

STATES OF JERSEY



PROPOSED GOVERNMENT PLAN 2024 - 2027 (P.72/2023) – TWENTY-EIGHTH AMENDMENT (P.72/2023 AMD.(28)) – COMMENTS

**Presented to the States on 7th December 2023
by the Council of Ministers**

STATES GREFFE

COMMENTS

Summary

The Council of Ministers urges Members to reject Amendment 28 which would see seed funding withdrawn in 2024, preventing not only the delivery of support to critical industries but also the ability to undertake proof of concept projects to secure additional funding in future years.

The Visitor Economy Strategy (Tourism), Digital Economy Strategy and Performance Sport Strategy have been developed in close association with stakeholders, business and sporting clubs. These strategies seek to identify the key opportunities for each sector and where Government can provide targeted and effective support.

Recognising the financial pressures facing Government in 2024, the Council of Ministers made the decision to provide a small level of funding via this revenue growth bid to enable pilot schemes and immediate support to be delivered in the short term. This in turn will help to address some of the immediate challenges facing these sectors and provide the basis for future Government Plan bids to expand the level of support.

A similar approach was taken in the Government Plan 2022-2025 (lodged in September 2021) in which funding was provided to the then unpublished Rural Economy Strategy in anticipation of the Economic Framework for the Rural Economy (published in May 2022). This funding enabled the initiatives and actions identified within the Economic Framework for the Rural Economy to commence during 2022, rather than awaiting the following round of Government Bids. Notably allowing for the Rural Support Scheme to be developed as a proof of concept with further funding secured in the 2023 and 2024 Government Plans to build upon this. The States Assembly also recognised the success of this scheme when it unanimously adopted [P.74/2023](#) committing to a substantial increase in the funding for the Rural Support Scheme.

Background

The Ministerial Delivery Plan for 2023 committed to the delivery of the 3 key strategies which address significant areas of priority for the Island and the £650, 000 funding request is to kick-start implement of the short- and medium- term objectives and actions. As highlighted by Economic and International Affairs Scrutiny Panel, at the time of writing the Business Justification Case for Strategy Implementation in June 2024, the Performance Sport Strategy, Visitor Economy Strategy and the Digital Economy Strategy were all in development. In each case, this has involved close coordination with relevant businesses, sporting clubs and stakeholders.

The [Performance Sport Strategy](#) was subsequently published on 16th November, the Visitor Economy Strategy will be published this month and the Digital Economy Strategy will follow in Q1 of 2024.

To avoid the strategies being unfunded and incapable of delivering outcomes until 2025 budgets are agreed the Council of Ministers have decided to support the implementation of these strategies via a £650,000 revenue bid to enable work to begin in each of these areas. Effectively providing seed funding to begin delivery and prove concepts to underwrite and demonstrate the value and potential benefits of funding bids for 2025. Without this funding, planned activities for 2024 will be placed on hold, which will have a significant and detrimental impact with stakeholders.

Visitor Economy Strategy (£300,000)

The Strategy has been developed in conjunction with key industry stakeholders and a stakeholder steering group; the terms of reference, membership and minutes of which are public. The draft Strategy will be published on 29 December 2023 and contains a number of actions and deliverables against the 8 strategic objectives. These will be prioritised and costed with key stakeholders early 2024.

Possible actions and deliverables were set out in the business cases which the Panel has had visibility of, but until the strategy has been made public and associated actions and funding requirements have been agreed with stakeholders it would not be appropriate to provide specific examples.

In general terms however, the Strategy will seek funding to support the industry in the digitalisation of visitor information and booking experiences, initiatives relating to the need to stimulate investment in new hotel bed stock, and funding for marketing to develop new routes or markets.

Digital Economy Strategy (£200,000)

The consultation for development of the Digital Economy Strategy has engaged a wide range of stakeholders including local digital businesses, digital skills delivery partners and local digital entrepreneurs. Response to the consultation to inform policy thinking was excellent and has helped to bring new local voices into the digital economy development discussion.

The funding requested to support the implementation of the Digital Economy Strategy in 2024 will be used in part to start a number of initiatives to help identify the impact, productivity and economic growth potential for the Island. For example, supporting the digitisation and adoption of technology within Jersey's small and medium sized businesses, which account for 89% of the Island's businesses, and measuring the impact on productivity and economic growth this will achieve. Evidence from [Jersey Business' 2023 Productivity Survey](#) highlights that over three quarters of local businesses recognise that their processes are not fully automated.

Other priorities which will be identified in the strategy include improving digital literacy and a pilot scheme to encourage 'digital ambassadors' to champion digital adoption from within the education system and out into the local business environment.

Performance Sport Strategy (£150,000)

Following consultation with stakeholders including athletes, parents, performance sports specialists both on and off-island, and sports organisations (including other small island jurisdictions) the [Performance Sport Strategy](#) was published in November. This strategy is aimed at lowering barriers to development for local athletes.

The strategy identifies the role of a performance manager with expertise in developing performance measures for athletes to access and remain on the performance pathway and ensuring the same level of entry applies across different sports. This role is anticipated to cost £50,000 with a further £100,000 used to directly support athletes with performance training and travel and to upskill coaches which will benefit all sports participants.

The virtuous cycle of sport suggests that success leads to international prestige and an increase in participation in sport, leading to better health outcomes for the population.

The new Sports Sector Officer as referenced in Amendment 28 was appointed in March 2023 to develop and implement policy and strategy across a range of sports areas. This role has since been recognised in the [Review of Sport and Physical Activity Report](#) as an important step to ensuring accountability and value for money from both the proposed performance programme and the Arm's Length Organisation responsible for sport and physical activity delivery, Jersey Sport.

Conclusion

This Amendment would significantly delay the implementation of three key strategies within the Economy portfolio. In turn, affecting the ability of pilot schemes and initial programmes to commence in time to inform future funding requests in 2025 and 2026 and undermining stakeholder confidence following close engagement through 2023.

The Revenue Growth Expenditure bid referenced in Amendment 28 follows the model used in the establishment of the Rural Support Scheme to allow for proof of concepts and initial projects to be undertaken and data to be gathered ahead of any further funding requests which would need to come back to the Assembly as part of future Government Plans.

The Council of Ministers therefore urges Members to reject this Amendment and to enable vital support to the hospitality industry, digital sector and local sporting clubs during 2024.