emergency Fund has been proposed as a way to initiate funding to support the transition to a carbon neutral island. The exact form and timescale of this transition is yet to be defined in the Carbon Neutral Strategy and the subsequent States debate therefore we do not know the detailed costs yet. Nevertheless they are likely to be substantial and so the Climate Emergency Fund is being initiated with £5M<sup>30</sup>*

When posed the same question, the Minister for the Environment gave the same response, although adding that "we are confident that the smaller and more tangible and time limited projects are more easily costed and thus the resourcing is more accurate (i.e. Species and habitat protection, Invasive and non-native species, Marine environment research)"<sup>31</sup> The Panel therefore notes that there is currently a large degree of ambiguity surrounding the funding sufficiency of the Climate Emergency Fund.

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<sup>28</sup> [R.91/2019 – p. 85-7](#)

<sup>29</sup> [Minister for Infrastructure – Response to Written Questions](#)

<sup>30</sup> [Minister for Infrastructure – Response to Written Questions](#)

<sup>31</sup> [Minister for the Environment – Response to Written Questions](#)

Jersey Electricity commented in their submission that they had not yet had line of sight to any analysis from Government on the way in which it proposed to facilitate a carbon neutral future. Jersey Electricity further note that documentation in the public domain “*does not fully consider the present, somewhat unique ‘starting position’ of the energy system in Jersey and the significant advantages this offers in enabling a carbon neutral future.*” They say in their submission that “*not taking advantage of [the access that Jersey has to significant volumes of cost-effective, on demand, low carbon, imported electricity] may lead to significantly higher energy costs and/ or taxation to subsidise on-island renewables than might otherwise be the case.*”<sup>32</sup>

In the public hearing with the Minister for the Environment, the Panel questioned what engagement there was with the Jersey Energy Forum (of which Jersey Electricity is a member) on the Carbon Neutral Strategy. The response given was that the Forum had met three times, but that “*the fundamental development work for the Carbon Neutral Strategy lies with the Council of Ministers who are of course charged to lead this piece.*”<sup>33</sup>

The Panel is therefore concerned by the possibility that Government is nearing completion on an initial Carbon Neutral Strategy and there does not appear to have been adequate engagement with key stakeholders on this work.

Jersey Electricity further commented, in respect of the Sustainable Transport Policy, that they support the range of measures currently being considered by Government – such as more extensive public transport, car clubs, personal mobility. However, they believe that this might be extended to providing “*broader and deeper incentives for low carbon private vehicles (as was contemplated in the Energy Plan 2012)*”, on the basis that the car is likely to remain essential for many residents over the 10 years to 2030.<sup>34</sup>

In their submission to the Panel, Ronez are supportive of initiatives to reduce emissions, however they express concerns regarding the fuel duty rises and the impact this will have on their business:

**Ronez:**

*I am supportive in principle of the need to resource initiatives to reduce emissions and influence climate change. Establishing a climate fund is a reasonable objective. However, the level of additional duty will not in itself influence vehicle use. It is generally accepted that to do so would require fuel costs to increase by a very substantial factor and anything less will purely be borne by the user, driving inflation and hence wage demands, in an unhelpful circle. As a moderately intensive user of fuel, the additional cost to Ronez, all else being equal, would be £30-40,000 per year by 2022, which would inevitably be passed on in the cost of goods and services.*<sup>35</sup>

In the public hearing, the Panel questioned the Minister for the Environment on whether the commercial sector had been consulted on the proposals, to understand the impact an increase in fuel duty would have on their operations, and ultimately Jersey’s economy. The response given was that Government had not had that discussion with local businesses.<sup>36</sup>

Ronez also comment in their submission that they are able to develop and produce locally, products with a lower environmental impact, but that these products have not been

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<sup>32</sup> [Jersey Electricity – Submission](#)

<sup>33</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p.5-6](#)

<sup>34</sup> [Jersey Electricity – Submission](#)

<sup>35</sup> [Ronez - Submission](#)

<sup>36</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p. 37-8](#)

encouraged by Jersey's Government in the way that similar products have been adopted in the UK.<sup>37</sup> The Panel therefore notes that there needs to be considerably more engagement and collaboration between Government and stakeholders, to produce environmentally friendly initiatives and outcomes.

In another submission to the Panel, Earth Project Jersey raises concerns regarding the level of funding on background research and reports and how long it will take to start putting any initiatives into place:

**Earth Project Jersey:**

*...it is clear that it is going to cost a substantial amount to bring this work to fruition... how much is going to be spent on research and reports before any action is even contemplated? I can find no evidence of any great activity on behalf of the government, the private sector is ready willing and able to provide information and solutions here and now...<sup>38</sup>*

The Panel has designated this business case amber due to concerns in respect of the potential impact of proposed fuel duty increases on businesses. The Panel considers that this requires further investigation / impact assessment. There is also uncertainty over how much will be spent before actual climate emergency initiatives are put into place. The Panel is also in disagreement in respect of the £5m transfer from the Consolidated Fund and is of the belief that this should instead be transferred from the Strategic Reserve Fund.

**Key Findings**



**FINDING 4.11**

The Climate Emergency Fund business case proposes a one-off transfer of £5m from the Consolidated Fund in 2020 and outlines forecasted income of £2,000,000 and expenditure of £2,545,000 for 2020. Income is expected to come from a rise in fuel duty, as well as depositing the balance of the income raised above Retail Prices Index (RPI).



**FINDING 4.12**

The Climate Emergency Fund is proposed to fund the development of a Carbon Neutral Strategy, Sustainable Transport Policy and various other expenditure to 'strengthen environmental protection.'



**FINDING 4.13**

An estimate of £1.55m of the Climate Emergency Fund is proposed for the funding of sustainable transport initiatives although it was acknowledged in the business case that it is not possible to define the exact policies or initiatives until the Sustainable Transport Policy is agreed.



**FINDING 4.14**

There is a large degree of uncertainty over whether the proposed funding of the Climate Emergency Fund will be sufficient to deliver the aims of the project and any tangible results.

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<sup>37</sup> [Ronez – Submission](#)

<sup>38</sup> [Earth Project Jersey - Submission](#)



**FINDING 4.15**

There is lack of clarity as to whether there has been adequate engagement and discussion with key stakeholders on the Carbon Neutral Strategy.

**FINDING 4.16**

The commercial sector was not consulted on proposals to increase fuel duty and a thorough impact assessment was not carried out as to how the proposals would especially affect businesses with large vehicle fleets.

***Recommendations*****RECOMMENDATION 4.5**

The transfer of £5m in funds currently proposed to come from the Consolidated Fund should instead be transferred from the Strategic Reserve Fund.

**RECOMMENDATION 4.6**

The Department for Strategic Policy, Planning and Performance should carry out improved stakeholder engagement, even in the initial planning stages of policy proposals for a Carbon Neutral Strategy and Sustainable Transport Policy, in order to take on board crucial feedback, expertise and, where appropriate, recommendations from key stakeholders. This should be started before the end of Q4 2020.


**RECOMMENDATION 4.7**

Impact assessments and consultation with the commercial sector should be undertaken in respect of the proposed increases in fuel duty before January 2020.

***Amendments recommended***

The Panel will be recommending two amendments to the Government Plan as follows:

1. To change the source of the transfer of £5m in funds from the Consolidated Fund (as currently proposed) to the Strategic Reserve Fund for the reasons outlined above.
2. To reduce the proposed increase in fuel duty from 6p to 4p until such time as the Sustainable Transport Plan is agreed by the States Assembly; and a full impact assessment has been undertaken to assess any impact on the commercial sector, as well as any unintended consequences for inflation this might have with the potential for this increase to be passed onto consumers.

CSP5-2-01 – Protect our environment - Assessment of public infrastructure and resources			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Review our public and infrastructure and natural resources</li> </ul>	<ul style="list-style-type: none"> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Exploring the opportunities offered by digital</li> <li>➤ Improving transport and infrastructure links.</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for the Environment	

### Summary Report

The business case in R.91/2019 requests £150,000 funding for 2020 only. The business case further states that this funding will enable the procurement of an external partner to develop an infrastructure model, carry out assessments and develop a future Island Infrastructure Plan.

The rationale provided for carrying out this work is due to current work streams being undertaken to consider migration and housing, which will ask questions of the Island's infrastructure and therefore it being considered necessary to review the carrying capacity and longevity of current and planned social and public infrastructure and resources.<sup>39</sup>

When questioned as to whether he was confident that the funding request allocated to this project was sufficient to meet the project's aims, the Minister for Infrastructure responded:

**Minister for Infrastructure:**

*The total cost is based on day rates and costs of previous studies of an estimated similar volume of works (detailed information is commercially sensitive) e.g. review of electricity standby charge 2019; shoreline management plan 2018/2019.<sup>40</sup>*

When asked the same question the Minister for Environment gave the same response, adding that "we are therefore currently confident that the resource request is sufficient".<sup>41</sup>

<sup>39</sup> [R.91/2019 – p. 88](#)

<sup>40</sup> [Minister for Infrastructure – Response to Written Questions](#)

<sup>41</sup> [Minister for the Environment – Response to Written Questions](#)

The Panel questioned the Minister for Infrastructure as to why the Minister for the Environment was the Lead Minister for this project. The Panel was advised that this was due to the fact that this particular piece of work feeds directly into the Island Plan for which the Minister for the Environment is responsible.<sup>42</sup>

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### **Key Findings**



#### **FINDING 4.17**

The £150,000 funding requested for 2020 would provide funding for an external partner to develop an infrastructure model, carry out assessments and develop a future Island Infrastructure Plan.



#### **FINDING 4.18**

The Minister for the Environment is the Lead Minister for the assessment of public infrastructure business case, not the Minister for Infrastructure, as this work feeds directly into the Island Plan for which the Minister for the Environment is responsible.

### **Recommendations**




#### **RECOMMENDATION 4.8**

The Panel recommends that the Minister for the Environment and the Minister for Infrastructure should take a joint lead approach to delivering this project throughout the remainder of 2019 and until the project's completion, in order to ensure the highest level of expertise, collaboration and political oversight.

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<sup>42</sup> [Public hearing with the Minister for Infrastructure, 19<sup>th</sup> September 2019, p.37](#)

CSP5-2-02 – Protect our environment - Countryside access			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Improve countryside access</li> </ul>	<ul style="list-style-type: none"> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Preparing for more Islanders living longer</li> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for the Environment	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £195,000**
- 2021: £215,000
- 2022: £165,000
- 2023: £90,000

The business case further states that the aim of this project is to provide:

- User needs research to identify how people use the current network and how best to adapt it to future leisure activities
- A signage strategy to provide clear route marking and health and safety message
- A network of multi-user paths
- Additional countryside routes
- Maintenance of the current and predicted future growth of the network

The Panel requested, from the Minister for the Environment, a further breakdown of the proposed funding. The response was as follows:

#### **Minister for the Environment:**

*Contractual management and improvement of the path network as follows:*

2020 – 150k, 2021 – 170k, 2022 – 120k and 2023 - 90k

And staff costs as follows:

2020 – 45k, 2021 – 46.3k, 2022 – 47.7k and 2023 - 49k<sup>43</sup>

In addition to this, in response to whether the Minister considered that the funding requested was sufficient to meet the aims of the project, he responded that the funding refers to expected contracted rates for the infrastructure works, as well as staff costs and he is confident that the requested funding is adequate.<sup>44</sup>

The Panel also questioned the Minister for Infrastructure as to what involvement, if any, he had with this project. The Minister for Infrastructure advised that both himself and the Minister for the Environment worked together in the 'CSP5 working group' in Summer 2018 which established the importance of improving access to the countryside and further investment in access infrastructure. In addition, more recently, their joint working on the Government Plan 'Environment' theme working group which put forward this particular business case for inclusion in the Government Plan.

**Minister for Infrastructure:**

*Both Ministers recognise the importance of this as a priority and will continue to actively work together given that the newly created GHE [Growth, Housing and Environment] department contains the all operational resources associated with this mandate (in the Natural Environment Directorate and the Transport and Operations Directorate).<sup>45</sup>*

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case **for 2020** and has designated this green. The Panel will however, monitor the progress of the project over the course of the remaining Government Plans for 2021-23.

**Key Findings**



**FINDING 4.19**

The £195,000 funding requested for 2020 would provide £150,000 for contractual management and improvement of the countryside access path network and £45,000 for staff costs.




**FINDING 4.20**

The Minister for the Environment is Lead Minister for the countryside access business case and there is evidence of joint working with the Minister for Infrastructure regarding access to infrastructure.

<sup>43</sup> [Minister for the Environment – Response to Written Questions](#)

<sup>44</sup> [Minister for the Environment – Response to Written Questions](#)

<sup>45</sup> [Minister for Infrastructure – Response to Written Questions](#)

CSP5-2-03 – Protect our environment – Jersey National Park			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link to action	<ul style="list-style-type: none"> <li>➤ Nurturing a diverse and inclusive society</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Preparing for more Islanders living longer</li> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Exploring the opportunities offered by digital</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for Economic Development, Tourism, Sport and Culture	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £100,000**
- 2021: £150,000
- 2022: £200,000
- 2023: £250,000

The business case asserts that to ensure the longevity of Jersey National Park, the appointment a part-time events management, marketing and administration manager is required to deliver initiatives, in conjunction with the Countryside Access Investment and various partners to cement and further grow the profile of Jersey National Park.

The requested funding will support the delivery of the following initiatives:

- Marketing (both in partnership with Visit Jersey and independently)
- Fund raising
- Education centre at the Francis Le Sueur Centre
- Community engagement
- Signage
- Bins
- Maintenance in the Jersey National Park

- Rezoning land to the Jersey National Park through the Island Plan 2021-30<sup>46</sup>

The Panel was advised that the position of a Jersey National Park Manager will be created and attract an anticipated salary of £50,000 full time equivalent, although the position is expected to initially be part time only (20-25 hours per week).<sup>47</sup>

The Panel questioned the Minister for the Environment as to why he was not Lead Minister for this particular business case. His response was as follows:

**Minister for the Environment:**

*...The bits that you have got in the plan are flagged up as being the Minister for Economic Development, Tourism, Sport and Culture and I think I was quite clear that what these things are for is to use or to promote the national park, promote it as a tourism and recreational resource. Of course up until now, as Minister, I have had a lot of stick from people who complained that we have not done anything, because the Jersey National Park was formed a number of years ago, but of course it was never intended that the role of the Minister for the Environment would extend into promoting our environment in that way. What happened in the previous 2011 Plan, if you like, a planning zone was titled the Coastal National Park as a means of, I suppose, promoting the principle of wise use. Therefore excellent, outstanding local individuals came on board and put a huge amount of effort into getting the thing running, but then found they could not get any resources in Government. Of course I have explained there was just no money anywhere in the Environment budget to facilitate that... The Department for the Environment can provide resources in terms of expertise as to what are the valuable areas of land that need to be protected, what advice we can give, in terms of setting the lead I think it is right that it is the Minister for Economic Development, Tourism, Sport and Culture...<sup>48</sup>*

In response to a written question from the Panel on collaborative Ministerial working, the Minister for Economic Development, Tourism, Sport and Culture advised that himself and the Minister for the Environment would be working jointly together by feeding into the Countryside Access Scheme which encompasses the work being carried out by Jersey National Park.<sup>49</sup>

When questioned about sustainability and whether the proposed costs are deemed sufficient enough to deliver the project, the Minister for Economic Development, Tourism, Sport and Culture advised that the Jersey National Park does not anticipate overspending, however, if required additional funding was identified for the project in the future, a separate request would be made under a future Government Plan. Furthermore, the Minister stated that the requested funding should provide sufficient resources for the Jersey National Park over the next four years.<sup>50</sup>

The Panel invited the Jersey National Park to make a written submission to the review. In their submission it was emphasised that, in previous years, the Jersey National Park has been under-resourced and under-funded and had relied heavily on the work of committed volunteers. There was also agreement that proposed funding was considered sufficient to meet the aims of the project.<sup>51</sup>

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<sup>46</sup> [R.91/2019 – p. 90](#)

<sup>47</sup> [Minister for Economic Development, Tourism, Sport and Culture – Response to Written Questions](#)

<sup>48</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, pp. 22-23](#)

<sup>49</sup> [Minister for Economic Development, Tourism, Sport and Culture – Response to Written Questions](#)

<sup>50</sup> [Minister for Economic Development, Tourism, Sport and Culture – Response to Written Questions](#)

<sup>51</sup> [Jersey National Park - Submission](#)



On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case **for 2020**. However, the Panel has marked this business case amber due to a degree of ambiguity in the business case and an absence of justification for the increases in funding during 2021-23. The Panel will therefore monitor the progress of the project over the course of the remaining Government Plans for 2021-23 and will be requesting quarterly cost-benefit updates from the Minister for Economic Development, Tourism, Sport and Culture detailing how the requested funds have been spent and what has been achieved.

### **Key Findings**



#### **FINDING 4.21**

The £100,000 funding requested for Jersey National Park for 2020 would provide funding for staff costs, as well as other initiatives, such as marketing, education and information materials.



#### **FINDING 4.22**

The Minister for Economic Development, Tourism, Sport and Culture is the Lead Minister for this project rather than the Minister for the Environment. This was justified due to the part the Jersey National Park plays in tourism. There appears to be some evidence of joint working between the two Ministers.



#### **FINDING 4.23**


The Jersey National Park has relied heavily on the commitment and drive of volunteers in previous years who welcome the proposed additional funding and believe the funding should be sufficient to meet the project's aims.

### **Recommendations**



#### **RECOMMENDATION 4.9**

The Minister for Economic Development, Tourism, Sport and Culture should provide the Environment, Housing and Infrastructure Scrutiny Panel with quarterly cost-benefit updates, starting from January 2020, detailing how the requested funds for the Jersey National Park have been spent and what has been achieved.

CSP5-3-01 – Protect our environment – Island Plan review			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
<ul style="list-style-type: none"> <li>➤ Develop the draft Island Plan 2020-30</li> <li>➤ Publish a new Island Plan for the period 2021-30</li> </ul>	<ul style="list-style-type: none"> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Preparing for more Islanders living longer</li> <li>➤ Improving transport and infrastructure links</li> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for the Environment	

### Summary Report

The business case in R.91/2019 requests £650,000 of funding for 2020 only. It further states that an initial budget of £0.35m for 2018/19 has already been allocated from central contingencies to commission additional studies and evidence; as well as to support public engagement and consultation. The original level of funding considered to be required to review the Island Plan was £0.6m. Although, the business case asserts that this falls at the lower end of the overall likely cost of the review and would not enable a revised Island Plan to be delivered to the required level of soundness; within an appropriate timescale or with independent inspection (as required by law).

The rationale provided in the business case for the request for an additional £0.65m is due to it being considered that that additional resource is required to enable and ensure:

- The development of a robust, evidence-based Island Plan
- An Island Plan with an extended remit
- Early, meaningful and comprehensive engagement
- Statutorily required independent scrutiny
- Delivery within a more ambitious timescale<sup>52</sup>

The Panel requested a detailed breakdown of the requested £650,000 and received the following from the Minister<sup>53</sup>:

<sup>52</sup> [R.91/2019 – p. 91](#)

<sup>53</sup> [Minister for the Environment – Response to Written Questions](#)

Breakdown of Island Plan 2020 Review Costs			
	2018/19	2020	Total
Engagement	£50,000	£50,000	£100,000
Evidence base	£200,000	£50,000	£250,000
Strategic partner	£100,000	£400,000	£500,000
Independent inspection	-	£150,000	£150,000
<b>TOTALS</b>	<b>£350,000</b>	<b>£650,000</b>	<b>£1,000,000</b>

In addition, the Panel requested the total figure that was spent on the last Island Plan Review. In his response to written questions, the Minister advised that the Revised 2011 Island Plan was prepared in 2011 and cost £358,071.28. These costs included communication and engagement; preparation and publication of reports; engagement of independent planning inspectors and internal costs. In addition to this, some parts of the plan were subject to an external interim review in 2014 costing a further £131,428.32. The total cost of the 2011 Island Plan amounting to £489,857.20.<sup>54</sup>

The rationale for requesting double the funding for the next Island Plan 2020 was explained to the Panel as being due to the fact that the 2011 Island Plan relied on the following earlier and now out-of-date studies which need to be reviewed to ensure a more current, robust evidence base:

- Countryside Character Appraisal (1999)
- St Helier Urban Character Appraisal (2005)
- Mineral Strategy (1999)

It is also proposed that the additional funding will widen the scope beyond that undertaken in 2011 to ensure it encapsulates the new strategic priorities, such as putting children first and tackling and responding to the climate emergency. Further to this, it was explained that the additional funding will support better, more improved public engagement and communication and bringing on board additional help to deliver the Island Plan in a timelier manner. In the public hearing with the Minister for the Environment, the Panel was advised the following:

***The Minister for the Environment:***

*The honest truth, it was never possible to do the Island Plan on the sums that were available from the existing contingency fund. That was ridiculous that we could get the job done for £350,000...*

***Director, Planning Policy and Historic Environment:***

*...the plan comes around on a frequent basis but with quite a long time period in between so some are at least on a 10-year basis. Provision is not made for it on an annual budgetary basis so when the time comes to review the plan we need to secure*

<sup>54</sup> [Minister for the Environment – Response to Written Questions](#)

*additional resource to do that...we have approached this review of the plan in a different way to what we have done in the past. So we have engaged a strategic partner to support us through the process. That obviously comes at a cost. I think it is worth bearing in mind that when we did the last Island Plan we had certain pieces of work that helped form our evidence base for the review of the plan. Last time we reviewed the Island Plan we relied upon work that had been done previously so some of you may be familiar with the countryside character appraisal, which was done in the Island in 1999, which helps to form the basis of a lot of the countryside policies that we have; the green zone and the Coastal National Park policy. That was not reviewed when we did the 2011 Island Plan. It needs to be reviewed for the current Island Plan because it is now quite dated information...<sup>55</sup>*

In response to whether the additional funding sought was sufficient to deliver the Island Plan within budget, the Minister for the Environment advised the Panel that *“having regard to previously commissioned work of a similar nature, there is confidence that the new Island Plan can be delivered with the proposed level of resources.”<sup>56</sup>*

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### **Key Findings**



#### **FINDING 4.24**

The Government Plan requests additional funding of £650,000 to deliver the 2020 Island Plan, which together with the £350,000 in funding already allocated, brings the total cost of the Island Plan Review to £1,000,000. This is approximately double the cost of the previous 2011 Island Plan.




#### **FINDING 4.25**

The rationale for the request for a substantial increase in funding is due to it being considered that previous Island Plan funding was not considered adequate to deliver the Island Plan in a timely manner, without further investment to produce a robust evidence base, as well as resources to provide enhanced public engagement and communication.

<sup>55</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p. 18](#)

<sup>56</sup> [Minister for the Environment – Response to Written Questions](#)

OI-Non-02 – Modernising Government – Government House refurbishment			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Nurturing a diverse and inclusive society</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders</li> </ul>	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests £130,000 funding for 2022 only, to refurbish various aspects of Government House due to the existing base budget of the Office of the Lieutenant-Governor (OLG) not having capacity to fund the extensive refurbishment works required. The business case further explains that Government House is exposed to significant visitor use during the tenure of the Lieutenant Governor leading to wear and tear on the internal fabric, fixtures and fittings of Government House. Visitors average 3,000 a year and include members of the Royal Family, Heads of State, Ambassadors, Ministers' of State, foreign dignitaries and thousands of Islanders.

The proposed refurbishment works comprise:

- Redecoration Government House - £70,000  
e.g. Main function areas only, some bedrooms not required
- Re-Carpet Government house (Core Areas, Dining Room, Millais Suite) - £35,000  
e.g. Stairs, corridors and landings will be 15 years old
- Building Services (MandE) - £10,000  
e.g. Replacement of worn brassware, thermostatic valves, fan motors and pumps  
e.g. Replacement where feasible with energy efficient lighting
- Fixtures and Fittings - £10,000
- Contingency £5,000<sup>57</sup>

This particular business case falls under a Non-Ministerial Government Department and therefore does not have a Lead Minister assigned. The Panel questioned the Minister for Infrastructure as to what, if any, involvement or oversight he had of the project. The response was that Jersey Property Holdings hold the Governor's residence on behalf of the Public. Therefore, the Minister for Infrastructure retains ultimate political accountability for the residence and this project. In regard to involvement in the project, it was revealed that the Officer of the Lieutenant Governor instigated the project and the Minister and Jersey Property

<sup>57</sup> [R.91/2019 – p. 118](#)

Holdings have had “very little involvement.” The Panel was informed that advice on contractors had been taken from the maintenance department and in accordance with the procedure of seeking three quotes for the required works.<sup>58</sup>

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### **Key Findings**



#### **FINDING 4.26**

The £130,000 funding requested for 2022 would cover refurbishment costs for Government House which on average received 3,000 guests each year including members of Royal Family, Heads of State, Ambassadors, Ministers’ of State, foreign dignitaries and islanders.



#### **FINDING 4.27**

The Office of the Lieutenant Governor does not have capacity to fund the required refurbishment works at Government House.



#### **FINDING 4.28**

Jersey Property Holdings hold the Governor’s residence on behalf of the public and therefore the Minister for Infrastructure has ultimate political accountability for the refurbishment of Government House.

### **Recommendations**













#### **RECOMMENDATION 4.10**

In order to demonstrate clear political accountability, all business cases within the Government Plan, including for projects driven by Non-Ministerial Departments and capital projects, should clearly state a Lead or ‘Accountable’ Minister / Assembly Committee or Panel in order to demonstrate clear, transparent political accountability and leadership for the project’s delivery. The Council of Ministers should incorporate this for the next Government Plan 2021.

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<sup>58</sup> [Minister for Infrastructure – Response to Written Questions](#)

## Business Cases for Capital Expenditure

Pre-feasibility votes		
Project	Minister(s)	Scrutiny RAG Status
Jersey Instrumental Music Service Premises	Minister for Education	
VCP Replacement School	Minister for Education	
North of St. Helier Youth Centre	Minister for Education	
Le Squez Youth Centre/Community Hubs	Minister for Education	
Rouge Bouillon site review	Minister for Infrastructure	
Mont à l'Abbé secondary school	Minister for Education	
Review of Greenfields	Minister for Education	
Picquet House – Family Court	Chief Minister	
Further Education campus	Minister for Education	
Infrastructure funding	Minister for Infrastructure	

### Summary Report

The Panel notes that the above requests for funding are based on pre-feasibility studies. The Panel has assessed the requests for funding along with all available supporting information and deems those rated green status to be satisfactory.

Mont à l'Abbé secondary school and Review of Greenfields do not include a request for funding in 2020 and therefore the Panel has highlighted these amber to indicate that they will be revisited by the Panel in a future Government Plan when funding is being requested. Therefore, in this instance, the amber rating indicates 'awaiting further information'.


### Key Findings



#### FINDING 4.29

Having reviewed all the supporting information, the Panel is satisfied with the funding requests for the pre-feasibility studies which are being requested in this Government Plan.



Rolling vote			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ Working in partnership with Parishes, churches, faith groups, community groups, the third sector, volunteers, businesses, trade unions and key stakeholders	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £12,650,000**
- 2021: £12,370,000
- 2022: £13,650,000
- 2023: £13,650,000

The bid includes maintenance and replacement of existing:

- Sewerage network (pipes, manholes and storm water storage)
- Roads, footways and associated equipment (e.g. traffic lights, streetlights, etc.)
- Sea Defences

The business case explains further that, historically, networked assets have not received 1% of value due to funding pressures and so there is currently a maintenance backlog. The request for funding also includes £150,000 per annum for feasibility studies to develop coastal adaption schemes in accordance with management policies which will be set out in the Jersey Shoreline Coastal Resilience Management Plan which is due to be finalised before the end of 2019.<sup>59</sup>

The Panel requested a further breakdown of what the funding for the rolling vote covers. The Minister for Infrastructure advised that it includes the planned maintenance of Highways (including traffic signal maintenance), Sea Defences, and Drainage. An indicative allocation of the 2020 capital allocation was provided as follows<sup>60</sup>:

Indicative allocation of 2020 capital allocation of the Infrastructure Rolling Vote	
	2020 (£'000)
Drainage	4,330
Transport	6,810
Sea Defences	1,360
Impact of climate change	150

<sup>59</sup> [R.91/2019 p. 163](#)

<sup>60</sup> [Minister for Infrastructure – Response to Written Questions](#)

<b>TOTAL ROLLING VOTE</b>	<b>12,650</b>
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In a response to written questions, the Minister for Infrastructure advised the Panel that £6.56m is required to meet the maintenance backlog in respect of Jersey's highways.<sup>61</sup> When questioned further in the public hearing, the Panel queried whether this amount was sufficient to adequately address the backlog. The following response was given:

**Director of Transport:**

*Well, there is a difference between what is sufficient and what is deliverable. I think the £6.5 million is a good amount to be able to get ourselves back on to a steady footing and to get to a position where the road conditions are getting no worse. So we will be slowing the decline and then we will get to a sustainable position...I think if we were given more money than that... we would struggle to get it on to the road given all the other activities that are going on on the roads at the same time. You would not want to bring the Island to a standstill.<sup>62</sup>*

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing and written questions, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### Key Findings



#### FINDING 4.30

Funding of £12,650,000 is requested for 2020 to fund the ongoing maintenance and replacement of: the sewerage network, roads and sea defences. Historically, networked assets have not received 1% of value due to funding pressures and therefore there is currently a maintenance backlog.




#### FINDING 4.31

£6.56m is required to address the maintenance backlog in respect of Jersey's highways. This amount is considered to be sufficient in terms of what is also deliverable regarding the scheduling of works on Jersey's roads.

<sup>61</sup> [Minister for Infrastructure – Response to Written Questions](#)

<sup>62</sup> [Public hearing with the Minister for Infrastructure, 19th September 2019, p. 9-10](#)

Sewage Treatment Works			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> </ul>	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding of £7,850,000 in 2020 **and** £4,000,000 in 2021. The business case further explains, that this is an ongoing capital project for which it was estimated in 2012 would cost £75m to replace the existing Sewage Treatment Works plant. The £11.85m requested in the business case is what is deemed to be required to enable the project to be fully funded to completion.

Funding allocations up until March 2019 totalled £68.1m, £29m of which came from the Infrastructure Rolling Vote, and which has led to the maintenance backlog on sewer and road networks and coastal defences. The now total estimated cost of the project, including 3m to cover odour control tanks, is £79.9m. The case is made in the business case that it is not sustainable for funding to continue in this manner and is why the funding bid for the remaining £11.85m has been put forward in this Government Plan.<sup>63</sup>

In the public hearing, the Panel questioned the Minister for Infrastructure as to whether he was confident the £11.85m funding was sufficient to deliver the project to completion. The following response was given:

**Group Director, Operations and Transport, Growth, Housing and Environment:**  
*... We do not expect to require any additional resources other than the £11.85 million, which will get us up to the £79 million. The reason for the increase was for the covers for the primary settlement tanks, which was approved within the States to deal with the odour issue, so that was some of the increased costs. There was originally things like the clinical waste incinerator which is also being funded from this vote.<sup>64</sup>*

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### Key Findings



#### FINDING 4.32

Funding of £7,850,000 in 2020 **and** £4,000,000 in 2021 for the Sewage Treatment Works is requested in this Government Plan to enable its completion. £29m in funding allocations has previously been made from the Infrastructure Rolling Vote, which is considered not to be a sustainable funding mechanism going forward.

<sup>63</sup> [R.91/2019 p. 164](#)

<sup>64</sup> [Public hearing with the Minister for Infrastructure, 19<sup>th</sup> September 2019, p. 16](#)

**FINDING 4.33**

The total funding of £11.85m is considered to be sufficient to deliver the Sewage Treatment Works project to completion.

Drainage foul sewer extensions			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Preparing for more Islanders living longer</li> </ul>	Minister for Infrastructure	

**Summary Report**

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £1,500,000**
- 2021: £1,500,000
- 2022: £1,500,000
- 2023: £1,500,000

The business case explains that Jersey's population is projected to increase from 105,000 to 130,000 by 2035 and that as it is unclear where this increase in population will be housed, it is probable that extensions and enhancements to the sewerage network will be required to sustain such an increase.


The proposed works are in line with the objectives of the Waste Water Strategy 2014, which, amongst other aims, specifies that the collection, treatment and disposal of waste water is in accordance with future Island needs. Furthermore, it enables the planning of essential investment, whilst delivering the highest level of customer service in a sustainable way.<sup>65</sup>

On reviewing all the supporting information provided, the Panel is satisfied with the funding request in this business case and has designated this business case green.

**Key Findings****FINDING 4.34**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £1,500,000 for 2020 for the drainage foul sewer extensions, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.

<sup>65</sup> [R.91/2019 p. 165](#)

Sewage Treatment Works – odour mitigation			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	Not provided in full business case	Minister for Infrastructure	

### Summary Report


The business case in R.91/2019 **does not** request funding for 2020 and only outlines indicative funding for 2021 of £1,500,000. Therefore, a decision on funding is not required at this time. The Panel has designated this business case as amber until the figure is confirmed and an assessment is undertaken for a future Government Plan approval.

### Key Findings



#### FINDING 4.35

The business case for Sewage Treatment Works – odour mitigation **does not** request funding for 2020 and only outlines indicative funding for 2021 of £1,500,000, therefore a States' decision is not required at this time.

Bellozanne Sewage Treatment Works outfall rehabilitation			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> </ul>	Minister for Infrastructure	

### Summary Report


The business case in R.91/2019 **does not** request funding for 2020 and only outlines indicative funding for 2023 of £1,000,000. Therefore, a decision on funding is not required at this time. The Panel has designated this business case as amber until the figure is confirmed and an assessment is undertaken for a future Government Plan approval.

### Key Findings



#### FINDING 4.36

The business case for Bellozanne Sewage Treatment Works outfall rehabilitation **does not** request funding for 2020 and only outlines indicative funding for 2023 of £1,000,000, therefore a States' decision is not required at this time.

First Tower pumping station upgrade			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	Not provided in full business case	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding of £650,000 for 2020 only.

The business case explains that these works will include the extensive refurbishment of the existing station and will improve safety by reducing the frequency that workers will have to enter a hazardous area to conduct cleaning.<sup>66</sup>


On reviewing all the supporting information provided, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### Key Findings



#### FINDING 4.37

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £650,000 for 2020 for the First Tower pumping station upgrade.

Inert waste site feasibility			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Improving transport and infrastructure links</li> </ul>	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding of £500,000 for 2020 only.

The business case explains that this request for funding is for a feasibility study to underpin a future strategy for the local management of inert construction waste. Based on estimates the business case asserts that the existing site will reach capacity by the end of 2021 and there is currently no plan for a Government operated facility once the existing site is full.<sup>67</sup>

On reviewing all the supporting information provided, the Panel is satisfied with the funding request in this business case and has designated this business case green.

<sup>66</sup> [R.91/2019 p. 168](#)

<sup>67</sup> [R.91/2019 p. 169](#)

**Key Findings****FINDING 4.38**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £500,000 for 2020 for an inert waste site feasibility study.

La Collette waste site development			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ Promoting and protecting Jersey's interests, profile and reputation internationally	Minister for Infrastructure	

**Summary Report**

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £500,000**
- 2021: £500,000
- 2022: £500,000
- 2023: £500,000


The business case states that the continuation of funding of £500,000 will allow the Collette waste site to continue to be developed to receive construction waste and funding will enable the creation of new hazardous and contaminated waste cells.

On reviewing all the supporting information provided, the Panel is satisfied with the funding request in this business case and has designated this business case green.

**Key Findings****FINDING 4.39**

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £500,000 for 2020 for the La Collette waste site development, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.



Island public realm, including St. Helier			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	Not provided in full business case	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £400,000**
- 2021: £2,500,000
- 2022: £5,000,000
- 2023: £6,500,000

The business case states that funding for 2020 will be used to develop a prioritised programme of schemes to improve village and urban environments for Islanders and tourists. The schemes would be aimed at delivering an accessible town and encourage sustainable travel modes such as walking, cycling and public transport throughout the island. The business case asserts that delivery of these schemes will follow in subsequent years of the Government Plan.


On reviewing all the supporting information provided, the Panel is satisfied with the funding request in this business case and has designated this business case green.

### Key Findings



#### FINDING 4.40

Having reviewed all the supporting information, the Panel is satisfied with the funding request of £400,000 for 2020 for the Island Public Realm including St. Helier, noting that the requests for 2021-23 are indicative and that approval will be required by the States in future Government Plans.

Refit and replacement of fisheries protection vessel and auxiliary vessels			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ Promoting and protecting Jersey's interests, profile and reputation internationally	Minister for the Environment	

### Summary Report

The business case in R.91/2019 requests funding for 2020 of £580,000 and outlines indicative funding for 2023 of £2,800,000.

The business case states that the 2020 request for funding is to refit on the current vessel in 2020 and the future proposed funding for 2023 is for the delivery of a new build vessel in 2023. It further states that a portion of the bid will be retained by Treasury and Exchequer in a central contingency.

In addition to protecting the Island's marine resources, the Norman le Brocq also provides a maritime asset for other States Departments including the States of Jersey Police Force, Customs and Immigration Service and Fire and Rescue Service.<sup>68</sup>

In the public hearing with the Minister for the Environment, the Panel queried the rationale for carrying out a refit in 2020 and delivering a new build vessel in 2023. The Director of Natural Environment gave the following response:

**Director, Natural Environment:**

*In 2 major areas, one being Brexit and one being the challenges around the Granville Bay Treaty and to answer your question, yes, we seek to replace that asset. We have gone ahead and the budget that we would require through the Government Plan is for uprating of our existing assets initially and then a replacement thereafter. The uprating of the existing assets is on the basis of health and safety, the Norman Le Brocq and our existing tender R.I.B.s (Rigid Inflatable Boat) SeaRiders, needs to be improved in order that we can operate safely and legally at sea. We have pushed the button on the order for a replacement R.I.B. for one of those, but it is going to be a larger R.I.B. because of the extra pressures that we are going to see, we think, through Brexit. We are going to have a larger R.I.B. which will be capable of operating on a standalone basis, operating possibly nearer shore, inshore and then we will have a secondary R.I.B. that is the tender and the States vessel to the Norman Le Brocq. That is the work that is ongoing now, to be to upgrade those vessels in a practical way.<sup>69</sup>*

In addition to the health and safety requirements for the refit in 2020, it was further revealed during the public hearing that the Norman Le Brocq vessel is currently the only States' owned fisheries vessel, which is not deemed adequate in size to deal with potential for disputes over fishing territories which are likely to occur as a result of Brexit.

On reviewing all the supporting information provided, as well as the evidence gathered in the public hearing, the Panel is satisfied with the funding request in this business case **for 2020** and has designated this green. The Panel will however, monitor the progress of the project and the indicative funding request for 2023.

<sup>68</sup> [R.91/2019 – p. 197](#)

<sup>69</sup> [Public hearing with the Minister for the Environment, 1<sup>st</sup> October 2019, p. 32-3](#)

**Key Findings****FINDING 4.41**

The £580,000 funding requested for 2020 would cover the costs of refitting the Norman Le Brocq fisheries vessel which are required to operate legally on health and safety grounds. The £2,800,000 indicative funding for 2023 will cover the costs of a new build vessel which is required to meet the challenges and pressures on Jersey's fishing territories following Brexit.

**FINDING 4.42**

The Norman Le Brocq vessel is currently the only States owned fisheries vessel and is not deemed adequate in size to deal with fishing disputes which are likely to arise as a result of Brexit.

Replacement assets and minor capital			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Improving transport and infrastructure links</li> </ul>	Minister for Infrastructure	

**Summary Report**

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £4,333,000**
- 2021: £2,862,000
- 2022: £2,668,000
- 2023: £2,565,000

The business case details that the funding will cover:

- replacement of major elements of the Energy Recovery Facility
- maintenance and renovation of pumping stations
- replacement of a number of key fixed assets at the La Collette Waste Site that have reached the end of their lifespan
- replacement / servicing of key assets at the Bellozanne Sewage Treatment Works

The Panel requested a further breakdown of the proposed funding of £4,333,000 for 2020, which the Minister for Infrastructure provided in his response to written questions<sup>70</sup>:

<sup>70</sup> [Minister for Infrastructure – Response to Written Questions](#)

Breakdown of proposed 2020 allocation of funding for replacement assets and minor capital	
	2020 (£'000)
Energy Recovery Facility	2,000
Pumping stations	1,478
La Collette Waste Site	600
Bellozanne Sewage Treatment Works	255
<b>TOTAL REPLACEMENT ASSETS</b>	<b>4,333</b>

On reviewing all the supporting information provided, including the evidence gathered in the response to written questions, as well as a comprehensive and detailed schedule requested of all the required works, the Panel is satisfied with the funding request in this business case for 2020 and has designated this green. The Panel will, however, monitor the progress of the project and the indicative funding requests for 2021-23.





### Key Findings



#### FINDING 4.43

Funding of £4,333,000 is requested in 2020 for the replacement of various fixed assets including elements of the Energy Recovery Facility, pumping stations, La Collette Waste Site and Bellozanne Sewage Treatment Works.

Estates including new schools (no funding requested in 2020)		
Project	Minister(s)	Scrutiny RAG Status
Jersey Instrumental Music Service Premises	Minister for Education	(!)
VCP replacement school	Minister for Education	(!)
Le Squez Youth Centre/Community Hubs	Minister for Education	(!)
North of St. Helier Youth Centre	Minister for Education	(!)
St. Aubin Fort upgrade	Minister for Education	(!)
Mont à l'Abbé secondary school	Minister for Education	(!)
Review of Greenfields	Minister for Education	(!)
Elizabeth Castle development	Minister for Infrastructure	(!)

Prison – Phase 7	Minister for Justice and Home Affairs	
Prison – Phase 8	Minister for Justice and Home Affairs	
Picquet House – Family Court	Chief Minister	
Rouge Bouillon site review outcome	Minister for Infrastructure	

### **Summary Report**


The Panel has categorised these capital projects as amber, not because it has any concerns about the projects at this initial stage, but to indicate that they will be revisited in a future Government Plan when funding is requested. Therefore, in this instance, amber indicates 'awaiting further information'.

### **Key Findings**



#### **FINDING 4.44**

There are a number of capital projects which do not require funding decisions for 2020 and only provide indicative funding proposals for 2021-3. The Panel will review these projects in future Government Plans when requested funding is confirmed and further details are available.

Vehicle Testing Centre			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit.</li> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Improving transport and infrastructure links.</li> </ul>	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding for 2020 **and** 2021- 23 as follows:

- **2020: £250,000**
- 2021: £2,000,000
- 2022: £2,925,000
- 2023: £1,300,000

The business case explains that Jersey is required to comply with the United Nations Vienna Convention on Road Traffic which was extended to the Island on 29 March 2019 and that this is likely to require the inspection of circa 40,000 vehicles per annum. Delivering the inspection of all cars and motorbikes requires a new permanent arrangement.

It is further explained that an options appraisal study will be undertaken to determine the best option for delivery, with an agreed business case and delivery model established before the end of 2019. The Department for Environment, Housing and Infrastructure anticipates that permanent arrangements for the Periodic Technical Inspection of all vehicles in Jersey will be in place by 2022, subject to the outcome of the options appraisal study. The request for funding in this business case would address a scenario where a test centre will be required to undertake vehicle inspections. It assumes that Government will be required to provide the initial capital funding required for the construction of a Vehicle Testing Centre, but thereafter the centre should be self-funding.<sup>71</sup>

The Panel notes that the business case requests approval for all four years of funding, totalling £6.5m. In the public hearing with the Minister for Infrastructure, the Panel questioned why all four years was being requested at this time and whether these requests would fall away should the options appraisal conclude that a government-built facility is not required. The following responses were given:

**Director General, Growth, Housing and Environment:**

*What is difficult is this process sets the budget for 4 years and we do not know what the best way to organise this is going to be. That is why we are doing the review and we are going to work that out. But this was the worst-case scenario in terms of capital*

<sup>71</sup> [R.91/2019 p. 148](#)

*bids, so we put a capital bid in to make sure that it was in place. If it is not needed, we will not do it, but if it was the other way around and we had not put a bid in we would have been really struggling to get that back into the programme. There may be another solution that does not require this investment, but we do not have enough information about the project to go beyond that at the moment.*<sup>72</sup>

**Head of Finance Business Partnering, Growth, Housing and Environment:**

*This particular one is classed as one of the major projects, so the whole funding is agreed. There is a cash flow which is also agreed, which is the initial £250,000, and then it ramps up for the next 2 years and tails off at the end... if you were not going ahead with the project in that way, if it was being delivered by a third party rather than the States building the test centre, then you would just relinquish that and release it back into the programme. You are not tying up that money if you do not need it, but it does give you the certainty at the start of the project, with the major projects, that you can continue up to that overall sum on the basis of the cash flow that has been identified...*<sup>73</sup>

The Panel also queried as to whether there was any stakeholder engagement between Government and the motor industry. The Director General for Growth Housing and Environment confirmed that the Department was currently in dialogue with the motor industry.<sup>74</sup>

The Panel has taken on board the rationale for why all four years' funding is being requested as a major project at this time. However, due to there being much still unknown until the options appraisal has concluded, the Panel has designated this business case amber and does not support approval for funding for 2021-23, until further information has been provided.

### Key Findings



#### FINDING 4.45

This Government Plan is requesting funding approval for 2020-23, totalling £6.5m for a new Vehicle Testing Centre despite the options appraisal not having been concluded. The rationale has been given that this is due to the project being defined as a likely major capital project.

### Recommendations



#### RECOMMENDATION 4.11


The Minister for Infrastructure should provide the Environment, Housing and Infrastructure Panel with a report on the outcome of the options appraisal for a vehicle testing centre as soon as this has been concluded.

<sup>72</sup> [Public hearing with the Minister for Infrastructure, 19<sup>th</sup> September 2019, p. 23](#)

<sup>73</sup> [Public hearing with the Minister for Infrastructure, 19<sup>th</sup> September 2019, p. 26](#)

<sup>74</sup> [Public hearing with the Minister for Infrastructure, 19<sup>th</sup> September 2019, p. 25](#)



Prison Improvement Works – phase 6b			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ Promoting and protecting Jersey's interests, profile and reputation internationally	Minister for Justice and Home Affairs	

### Summary Report

The business case in R.91/2019 requests funding approval for 2020 of £1,714,000 **and** 2021 of £90,000.

The works outlined in Phase 6(b) include the demolition of A, B and C Wings in preparation for the new build, and relocation of the Atlas Lock Hub. The business case states that planning permission for these works is already granted and this can commence as soon as the funding is approved.<sup>75</sup>

As this business case is requesting funding for 2020 and 2021 the Panel questioned the Minister for Justice and Home Affairs in written questions as to whether he considered the requested funding to be sufficient to deliver the project on budget. The Minister responded advising that he is confident that funding is sufficient as “the funding levels are based on detailed project proposals which have been developed jointly between the Prison Service and Property Holdings”.<sup>76</sup>

Having reviewed the supporting information available, in addition to the response to written questions from the Minister for Justice and Home Affairs, the Panel is satisfied with the funding proposals and has designated this business case green.

### Key Findings




#### FINDING 4.46

The funding requested for the Prison Improvement Works Phase 6(b) is for both 2020 (£1,714,00) **and** 2021 (£90,000) and will involve the demolition of A, B and C wings and relocation of the Atlas Lock Hub.

<sup>75</sup> [R.91/2019 p. 149](#)

<sup>76</sup> [Minister for Justice and Home Affairs – Response to Written Questions](#)

Conversion Courtroom 1 – Magistrates Court			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ Promoting and protecting Jersey's interests, profile and reputation internationally	Chief Minister	

### Summary Report

The business case in R.91/2019 requests funding of £450,000 for 2020 only and is for enhancements to Courtroom 1 in the Magistrates Court Building to be able to accommodate Assize trials (Jury trials). Currently only the Royal Court Building can accommodate an Assize trial.

The business case further explains that three other alternative options were considered in order to achieve this capability which included: building a new Royal Court at an estimated cost of £15m; or carrying the risk of not having a second court room available for accommodating an Assize trial; or finding an alternative location – cost undetermined. The preferred option of converting the Magistrates' courtroom was chosen for the following reasons:

1. The site is known to stakeholders of the Royal Court and has an established security protocol and facilities
2. A local contractor is familiar with the building and the associated challenges to deliver this project
3. The cost of the project in comparison to the benefit of the court having this capability demonstrates forward thinking and contingency planning to ensure continued operations of courts should the Royal Court Building become unserviceable for a period of time
4. The Judicial service will be able to deliver concurrent trials, thus maintaining a prompt Justice Service<sup>77</sup>

The Panel questioned the Chief Minister in written questions as to whether he was confident the level of funding requested was sufficient to meet the project's stated aims and whether he was satisfied the conversion would be a long-term sustainable option. The Chief Minister responded as follows:

#### **Chief Minister**

*At the time of submission of the business case in January 2019, the funding for this project was appropriate. At present this remains the case, however there have been increases in the price of various building materials, such as concrete, that may affect the final cost. It is unlikely that this project would exceed the amount of £500,000.*

The court will include a technical fit out that will accommodate video courts which enable courts to operate remotely and on occasion from different jurisdictions. The proposed infrastructure follows the latest applications and it is anticipated that the infrastructure will last a minimum of 10 years considering the rate of development with digital courts and associated hardware. Incorporating these technological enhancements will not only benefit the Court Service for an Assize trial capability, but will ensure when used as a courtroom for other purposes, it remains current with the latest technology available.<sup>78</sup>

<sup>77</sup> [R.91/2019 p. 152](#)

<sup>78</sup> [Chief Minister – Response to Written Questions](#)

Having reviewed the supporting information available, in addition to the response to written questions from the Chief Minister, the Panel is satisfied with the funding proposals and has designated this business case green.

### ***Key Findings***




#### **FINDING 4.47**

Funding of £450,000 is requested for 2020 to convert Courtroom 1 in the Magistrates Court Building to be able to accommodate Assize trials (Jury trials). Currently only the Royal Court Building can accommodate an Assize trial.



#### **FINDING 4.48**

The Chief Minister considers the funding proposals to be sufficient at this time, although the final cost will be dependent on fluctuating prices for construction materials. He also considers the conversion to be sustainable for a minimum of 10 years.

Dewberry House (SARC)			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> </ul>	Minister for Justice and Home Affairs	

### Summary Report

The business case in R.91/2019 requests funding approval for 2020 of £1,000,000 **and** 2021 of £1,550,000.<sup>79</sup> However, the Panel notes a discrepancy on page 149 of the Government Plan which states that only approval for the £1,000,000 for 2020 is being requested at this time. The Minister for Justice and Home Affairs confirmed in a response to written questions that only approval of the funding for 2020 is required at this time.<sup>80</sup>

The business case asserts that the current facility at Dewberry House is not fit for purpose, with significant issues of lack of disabled access and an environment which is not child or young person friendly. The request for funding is to explore the potential to either move the facility to an alternative existing location or to develop a new building. The funding proposal assumes an indicative cost for the development of a new build facility.<sup>81</sup>

The Panel questioned the Minister for Justice and Home Affairs as to when Dewberry House was first identified as not fit for purpose. The response was that it was identified during 2015 when property inspection valuations took place.<sup>82</sup>

The Panel further questioned the Minister as to whether he was confident the request for funding was sufficient to meet the project's stated aims. The Minister responded: "...Whilst it is impossible to be entirely confident that the proposed allocation will be sufficient, the estimate for this project has been based on reasonable assumptions and current build costs..."<sup>83</sup>

Having reviewed the supporting information available, in addition to the response to written questions from the Minister for Justice and Home Affairs, the Panel is satisfied with the funding proposals and has designated this business case green.

### Key Findings



#### FINDING 4.49

There is a discrepancy between page 128 of R.91/2019 and page 149 of the Government Plan as to whether the funding request for Dewberry House is for both 2020 and 2021 or just 2020. The Minister for Justice and Home Affairs confirmed in response to written questions that it is only funding for 2020 which is being requested at this time.

<sup>79</sup> [R.91/2019 p. 128](#)

<sup>80</sup> [Minister for Justice and Home Affairs – Response to Written Questions](#)

<sup>81</sup> [R.91/2019 p. 153](#)

<sup>82</sup> [Minister for Justice and Home Affairs – Response to Written Questions](#)

<sup>83</sup> [Minister for Justice and Home Affairs – Response to Written Questions](#)

**FINDING 4.50**

It was first identified that Dewberry House was not fit for purpose in 2015.

**FINDING 4.51**

The Minister for Justice and Home Affairs considers that it is impossible to be entirely confident that the level of funding for the project is sufficient, however, the estimate has been based on 'reasonable assumptions and current build costs'.

Five Oaks refurbishment			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ No link	Minister for Health and Social Services	

**Summary Report**

The business case in R.91/2019 requests funding approval for 2020 of £2,000,000 **and** 2021 of £1,500,000.<sup>84</sup> However, the Panel notes a discrepancy on page 149 of the Government Plan which states that only approval for the £2,000,000 for 2020 is being requested at this time. The Panel requested confirmation from the Department for Health and Social Services on 16<sup>th</sup> October 2019 as to whether it is only approval of the funding for 2020 which is required at this time. As at the time of writing, 1<sup>st</sup> November 2019, the Panel has not received confirmation. The Panel therefore wishes to stress that the green rating only applies to the funding request for 2020.

The business case asserts that the current buildings are in poor condition with failing mechanical and electrical systems. The funding, if approved will fund several urgent works which are required to be undertaken to the services at Five Oaks which supports the operation of the hospital and other healthcare buildings. The total funding would cover improvement works to the following:

- The Central Sterile Stores Department – 1m
  - Hospital Central Stores Facility – 0.6m
  - Central Laundry Service – 1.9m
- Total – 3.5m

The Panel questioned the Minister for Health and Social Services as to whether he foresaw these services remaining at Five Oaks in the long-term, or whether there would be consideration given to moving these new services to the future hospital. The Minister responded that Five Oaks is seen as the main community base for engineers for the foreseeable future and has been the case under previous future hospital proposals.<sup>85</sup>

<sup>84</sup> [R.91/2019 p. 128](#)

<sup>85</sup> [Minister for Health and Social Services – Response to Written Questions](#)

The Panel also questioned the Minister as to whether he was confident the level of funding was sufficient to meet the project's aims. The Minister responded that he was advised this was the case.<sup>86</sup>

### **Key Findings**



#### **FINDING 4.52**

There is a discrepancy between page 128 of R.91/2019 and page 149 of the Government Plan as to whether the funding request for Five Oaks is for both 2020 and 2021 or just 2020. The Department for Health and Social Services has confirmed that it is only funding for 2020 which is being requested at this time.



#### **FINDING 4.53**

There are no plans to incorporate the relocation of the services provided at Five Oaks into plans for a future hospital at this time.




#### **FINDING 4.54**

The Minister for Health and Social Services is confident that the funds are sufficient to deliver the project's aims, based on the advice he has been given.

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<sup>86</sup> [Minister for Health and Social Services – Response to Written Questions](#)

Jersey Fleet Management			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	<ul style="list-style-type: none"> <li>➤ Promoting and protecting Jersey's interests, profile and reputation internationally</li> <li>➤ Making St. Helier a more desirable place to live, work, do business and visit</li> <li>➤ Enabling Islanders to lead active lives and benefit from the arts, culture and heritage</li> <li>➤ Improving transport and infrastructure links</li> </ul>	Minister for Infrastructure	

### Summary Report

The business case in R.91/2019 requests funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £1,000,000**
- 2021: £1,000,000
- 2022: £1,000,000
- 2023: £1,000,000

The business case further explains that the Government of Jersey's vehicle fleet consists of low emission lease-hire vehicles including a 'small number' of electric vehicles and owned vehicles. The owned vehicles are subject to a fleet replacement policy and the request for funding included in the Government Plan is for the purchase of these replacement vehicles.

The Panel has marked this business case as amber as we would request to see further information provided in future Government Plans as to how future funding requests will take into account the purchase of electric vehicles, and the cost implications associated with electric vehicles generally being more expensive than fossil fuel vehicles.

### Key Findings



#### FINDING 4.55

The funding requested for Jersey Fleet Management is for the purchase of vehicles that generate an income from internal leases to various Departments of the Government of Jersey.

### Recommendations




#### RECOMMENDATION 4.12

The Panel recommends that further information is provided in the next Government Plan outlining how future requests for funding will take into account



the purchase of electric vehicles, which are generally more expensive than other fossil fuel vehicles.

Jersey Car Parking			
Link to Government Plan Action(s)	Link to Common Theme(s)	Minister(s)	Scrutiny RAG Status
➤ No link	➤ None provided	Minister for Infrastructure	

### Summary Report

The two business cases relating to this project in R.91/2019 request overall funding for 2020 and outlines indicative funding for 2021- 23 as follows:

- **2020: £553,000**
- 2021: £22,000
- 2022: £6,040,000
- 2023: £3,058,000

The first business case outlines proposed plans for public car park maintenance and refurbishment as follows:

- planned structural, electrical and mechanical maintenance, including where necessary, concrete repairs
- surface treatments to concrete decks for waterproofing and protection
- relighting and surface treatments to walls and staircases to improve the physical environment<sup>87</sup>

The second business case outlines plans for the modernisation of the six multi-storey car parks, where all but one are in excess of fifty years old. A feasibility study was carried out in 2017, the outcome of which recommended that in excess of £5m is required to bring the car parks up to modern day standards and regulations. The requests for funding in respect of this particular element of the business case are not required until 2022-23 as funding for 2020-21 has already been approved.<sup>88</sup>

On reviewing all the supporting information provided, including evidence gathered in the public hearing with the Minister for Infrastructure, the Panel is satisfied with the funding request for 2020 and has designated this business case green.

### Key Findings



#### FINDING 4.56

A decision on funding of £553,000 for 2020 is requested for car park maintenance and refurbishment. Further indicative funding proposals are given, including those for car park modernisation plans in 2022-3, although a decision on these proposals is not required until a future Government Plan.


<sup>87</sup> [R.91/2019 p. 218](#)



<sup>88</sup> [R.91/2019 p. 219](#)

## 4.8 Final Panel Comments

Over the last 15 weeks the Panel has undertaken a thorough analysis of all the actions, programs and capital projects which it was allocated by the Government Plan Review Panel to review. It has been a challenging process given the short timeframe, especially with additional key information having to be requested, which the Panel considers should have been provided in the business cases in R.91/2019 from the outset.

In closing, we wish to note the common themes which appeared in our evidence gathering, as well as summarising the actions, programs and capital projects where the Panel's most significant concerns lie:

Program / Capital Project	Reason	Scrutiny RAG Status
Enhance the St. Helier Urban Environment (action)	The Panel has designated this action amber due to concerns that there currently appears to be a lack of strategic direction. The Panel is also not convinced that adequate funding is in place to achieve the aims of this action. Whilst the Panel was advised that there is a Regeneration Steering Group established to co-ordinate the project, the Panel considers that a more co-ordinated approach to leadership is required, along with improved collaboration with internal and external stakeholders.	
Long-term housing policy	The Panel has designated this business case amber due to concerns over ambiguous and indeterminate estimations of the funding and delivery of homeownership schemes, as well as key worker accommodation.	
Rights for tenants	The Panel has designated this business case amber due to ambiguity which remains around what will be self-funding and what will be Government funded.	
Climate Emergency Fund	The Panel has designated this business case amber due to concerns in respect of the potential impact of proposed fuel duty increases on businesses. The Panel considers that this requires further investigation / impact assessment. There is also uncertainty over how much will be spent before actual climate emergency initiatives are put into place. The Panel is also in disagreement in respect of the 5m transfer from the Consolidated Fund and is of the belief that this should instead be transferred from the Strategic Reserve Fund.	
Jersey National Park	The Panel has designated this business case amber due to a degree of ambiguity in the business case and an absence of justification for the increases in funding during 2021-23. The Panel will be requesting quarterly cost-benefit updates from the Minister for Economic	

	Development, Tourism, Sport and Culture, detailing how the requested funds have been spent and what has been achieved.	
Vehicle Testing Centre	The Panel has taken on board the rationale for why all four years' funding is being requested as a major project at this time. However, due to there being much still unknown until the options appraisal has concluded, the Panel has designated this business case amber until further information can be provided.	
Jersey Fleet Management	The Panel has designated this business case as amber as it would request to see further information provided in future Government Plans as to how future funding requests will take into account the purchase of electric vehicles and the cost implications associated with electric vehicles generally being more expensive than fossil fuel vehicles.	

The Panel will be recommending two amendments to the Government Plan as follows:

1. To change the source of the transfer of £5m in funds to the Climate Emergency Fund from the Consolidated Fund (as currently proposed) to the Strategic Reserve Fund, which has been built up through contributions made by multi-generational tax-payers. This is in contrast to the Consolidated Fund, which has received contributions from last year's taxpayers only.
2. To reduce the proposed increase in fuel duty from 6p to 4p until such time as the Sustainable Transport Plan is agreed by the States Assembly; and a full impact assessment has been undertaken to assess any impact on the commercial sector, as well as any unintended consequences for inflation this might have with the potential for this increase to be passed onto consumers.

There was a common theme amongst the stakeholder submissions that Government engagement was lacking and could be improved to make better, more informed policy proposals. Comments from submissions also highlighted, more generally, that a number of the policy proposals contained in the Government Plan should be underpinned and informed by a robust population and migration policy, something Jersey currently does not have.

## 4.9 Witnesses and Evidence Gathered

The Panel has compiled this report drawing on a range of evidence. At the launch of the review, the Panel requested all supporting information relating to actions, programs and capital projects from Ministers/Departments. This included, but was not limited to: full business cases, Council of Minister papers and 2019 base budgets. In addition:

Public hearings were held with the following Ministers:

- Minister for the Environment
- Minister for Children and Housing
- Minister for Infrastructure

Responses to written questions were received from the following Ministers:

- Chief Minister
- Minister for the Environment
- Minister for Children and Housing
- Minister for Infrastructure
- Minister for Economic Development, Tourism, Sport and Culture
- Minister for Health and Social Services
- Minister for Education
- Minister for Justice and Home Affairs

Requests for written submissions were sent to 13 stakeholders and responses were received from the following:

- Citizens' Advice Jersey
- Earth Project Jersey
- Jersey National Park (two submissions)
- Jersey Water
- Andium Homes
- Jersey Electricity
- Ronez
- Save our Shoreline Jersey

To view all the submissions, responses to written questions and public hearing transcripts, please visit the [Government Plan Review: Environment, Housing and Infrastructure Review Page](#) on the States Assembly website.

## Appendix 1

### Terms of Reference for Environment, Housing and Infrastructure Panel

1. Note that sections/projects of the Government Plan will be allocated to Panels by the Government Plan Review Panel (GPRP) on a 'best fit' basis<sup>89</sup>.
2. Undertake an in-depth review of the allocated sections/projects of the Government Plan 2020, considering:
  - Whether funded projects meet the Ongoing Initiatives, Common Themes and, ultimately, Common Strategic Priorities?
  - Ensuring that the projects and amendments to be lodged are consistent with the requirements of the Public Finances (Jersey) Law 201-.
  - The level of resourcing, of all forms, allocated to projects and whether this is sufficient to enable the project meet its stated aims.
  - If project resource allocation is appropriate in relation to overall departmental budgets?
  - Whether funded projects align with Departmental objectives? [NB: if and where they exist]
  - Whether or not there are clear lines of accountability for each project?
  - The ongoing sustainability of projects.
3. Provide the GPRP with a report and any amendments by the date agreed.

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<sup>89</sup> Projects will not directly align with Scrutiny Panels and most will involve multiple ministerial portfolios. Rather than split out projects into elements amongst various Panels, each project will be scrutinised in its entirety by a single Panel.



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