

# STATES OF JERSEY



## PROPOSED GOVERNMENT PLAN 2024- 2027 (P.72/2023): COMMENTS

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Presented to the States on 7th December 2023  
by the Economic and International Affairs Scrutiny Panel

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STATES GREFFE

## COMMENTS

### **Background**

The [Proposed Government Plan 2024-2027](#) (hereafter “the Plan”) was lodged au Greffe on 19th September 2022 and is scheduled for States’ debate on 12th December 2022. Scrutiny Panels were provided with the final version of the Plan in confidence on 18th September ahead of its publication.

Several additional documents were published as part of the Government Programme, namely the [Proposed Government Plan 2024-2027 Annex](#) (hereafter “the Annex”) and [Ministerial Plans](#).

### **Scrutiny’s approach and review methodology**

It was agreed by the Scrutiny Liaison Committee that each Scrutiny Panel would focus on the aspects of the Plan that were specific to its remit and that overarching themes would be led by the Corporate Services Scrutiny Panel.

Accordingly, the Economic and International Affairs Panel (hereafter “the Panel”) agreed its review [Terms of Reference](#) and began the process of evidence gathering for the areas identified within its remit. The Panel requested full business cases for each new revenue expenditure programme and capital project that fell under the responsibility of the Minister for Sustainable Economic Development (previously the Minister for Economic Development, Tourism, Sport and Culture), Assistant Minister for Infrastructure (Sport), Minister for External Relations and Assistant Chief Minister with Responsibility for Financial Services. A list of these new revenue programmes and capital projects can be found on the [States Assembly website](#). No new revenue programmes and capital projects were proposed under the responsibility of the Minister for International Development.

In addition to the proposed new revenue programmes and capital projects, the Panel has also considered the implications of proposed transfers from the Technology Accelerator Fund (TAF).

Although relevant “justification business cases” were provided to the Panel, these were offered in a confidential manner. Having made a recommendation, which was rejected, in its Government Plan 2023 - 2026 Review that the Council of Ministers should review the confidentiality of Business Cases and consider whether it is in the public’s interest to keep Government Plan business justification cases and cost breakdowns confidential, the Panel was disappointed that it was again unable to publicly discuss the information contained within these documents in view of their confidential nature.

The Panel wrote to relevant Ministers and applicable organisations requesting additional revenue expenditure, to gain public justification for the proposals. The Panel also identified several key stakeholders that it wished to request written submissions from in relation to the funding proposals contained within the Plan that directly impacted them or the services they provided. A full list of the key stakeholders to whom the Panel wrote can be found in Appendix 1. Links to the following who provided submissions can be found [here](#):

- Minister for Sustainable Economic Development
- Assistant Minister for Sustainable Economic Development (Assistant Minister for Sport)
- Minister for External Relations

- Assistant Chief Minister with responsibility for Financial Services
- Jersey Sport
- Jersey Sports Association for the Disabled
- Institute of Directors
- Jersey Opera House
- Jersey Heritage
- Jersey Association of Trust Companies.
- Jersey Hospitality Association

Confidential submissions were also received by a further four stakeholders.

In November, the Panel held public hearings with Ministers to question them on specific areas of the Plan that fell under their remits. Transcripts from those Hearings can be found on the [States Assembly website](#).

### **Main themes and key findings**

The purpose of these comments is not to provide an exhaustive commentary of all the evidence examined but to instead consider the main themes, findings and concerns which have arisen from the review, and to make ‘SMART’<sup>1</sup> recommendations to the Council of Ministers, outlining where improvements could be made.

The Panel again wish to highlight reporting difficulties due to the confidentiality of Justification Business Cases, as has been the case in reviews of previous Government Plans. Although the Panel had access to this information, it was unable to share this information as part of its report. Ministers have, at times, provided additional information in the public domain. However this often does not include sufficient disclosure of evidence provided to the Panel for it to effectively communicate its findings with the Assembly.

This is a continuing issue, and the Panel has previously made recommendations in order to allow greater transparency in expenditure approval, namely in its review of the Government Plan 2023-2026 ([S.R.22/2022 \(Re-Issue\)](#)). The Panel has indicated this persistent issue to the Corporate Services Scrutiny Panel for consideration as part of its overarching review.

The Panel has also noted that a number of proposed revenue expenditure items under the remit of its review build upon existing expenditure, some of which have been agreed as recently as the last government plan debate. The Panel surmises that this is prejudicial to the transparency of departmental expenditure. As such, additional expenditure should be clearly linked to that which is already included in relevant Heads of Expenditure for various ongoing projects and programmes, this has again been forwarded to the Corporate Services Scrutiny Panel.

The Panel understands that there has, at best, been a stagnation of the Island’s economic productivity as seen in Figure 1., with any increase in Gross Value Added (GVA) per Full Time Equivalent employee (FTE) mainly attributable to the Financial Services Sector owing to factors outside its control. The Panel would also highlight that a recent Government of Jersey [blog](#) identifies that there was a negative 4% growth in the Island’s productivity outside monetary intermediation (rise in interest rates) in finance.

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<sup>1</sup> Specific, Measurable, Achievable, Realistic, Time-bound

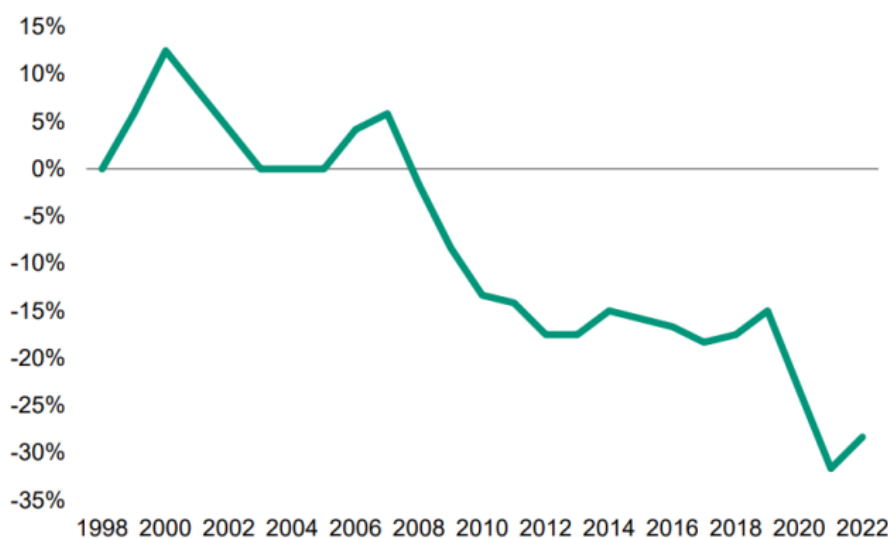


Fig. 1 Cumulative change in GVA per FTE in real terms, 1998 – 2022

The Panel would highlight that use of previously temporary funding, such as that provided through the economic recovery fund, has at times been used as justification for increase in the core grants to these Arm’s Length Organisations (ALO’s). Sufficient consideration needs to be given to both ALO governance and value for money for the Island’s Economy, particularly in light of the decreased GVA highlighted above and in the Fiscal Policy Panel’s [2023 Annual Report](#). The Panel therefore is concerned by the Minister for Sustainable Economic Development having informed the Panel that an ALO review previously identified in his 2023 Ministerial Delivery Plan is no longer taking place:<sup>2</sup>

***The Connétable of St. Ouen:***

*In your letter dated 12th June 2023, you stated that the arm’s-length organisation review would be completed by Q.4 (quarter 4) and terms of reference would be completed by Q.2 (quarter 2) and shared with the panel for reference. The panel has not received any terms of reference. These please can be forwarded. Or has the review been completed?*

***The Minister for Economic Development, Tourism, Sport and Culture:***

*No, the review has not been completed. I think it has more metamorphosed and so what we have done is we have engaged in a deep-dive review into one particular, in this case, A.L.O. (arm’s-length organisation) and we will continue to do that with the other A.L.O.s. But we are also working with A.L.O.s in a forum to try to work together to ensure that they are working as efficiently as possible.*

***Deputy M.R. Scott:***

*So, have you got terms of reference?*

***The Minister for Economic Development, Tourism, Sport and Culture:***

*The review has metamorphosed, so it is not a single review, so there is no terms of reference for a single review.*

<sup>2</sup> [Transcript - Quarterly Hearing with the Minister for Economic Development, Tourism, Sport and Culture - 25 October 2023](#)

The Panel was informed by the Minister for Sustainable Economic Development, at the hearing of the 25th October 2023, that there was no single point at which the review's focus was altered to Jersey Sport only, and that, although no Terms of Reference had been set, the metamorphosed reviews of other ALOs would be completed in 2024.

**RECOMMENDATION 1:** The Minister for Sustainable Economic Development should undertake a review of each Arm's Length Organisation during the first half of 2024 with findings published prior to proposing to increase core grants to those organisations. These reviews should have clearly set Terms of Reference including analysis of governance arrangements, setting and meeting of Key Performance Indicators, and value for money including attributable, measurable and tangible impact upon the Island's economy.

### **Impôt Duty**

The Plan proposes to increase alcohol duty by 8.9% and fuel duty by 10.9%, this being based in the June 2023 RPI of 10.9%. During the course of its review, the Panel received submissions from the Jersey Hospitality Association (JHA), Randalls Jersey and Institute of Directors (IoD) that indicated that this would have a detrimental impact upon the Island's economy, predominantly through placing unacceptable burden upon the hospitality sector, which has yet to fully recover from financial loss during the Covid pandemic. The Panel has lodged an [amendment](#) to freeze alcohol duty in order to provide support to the hospitality sector, and the Island's economy more generally.

During its review, the Panel spoke to stakeholders who identified that the increase in duty may impede the growth of, or deplete, the hospitality sector, or indeed lead to business failures. The Panel understands that imposing duty at the point of import or production has a compounding effect as to the end price of the product, impacting upon the business and both local and visiting consumers. The Panel notes that consideration of allowing promotions through updates to alcohol licensing law and of removing barriers identified in the Barriers to Business report (which was published on 5th December) could be potential areas that assist Visitor Economy businesses in the future. The Panel highlights that, due to time constraints, it has been unable to make detailed reference to content of the Barriers to Business report as this was published a few days before these comments were presented.

The Panel is unclear as to how much duty in itself contributes to inflation. The Panel is not aware of any engagement that has taken place with industry stakeholders regarding the consumption of alcohol and the impact raising of duty has on alcohol intake. The Panel also notes that within recommendation 15 of the Corporate Services Panel Report, it is stated that the Council of Ministers should ensure that analysis is undertaken to evidence the effectiveness of utilising fiscal measures to impact Jersey's public health goal, narrative to which must be included prior to the next Government Plan, a recommendation that the Panel would fully support.

The Panel has also lodged an [amendment](#) to freeze fuel duty in order to provide support to the hospitality sector, other Island businesses and the Island's economy more generally. During its review, the Panel heard from the IoD specifically in relation to the potential impact of increases in duty on fuel, identifying that this may impede the growth of the hospitality industry. The organisation also indicated that there has been little collaboration with industry to assess the impact on business.

**RECOMMENDATION 2:** Notwithstanding Amendment 25 to the proposed Government Plan 2024-2027, the Minister for Treasury and Resources, in conjunction with the Minister for Sustainable Development, should evaluate means by which the Hospitality Sector can be better supported through taxation by the next government plan.

### **Budget Measures for Innovation and Enterprise**

The Plan proposes a 150% Regulatory Technology (RegTech) Super-Deduction (the Deduction). The Panel wrote to the Minister for Treasury and Resources questioning the introduction of the deduction and has received confirmation that it has been produced following consultation with Jersey's Finance's Fiscal Strategy Group.<sup>3</sup> It has been outlined that, during development of the policy, officials primarily reviewed similar deductions implemented in the United Kingdom (UK), United States (US) and Canada.

The Assistant Chief Minister, during a hearing held 26th October 2023 outlined:

*'This is driven by Treasury but I think we have a clear demand. I think one of the things we are really trying to promote is greater use of FinTech and RegTech by all our regulated entities. The belief is that the more we can automate processes, that will take skilled people away from doing routine admin and on to doing more highly, more value-added work. It is really to help regulated entities to invest in more technology, more software, more systems that will help increase their own productivity and help their staff to do more useful work and also just help everything move more quickly. We know that is happening in other jurisdictions.'*<sup>4</sup>

The Panel was told in its hearing with the Assistant Chief Minister that questions regarding tax policy were best addressed to the Minister for Treasury and Resources, who had produced the Deduction.<sup>5</sup> The Panel understands that the Corporate Services Scrutiny Panel has also been questioning the revenue implications of the Deduction.

Upon questioning the Minister for Treasury and Resources, the Panel was informed that this is a pilot policy monitoring the benefits through administration data and discussion with industry, and that the Department for the Economy will be asked to assess the feasibility of a wider economic impact assessment.<sup>6</sup>

The Panel believes that tax policies related to driving productivity should be formed through collaborative work and, whilst the Deduction matches policies concerning FinTech and RegTech, it was disappointed that the Assistant Chief Minister was not able to clearly identify the reasoning for the Deduction to be set at specific levels. Although it notes the indication that an economic impact assessment may be undertaken, the Panel would anticipate Ministers, and officials, who interact with policies regarding Financial Services, to have greater interaction with, and understanding of, their creation.

The Panel also believes that the Deduction should be used as a pilot to identify further tax policies that may aid in an innovative and productive economy for the Island across varied sectors in the Island.

Creating a 60-day exemption period for short-term business visitors and allowing workers resident in Jersey with foreign employment income to keep more of their earnings forms part of

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<sup>3</sup> [Letter - MTR to EIA re RegTech Deductions - 10 November 2023](#)

<sup>4</sup> [Transcript - Quarterly Hearing with the Assistant Chief Minister - 26 October 2023](#)

<sup>5</sup> [Transcript - Quarterly Hearing with the Assistant Chief Minister - 26 October 2023](#)

<sup>6</sup> [Letter - MTR to EIA re RegTech Deductions - 10 November 2023](#)

‘Budget Measures for Innovation and Enterprise’ and, although beneficial to some industries, it would be unlikely to benefit the hospitality industry; the Panel heard from the Jersey Hospitality Association (JHA) via a [written submission](#) that *‘these measures do not apply to our industry or have any impact. Businesses in hospitality rely on seasonal and temporary workers from overseas and since Brexit and Covid, employers have had to recruit from outside the EU’*.

Due to time constraints to produce these comments, the Panel has been unable to explore alternative measures that could be beneficial for other sectors; however, it will continue to monitor this area as part of its ongoing work programme to assist small businesses and the hospitality sector.

Also, within the written submission from the JHA, the Panel heard that *‘we cannot see any measures in the Proposed Government Plan that are sustainable or supportive of the aim of increasing productivity. On the contrary, our conversations with the Treasury Minister have revealed that no consideration has been given by his team to our industry and that the focus remains firmly on the financial services sector. We believe that there are opportunities for inward investment in other sectors, such as hospitality, but investors are being put off by the lack of vision and growth in those sectors. Without hospitality, the connections from the sea and air that we all rely on will be greatly diminished’*.<sup>7</sup>

The Panel also received a [written submission](#) from the Institute of Directors (IoD) who informed the Panel that *‘in our view, the Government Plan is lacking in this ambition and desire to effect real change. We cannot see measurable outputs designed to address these crucial economic challenges. We do not believe that the necessary level of collaboration with the business community has always been undertaken to establish the measures that will address these challenges, which would, in turn, favourably impact the lives of all islanders’*.

The submission goes on to say that *‘the Plan infers that duties on alcohol and fuel serve to address the health of islanders and address environmental issues. Whilst we recognise that these are understandable reasons, there has been little collaboration with industry to assess the impact on business. The impact on business of these duties will be to increase prices’*. The Panel has touched on the public health goal and the impact of a rise in alcohol duty may or may not have on consumption earlier in these comments under the section heading Impôt Duty.

The Panel notes that measures are being introduced to aid the Financial Services sector. However, the Panel would identify that other sectors could also benefit from similar measures, including tax deductions, visiting employee exemptions and foreign employment exemptions.

**RECOMMENDATION 3:** The Minister for Sustainable Development, in conjunction with the Council of Ministers, should evaluate means to provide budget measures for innovation and enterprise, such as tax deductions, short-term visit and foreign employment exemptions, across different sectors in the Island. Findings of this evaluation should be included in the next Government Plan.

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<sup>7</sup> [Submission - EIA Proposed Government Plan 2024 - 2027 Review - Jersey Hospitality Association - 21 November 2023](#)



## **Technology Accelerator Fund**

The Technology Accelerator Fund (TAF) was established in 2022 to support the Island's future economy, make faster progress on environmental and social goals, and strengthen the technology eco-system in Jersey.<sup>8</sup> The programme, Impact Jersey, was commenced in 2023 and the Panel has continued to undertake concurrent scrutiny throughout the year and understands that the programme has now started to allocate funding to relevant digital projects.<sup>9</sup>

The Panel has written to the Minister for Sustainable Economic Development and questioned a proposed transfer from the TAF to the Consolidated Fund. The Panel asked the Minister for Sustainable Economic Development to outline the purpose of this transfer and it has been identified as being possible due to underspend/lower requirement for funding.<sup>10</sup>

The Minister for Sustainable Economic Development [responded](#) stating that '*transfers out of the TAF are proposed to fund the Government's Digital Service Platform, which aims to support further digital transformation of customer facing public services, including the creation of an online service hub and integration of online government systems. The Council of Ministers agreed that the TAF would be an appropriate funding source for the Digital Service Platform, with the intention that transfers are paid back to the fund at a later date (beyond 2027)*'.<sup>11</sup>

The Panel also asked if the Minister for Sustainable Economic Development could confirm if the transfer of the funds to the Consolidated Fund would be in line with the agreed Terms of Reference of the Fund as identified in the original approved proposition [P.75/2022](#). The Panel would highlight points 2.2 and 2.3 of those terms:

*2.2 Money held in the Fund will not form part of the annual income of the States nor the Consolidated Fund balance.*

*2.3 Only those costs associated with the purpose of the Fund can be met out of the Fund.*

The Panel is aware that, under [Article 6 \(4\)](#) of the Public Finances (Jersey) Law 2019, the Minister for Treasury and Resources is able to vary fund use through a proposition to the Assembly. However, [Article 14 \(b\)](#) also establishes that the States may not approve a Government Plan that authorises a transfer inconsistent with the terms of a States Fund.

The Minister for Sustainable Economic Development informed the Panel that he did not believe that this transfer was outside of the agreed Terms of Reference.

The Panel notes that paragraph (e) of the main Proposition asks the Assembly:

*"e. to approve the transfers from one States fund to another for 2024 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law."*

Whilst the proposition notes that this is permissible by the Assembly, the Panel is concerned that there does not seem to be any clear direction in place for the repayment of the transfer and it is also concerned that it has not had sight of the advice given to the Minister under which he took this decision.

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<sup>8</sup> [P.75/2022](#)

<sup>9</sup> [Letter - Assistant Chief Minister to Economic and International Affairs Panel re Impact Jersey - 08 August 2023](#)

<sup>10</sup> [Letter - MEDTSC to EIA re Government Plan follow up - 22 November 2023](#)

<sup>11</sup> [Letter - MEDTSC to EIA re Government Plan follow up - 22 November 2023](#)



The Minister for Sustainable Economic Development has indicated that he was content that it would not impact the delivery of the Impact Jersey programme and that future transfers back into the TAF would ensure that the full £20m committed to in P.75/2022 is delivered by Impact Jersey.

The Panel asked if the proposed programme expenditure of circa £4.1 million per year to 2026 would be enough to enable the success of the Technology Accelerator Programme, Impact Jersey. The Minister for Sustainable Economic Development responded that the 3-year programme of £12.5 million expenditure for the TAF has been forecast by the delivery partners Digital Jersey with a review in 2026 to assess the next phase of the programme and arrange transfers back to the Technology Fund in future Government Plans. The Panel would therefore highlight that an agreement as to reimbursement of the transfers to the Consolidated Fund from the TAF is needed to enable the success of Impact Jersey.

**RECOMMENDATION 4:** By the debate of the proposed Government Plan 2024-2027, the Minister for Sustainable Economic Development or Minister for Treasury and Resources should provide further comfort to the Assembly as to the terms of the repayment of the transfer from the Technology Accelerator Fund (TAF) to the Consolidated Fund. The Minister/s should also provide an overview of the advice sought which underpinned the decision making.

### **Proposed Revenue Expenditure and Projects**

This paper is not intended to provide an exhaustive commentary of the evidence gathered by the Panel. However, the Panel wishes to provide in these comments a brief summary of findings relating to the proposed revenue expenditure and projects reviewed, to aid in the Assembly’s debate.

#### ***Implementation of Digital, Visitor Economy and Elite Sport Strategies***

Being led by the Minister for Sustainable Economic Development this proposed revenue expenditure is identified in the Annex to allow for implementation of the short/medium-term and highest priority initiatives identified through the three strategies and enable work to begin in delivering against the desired outcomes. The Minister for Sustainable Economic Development has outlined the target of the three strategies below and has provided indicative breakdown of expenditure; this is, however, subject to change.

Visitor Economy Strategy	The visitor economy sector plays a crucial role in underpinning the Island’s connectivity as well as providing a vibrant social and hospitality environment for Islanders.	£300,000
Digital Economy Strategy	The digital economy forms an important part of the Future Economy Programme as digital adoption and automation are vital to improving productivity across all sectors.	£200,000
Elite Sport Strategy	The Elite Sport Strategy will ensure that athletes born in Jersey are not disadvantaged compared to their peers in the UK who can more readily access opportunities to develop their skills and careers.	£150,000

The Panel has been informed that separate bids were initially considered for these strategies. However, in view of the many competing pressures within the Government Plan, Ministers considered a joint bid as the most effective vehicle for securing the revenue expenditure growth to deliver these projects.

The Panel has questioned the methodology for costing this expenditure prior to completion and publication of the three strategies. The Panel has been informed by the Minister for Sustainable Economic Development that it would be premature to detail the short/medium-term highest priority initiatives that will be implemented through this proposed revenue expenditure. However, any expenditure will be guided by the Public Finances Manual to ensure value for money and will be specifically leveraged to ensure targeted support to deliver the objectives identified within the strategies.

The Panel notes that a [Performance Sport Strategy For Jersey](#) has now been published, and that a [consultation](#) on the Government's proposed Digital Economy Strategy was launched in October 2023. This identifies that the strategy will form a key part of enabling the Island to meet its [long-term economic vision](#) to be a consistently high-performing, environmentally sustainable and technologically advanced small-island economy by 2040 and Islanders are being invited to help shape it. The consultation closed on 9<sup>th</sup> November 2023 and at the time of drafting these comments, neither the results of the consultation nor the Digital Economy Strategy had yet been published.

Similarly, the Visitor Economy Strategy is yet to be published. The Panel understands that this is anticipated prior to 2024. However, this timing does not allow for consideration alongside the Government Plan. The Panel believes that progression of work concerning alcohol licensing, such as allowing drink promotions, and Barriers to Business should be progressed to assist hospitality businesses and to make the Visitor Economy Strategy more meaningful.

The Panel remains concerned that no published targets for the three strategies have been finalised prior to funding being requested. The Panel has concluded that appropriate costing calculations have not been undertaken to enable support of this proposed expenditure. The Minister has confirmed that *the breakdown of spend against each strategy is indicative based on the anticipated demands of each strategy and are subject to change*<sup>12</sup>.

Consequently, the Panel has [proposed an amendment](#) that this revenue expenditure item should be held in reserve and that a full business case for each strategy be provided to the Assembly for agreement prior to funding being provided. The Panel has identified that the business case should include full costing, anticipated economic return of the expenditure and delivery plan.

### ***Rural and Marine Economy***

Being led by the Minister for Sustainable Economic Development, this proposed revenue expenditure is identified in the Annex to enable delivery of components of the Economic Framework for the Rural Environment and the Economic Framework for the Marine Environment. It is further indicated that the investment will enable an increase to the budget for the Rural Support Scheme and for the Marine Support Scheme.

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<sup>12</sup> [Letter - MEDTSC to EIA re Government Plan - 22 November 2023](#)

The Panel has been informed that the total monetary support provided for the rural and marine economy in 2023 is forecast to be £3,471,500, and this would have increased to a proposed £4,386,000 in 2024.

The Panel has confirmed that the originally proposed £1,150,000 increase in expenditure was broken down as follows for 2024:

- Rural Support Scheme (RSS) **£850,000**, made up of:
  - Environment and Landscape Credits £550,000
  - Food Resilience Credits £200,000
  - Social and Skills Credits £100,000
- Marine Support Scheme (MSS) **£300,000**

The Panel is cognisant of the implications for this proposed revenue expenditure following the Assembly's adoption of [P.74/2023](#) as amended, which requested the Council of Ministers to bring forward proposals to increase total expenditure directly on agriculture and fisheries support schemes to at least £6.7 million in 2024.

In a [letter](#) to the Panel dated 22<sup>nd</sup> November 2023, the Minister for Sustainable Economic Development has identified that, following the States Assembly's adoption of P.74/2023 as amended, the level of financial support for the rural and marine economy is subject to increase in 2024. The breakdown will be as follows:

- Rural Support Scheme (RSS): £6,000,000
- Marine Support Scheme (MSS): £700,000

In a [letter](#) to the Panel dated 13<sup>th</sup> November 2023, the Minister for Sustainable Economic Development has confirmed that this will be increased in line with RPIx for the duration of the Government Plan.

Funding of this requirement has been proposed via an [amendment](#) to the Government Plan, which will largely reduce heads of expenditure across the Government of Jersey through increased cashable savings in the Value for Money programme.

The Panel is aware of the difficulty in sourcing further funding within the Government Plan and is understanding of the use of the Value for Money programme. However, the Panel notes that these savings are not costed.

Notwithstanding the Panel's own proposals for reductions in heads of expenditure within its amendments to freeze duties on alcohol and fuel, the Panel would anticipate that the Council of Ministers would more readily be able to identify points at which the savings will be made.

The Panel notes that the [amendment](#) by the Corporate Services Panel, if adopted, would bring in sensible information and monitoring provision in this regard.

The Panel has previously questioned the provision of funding for smaller farmers, noting the requirement to attain accreditations in the first instance prior to further grants through the Rural Initiative Scheme. The Panel has been informed that Government Officers have asked accreditors to explore establishing a new membership category for small and micro farms, and that the grants would cover the cost of membership.

Last year the Panel received an anonymous submission highlighting that the necessity for membership of UK farming bodies such as LEAF and Red Tractor<sup>13</sup> acted as a barrier for entry for many small farmers as the membership costs were “extortionate”. The Panel [wrote](#) to the Minister to ask if consideration had been given to providing grants in order for smaller farmers to attain these accreditations in the first instance prior to further grants through the Rural Initiative Scheme. The Minister responded stating that *LEAF and Red Tractor memberships are competitively priced and offset by the credits available under the Rural Initiative Scheme, as an example, Red Tractor memberships start at £64 and would make a business eligible for £1,462.50 in rural support credits. LEAF memberships start at £121 and provide for £3,705 in rural support credits. Additional credits worth over £4,000 are offered for the completion of the integrated farm management plans which are offered by Red Tractor and LEAF. Officers have also been in discussions with LEAF to explore establishing a new membership category for small and micro farms with further announcements anticipated in 2024.*<sup>14</sup>

The Panel has yet to see any evidence of progress on a new membership category being undertaken by officers within the Department and will endeavour to follow this up in 2024.

### ***Jersey Business – Core Grant Funding***

Being led by the Minister for Sustainable Economic Development, this proposed revenue expenditure is identified in the Annex to increase the base grant to Jersey Business Limited, to ensure they can continue to be able to support the CSP 2023-2026 priority to: “Develop a more sustainable, innovative, outward-facing and prosperous economy”.

The Panel was concerned to note additional revenue expenditure for a further grant to Jersey Business, given the extension of this grant in the agreed Government Plan 2023-2026. The Panel questioned this and was subsequently informed by the Minister for Sustainable Economic Development that the funding would allow Jersey Business to sustain, and in some cases, grow activity planned in 2024 onwards, and that current outcome-focused Key Performance Indicators (KPIs) would remain the same as per their business plan, but will have a larger reach where growth is possible.

It has been highlighted to the Panel that the increase in Jersey Business’s core grant does not represent an increase in overall grant funding received from Government when compared to 2022. Although correct, this will further increase the core grant provided, with the Annual financial statements of Jersey Business indicating a doubling of funding in a 3 year period as shown below:<sup>15</sup>

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<sup>13</sup> <https://redtractor.org.uk/our-standards/beef-lamb/>

<sup>14</sup> [Letter – MEDTSC to EIA re Government Plan - 22 November 2023](#)

<sup>15</sup> 2023 Grant identified though additional funding approved in the Government Plan 2023-26

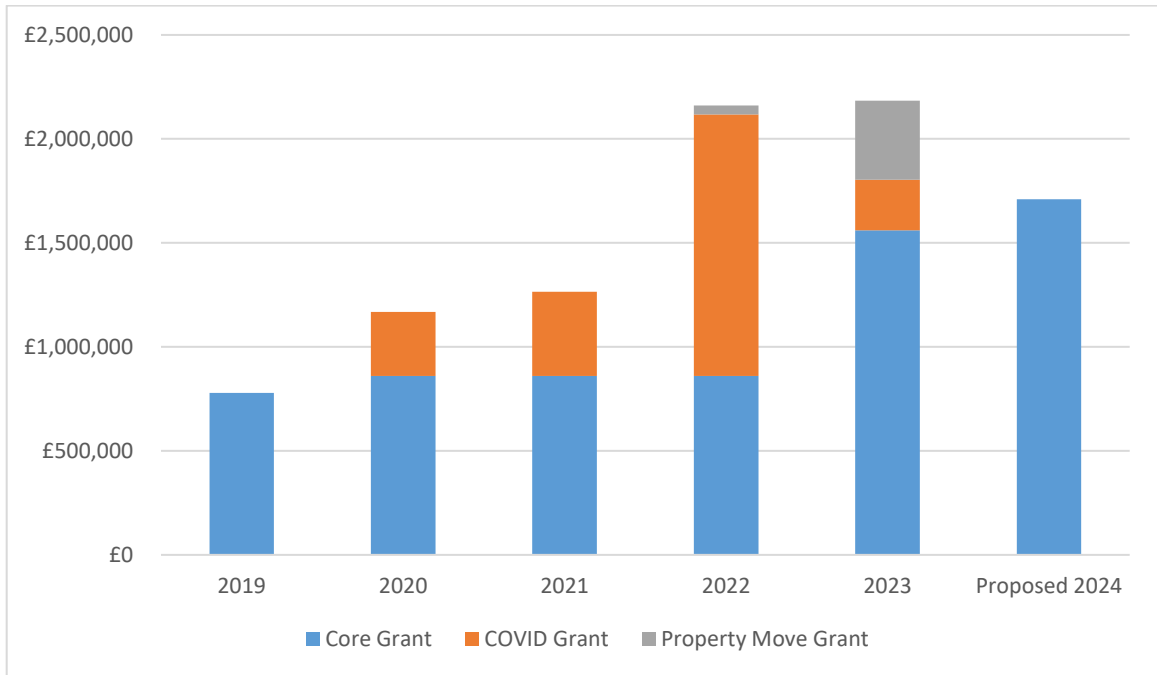


Fig.2 Jersey Business Grants

The Minister for Sustainable Economic Development has highlighted that the bid is designed to ensure that Jersey Business can continue to deliver its services to businesses, providing some examples as to the services delivered by Jersey Business in 2022:

- The business improvement programme generating approx. £458,000 of forecast savings for participating companies.
- 704 business enquiries were handled by the information service.
- 7,769 guides and templates were downloaded from the Jersey Business website.
- Information provided via the Jersey Business website in 65,469 sessions.
- 74 different businesses attended one of Jersey Business's programmes.
- 155 individuals gained new skills by participating in a programme.

The Panel would highlight that, although there is a need and use of Jersey Business' services, the information provided by the Minister for Sustainable Economic Development does not intrinsically evidence the impact of funding of Jersey Business upon the Island's economy, nor its support for sustainable economic growth.

The Panel has questioned what material evidence there was or would be tracked to measure the impact of funding to Jersey Business on Jersey's economic growth and was referred to the economic growth measured by Statistics Jersey in their annual Gross Domestic Product (GDP) and GVA publications.<sup>16</sup> This shows stagnation in the finance sector and reduction in growth in other sectors.

The Panel has also questioned what alternative means of funding, funding levels, and corresponding outcomes, were identified in the review of the application for the increase in the core grant. Although there has been no public comment on the options provided for in the Justification Business Case, no evidence has been provided to suggest challenge by the Minister

<sup>16</sup> <https://www.gov.je/StatisticsPerformance/BusinessEconomy/Pages/NationalAccounts.aspx>

to identify other sources of funding as an alternative to seeking more public funding. The Minister for Sustainable Economic Development has indicated that:

*“JBL is currently fully funded by Government. Going forward, with a view to maximising 2024-2027 funding, the organisation will be exploring additional avenues for supplemental funding. This might include funding from commercial partners, engaging with sponsors, and forging relationships with businesses. Diversifying their funding sources will enable them to ensure the sustainability and growth of their initiatives, unlocking new opportunities for innovation and impact in the future but this must be balanced by a need for the organisation to remain an ‘independent’ voice within the business community.”*

The Minister for Sustainable Economic Development has also indicated that, in the event that the additional grant is not allocated, Jersey business would face the possibility of:

- the necessity of downsizing its workforce by three employees, representing a 19% reduction in headcount;
- the need to cut back on client support delivery resulting in a substantial 50% reduction in both productivity and leadership support for businesses.

It has been further identified that potential consequences of this are:

- Impact of not running the Business Improvement Programme: a potential loss of £625,000 in net profit for businesses without improved productivity (20 x £25k)
- Impact of not running Leading Growth: a shortfall in support for 20-25 leaders seeking guidance and development.
- Impact of JBL reducing headcount by three employees: a reduction of 5,472 hours in support for the 2,500 businesses JBL influences.

The Minister for Sustainable Economic Development has identified that Jersey Business has a marketing mailing list of 2407 and pride themselves on an open rate of 50%, highlighting this as a significant indicator of appetite and engagement and far in excess of industry standards. Although this may be above industry standards, there is a flaw in using this as evidence for the impact of Jersey Business’ support, namely, the list may include duplicate contacts as well as inactive, non-relevant or economically unfeasible contacts and cannot evidence wider impact on the Island’s economy or business community. Indeed, even taking half of the 2407 contacts as active and relevant businesses only equates to 15% of the 8200 businesses in Jersey.

It has been identified by the Minister for Sustainable Economic Development that 82% of Jersey Business’ Grant is invested in delivering advice and support directly to businesses through the Jersey Business team, with 74% of this being spent on its own people.

The Panel has questioned tracking the success of Jersey Business actions throughout 2023 and has been directed to their KPIs logged in annual accounts and business plans. The Panel has been informed that these are set through agreement with Government Officers and the Minister for Sustainable Development; however, it remains concerned that these are potentially unoptimistic and have not been met at times, for example:<sup>17</sup>

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<sup>17</sup> [Jersey Business Annual Review Accounts 2022](#)

<b>Objective</b>	<b>Delivered</b>
To support 40 businesses to increase revenue through existing sales channels	10 businesses received an action plan to improve online sales
To support 30 businesses to better understand their environmental impact and how to reduce their carbon footprint	16 businesses attended consultations for the retail industry and hospitality industry on the carbon neutral roadmap
To support 6 businesses to access new investment to take their business to the next stage	31 expressions of interest received for the Productivity Support Scheme with 14 applications supported and 1 approved. Enabled new investment into an established Jersey company
To support new innovative business opportunities that will diversify the economy in Jersey through inward investment projects meeting their project milestones	Played a key role in setting up the new Jersey Rennes airlink. Supported two new retailers, Wild Atlantique and Fraiser Group, to open in St Helier

The Panel also notes that, whilst Jersey Business' customer satisfaction survey scores remain relatively positive, they have fallen in recent years, for example in how well client needs are met, dropping from 8.5 in 2021 to 7.9 in 2022 and in Net Promoter Score, dropping from 64 to 55 in the same timeframe.

Within the year end performance framework of Jersey Business in the 2022 annual report and accounts, the focused outcome areas under the heading Innovation 'Encourage existing businesses to explore opportunities to innovate their products or services' did not appear to have been met. It was reported that *'this activity has not been undertaken in 2022 & resources have been moved to other client facing support.'*<sup>18</sup>

It should be noted that all other areas within the year end performance framework had either been completed or were in progress in accordance with the Jersey Business RAG rating.

Despite asking throughout 2023, the Panel has not been provided with any empirical evidence of the impact of additional funding of Jersey Business upon the Island's GDP or GVA. To the contrary, as reported above, it has been identified the Island's economy, outside of finance, has remained stagnant for some time and despite the operation of Jersey Business, it would appear that there is little benefit to be gained through further funding.

As such, the Panel has [proposed an amendment](#) that this revenue expenditure item should be held in reserve and that a full business case for the increase in Jersey Business' core grant should be provided to the Assembly for agreement prior to funding being provided. The Panel has identified that this business case should include:

- full costing;
- anticipated economic return of the expenditure;
- estimated impact on GVA, taking into account the staffing crisis across all business sectors; and,
- where possible, calculation of tax benefit to the Government of Jersey provided by employees of JBL's clients.

<sup>18</sup> [Jersey Business Annual Review Accounts 2022](#)



## ***Jersey Opera House and Elizabeth Castle***

These ongoing capital projects are being led by the Minister for Sustainable Economic Development and relate to the refurbishment of the Jersey Opera House and redevelopment of the Hospital Block, Officers' Barracks and other site improvements at Elizabeth Castle. Having reviewed these projects in previous years, the Panel questioned further delay to the Jersey Opera House and if the funding was being used appropriately to meet the needs of the project.

In its [letter](#) to the Minister for Sustainable Economic Development dated 3<sup>rd</sup> November 2023, the Panel asked how cost estimates for the project had been assessed and reviewed to establish whether they represent best value for money. The Minister responded informing the Panel that a '*full Public Finance Manual tender on the portal was carried out to ascertain standard market value of the preferred bidder. This included Preliminaries, labour rates, overhead and profit margin*'<sup>19</sup>

The Panel also asked the Minister for Sustainable Economic Development to outline any planning undertaken to ensure the costs of future maintenance of the building will be covered in the future and was informed that:

*'a sum was included in the Outline Business Case for the ongoing maintenance of the building. However, as the project is a Design and Build, the full and final design is yet to be presented for approval. The scope and client brief has been produced with Jersey Property Holdings to ensure the best economic and efficient system is procured. When the final design is presented for approval by GoJ this will be scrutinised by Property Holdings' maintenance team to ensure it is in line with all current processes and efficiencies.'*<sup>20</sup>

The Panel received a submission from the [Jersey Opera House Limited Board](#) (JOHL) who stated that:

*'there is no formal relationship between the operating entity (JOHL) and the Government of Jersey - either through JPH or the DoE team - for the property. The operating entity receives an annual revenue grant from the DoE team to operate the theatre against a pre-described set of objectives. The target operating model between the Government and JOHL is currently being reviewed (prior to opening) which will include the lease arrangements for the building from the JPH to JOHL.'*

The Panel has separately asked for Key Performance Indicators (KPI's) regarding the Jersey Opera House and other ALOs and as recommended above believes that full review prior to further grant allocation should be carried out as to each ALO governance arrangements, setting and meeting of KPI's, and value for money including attributable, measurable and tangible impact upon the Island's economy.

The Panel has learnt that the re-opening of the Jersey Opera House was in fact a number of separate projects rolled into one public facing exercise, cumulating in the first show which goes ahead there. This funding covered the building works covered under the refurbishment; however, as JOHL operate within a project board framework including the Department of the Economy (DoE) team and Jersey Property Holdings (JPH), budgetary responsibility for the project sits outside the JOHL team, as the end-user not the client.

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<sup>19</sup> [Letter - MEDTSC to EIA re Government Plan - 13 November 2023](#)

<sup>20</sup> [Letter - MEDTSC to EIA re Government Plan - 13 November 2023](#)

The Panel also learnt that, as of the date of the submission on 10<sup>th</sup> November 2023, the full costing exercise had not been completed and was controlled by DoE & JPH, managed with an external property agency. The submission also outlines that the re-building of the operational team, updating and renewing the technical equipment, programming for future events, the customer experience and the long-term operating model for JOHL were not covered within the response submitted.

The Panel was informed that, before its closure in 2020, the Opera House was on the start of its digital journey with progress made and JOHL looking to invest in the latest ticketing and digital technology to enable a much smoother customer experience. The Panel was also informed that support of JOHL would support investment in the Visitor Economy, as a large amount of its customers purchase tickets whilst visiting the Island. It was envisaged that, when the Opera House reopens, JOHL would be keen to work closer with hotels and Visit Jersey to understand its position within the eco-system. It is unclear at this stage how the digital technology will be funded and to what extent JOHL will be looking to work with hotels and Visit Jersey.

The Panel has been informed by the Minister for Sustainable Economic Development that, although a completion date of 21st December 2024 had been considered at risk, it is anticipated that this will be met.<sup>21</sup> The Panel was further informed that Officers will work with the Strategic Finance team (who are part of Treasury and Resources) to bring forward the funding allocated for 2025 into 2024.

The Panel is concerned as to where the funding for these areas will come from and will continue to monitor overall progress on the Jersey Opera House including how time slippage, if any, impacts on the ongoing budget for the project.

**RECOMMENDATION 5:** By June 2024 the Minister for Sustainable Economic Development should clearly outline progress in the refurbishment of the Jersey Opera House and confirm if there is revenue expenditure requirement in 2025.

The Panel has been informed that the works to Elizabeth Castle are progressing and although there has been slight delay, they are scheduled to be completed in 2025.

The Panel, in its letter of 3<sup>rd</sup> November 2023, asked the Minister for Sustainable Economic Development how the cost estimates for the project had been assessed and reviewed to establish they represent best value for money and was informed that *'a similar process was applied by Jersey Heritage Trust, as was the case for the Jersey Opera House refurbishment project'*.

The Panel also asked the Minister for Sustainable Economic Development to outline any planning undertaken to ensure the costs of future maintenance of the castle will be covered in the future and was informed that *'when Jersey Heritage Trust (JHT) took over management and maintenance responsibility of the castles (P218/1996 - Elizabeth Castle and Mont Orgueil Castle: Cession of Usufruct), an Ancient Monument Fund was established, based on a percentage of revenue from admissions. It is anticipated that this fund will support the ongoing maintenance of the renovation works as well'*.<sup>22</sup>

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<sup>21</sup> [Letter - MEDTSC to EIA re Government Plan follow up - 22 November 2023](#)

<sup>22</sup> [Letter - MEDTSC to EIA re Government Plan - 13 November 2023](#)

The Panel is relatively content with these responses from the Minister for Sustainable Economic Development and will continue to question the progress on Elizabeth Castle during its quarterly hearings with that Minister throughout the year.

Whilst the Panel broadly supports the projects, it has highlighted concerns, in particular, around the Jersey Opera House, and would suggest caution in project creep and forward planning for required future maintenance.

### ***Intellectual Property***

Being led by the Minister for External Relations, this proposed revenue expenditure is identified in the Annex to allow for a new Intellectual Property framework to be enacted on the Island in order to be compliant with Free Trade Agreements. The Panel, in its letter to the Minister for External Relations dated 3<sup>rd</sup> November asked the Minister what particular value to the taxpayer the growth bid would deliver. The Minister for External Relations [responded](#) that the growth bid was primarily intended to establish a modern and new system of primary trademark registration in Jersey, with the modernisation of trademarks instilling confidence to promote Jersey as an attractive jurisdiction for Intellectual Property holding and for conducting future trade relations.

The Panel broadly supports this revenue expenditure bid noting its relevance to trade agreements and, although uncoded, potential economic benefit through Intellectual Property undertakings.

### ***Overseas Offices***

Being led by the Minister for External Relations this proposed revenue expenditure is identified in the Annex to allow the London, Brussels and Caen offices to operate on a sustainable footing and be sufficiently resourced to support deliverables and objectives as outlined in the Common Policy on External Relations. The Panel was informed that:

*‘in summary, the available funding for External Relations and its overseas offices has in recent years come under significant pressure due to increased expectations and requirements in respect of delivery. Operational costs for the overseas offices – which comprise of rent and salaries have also increased. External Relations has therefore needed to put in a growth bid for expenditure that other Jersey Government departments get automatically. The growth bid is therefore not for an expansion rather to ensure business as usual’.*<sup>23</sup>

The Panel has noted that the funding will also include a Jersey-based part-time role to support the Government’s wide programme of European engagement, with a particular focus on France.

The Panel has questioned the interaction with Guernsey noting the joint nature of the Brussels and Caen offices. It has been informed that funding to these is matched 50/50.<sup>24</sup> The Panel was also informed in its hearing of the 16th November 2023 that the Minister for External Relations is having ongoing discussions around the operations for the London office, for which the Panel recommended a feasibility study as to a joint operation in its review of the Government Plan 2023-26.<sup>25</sup>

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<sup>23</sup> [Letter - Minister for External Relations to Economic and International Affairs Panel re Proposed Government Plan - 16 November 2023](#)

<sup>24</sup> [Transcript - Quarterly Hearing with the Minister for External Relations - 16 November 2023](#)

<sup>25</sup> [S.R.22/2022 Res.\(2\)](#)

The Panel is broadly supportive of the additional funding bid for overseas offices, noting this is largely related to inflationary costs that are not automatically met by the Government of Jersey. The Panel suggests that the Minister for External Relations further investigates the feasibility of a joint London Office.

**RECOMMENDATION 6:** By the next Government Plan the Minister for External Relations should revisit the feasibility of operating a joint London Office with other Crown Dependencies in order to achieve previously identified savings whilst enabling greater cooperation with those jurisdictions.

### *Financial Intelligence Unit*

Being led by the Assistant Chief Minister, this proposed revenue expenditure is identified in the Annex to provide a longer-term funding model to deliver investment and expansion of the Financial Intelligence Unit (F.I.U). The F.I.U is statutory independent under the [Proceeds of Crime \(Financial Intelligence\) \(Jersey\) Regulations 2015](#), which took effect in July 2023 following adoption of commencement act [P.42/2023](#).

The Panel questioned premise cost and was informed at a public hearing that *‘currently the F.I.U. is located within the police headquarters and so clearly that is done at no cost. The F.I.U. will ultimately be moving to new premises but that is a piece of work that is currently ongoing.’*<sup>26</sup>

The Panel also asked if the proposed funding would be sufficient to meet the aspirations of the Financial Intelligence Unit to which the Assistant Chief Minister responded *‘I think it is for 2024. I think we are happy that they have the funding they need for 2024 and then as they develop and mature there may be need for further funding in future years.’*<sup>27</sup>

At its [public hearing](#) on 26th October 2023, the Panel asked the Assistant Chief Minister to outline the requirement for independence from the States of Jersey Police and was informed that this was the optimal model of F.I.U.s internationally.

The Panel is broadly supportive of the additional funding bid for the F.I.U noting the statutory independence. The Panel does have some concern around further funding requirement to the unit, including around premises cost and suggests that these are readily identified in future government plans.

**RECOMMENDATION 7:** By the next Government Plan the Assistant Chief Minister with Responsibility for Financial Services should identify the full funding requirement of the independent Financial Intelligence Unit, including premises cost, and indicate if this will require further Revenue Expenditure growth bids.

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<sup>26</sup> [Transcript - Quarterly Hearing with the Assistant Chief Minister with responsibility for Financial Services – 20 November 2023](#)

<sup>27</sup> [Transcript - Quarterly Hearing with the Assistant Chief Minister with responsibility for Financial Services – 20 November 2023](#)

### ***Jersey Finance – Additional Grant Funding***

Led by the Assistant Chief Minister this proposed revenue expenditure is identified in the Annex to enable Jersey Finance to maintain current levels of activity in addition to continuing to build on the recently enhanced presence in key markets and enable further work on both Fintech and Sustainable Finance.

The Panel asked what specific work on FinTech and Sustainable Finance the growth bid intended to cover and was informed that ‘*Jersey Finance is finalising its Business Plan for 2024 onwards. It is anticipated that the Business Plan will be finalised once approved by the Board in November. FinTech and Sustainable Finance remain priorities for the Department and Jersey Finance*’.<sup>28</sup>

The Panel has questioned the requirement for the additional funding to Jersey Finance and impact of the organisations work on the Island’s economy. The Panel holds continued concern regarding a low increase in economic productivity in the financial services sector outside of bank interest. However, further confidential information has been provided identifying economic value added and alternative funding levels considered.

Although the Panel would indicate that this, and further evidence of value, should be made publicly available, it has agreed that the funding should not be frozen at this time.

However, as recommended above, the Panel believes that a full review prior to further grant allocation should be carried out as to each ALO governance arrangement, setting and meeting of Key Performance Indicators, and value for money including attributable, measurable and tangible impact upon the Island’s economy.

### ***Fort Regent, Oakfield and Fort Regent Decant and Springfield Pitch and Floodlights***

The Inspiring Active Places Strategy considered potential investment requirements in public sports facilities over a period of 10 years and was created in partnership with key stakeholders involved in the development and delivery of community sport and physical activity on the Island. The public sport and wellbeing hubs will provide a range of multipurpose activity areas which will accommodate a wide range of sports and physical activities. Moreover, this strategy involved the decant of Fort Regent facilities to other sports infrastructure, either to existing buildings to be repurposed or new facilities to be built.<sup>29</sup>

The Panel wrote to the Assistant Minister for Sport on 3<sup>rd</sup> November, receiving a [response](#) on 21st November. The Panel noted that, within the Government Plan, additional revenue expenditure for Fort Regent was being led by the Minister for Infrastructure. The Panel questioned the necessity and benefits of this expenditure, given the existing capital project “Oakfield and Fort Regent Decant”, and asked the Assistant Minister for Sport to outline how duplication of this work was being avoided. The Assistant Minister for Sport informed the Panel that there was no duplication as such. However, the projects are linked in terms of the timing of outcomes, with Fort Regent remaining open until the Oakfield project would be ready to receive occupants.

The Panel went on to ask if the Assistant Minister for Sport could identify why the proposed revenue expenditure was still required and how it had been met during 2023. The Assistant

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<sup>28</sup> [Letter - Assistant Chief Minister to Economic and International Affairs Panel re proposed Government Plan - 15 November 2023](#)

<sup>29</sup> [Letter - Assistant Minister for Infrastructure with Responsibility for Sport to Economic and International Affairs Panel re Government Plan - 22 November 2023](#)

Minister for Sport responded stating that the revenue expenditure for Fort Regent would be covered in the overall Infrastructure and Environment funding envelope for 2023. The funding would cover day-to-day operational costs for functions required to keep the facility open to the public including necessary funds for utility services, cleaning and staff, for example. The Panel also asked if any alternative funding had been sourced and was informed that the facility needed to stay open in the short term and no alternative funding sources had been looked at.

The Panel asked why funding was being proposed through to 2027, noting the decant from Fort Regent project. The Assistant Minister for Sport informed that, once all sport activities had ceased from Fort Regent at the end of 2025, continued funding would still be required by the landlord, Jersey Property Holdings, to ensure the building remains safe, maintained, and planned periodic maintenance tasks are undertaken. The Panel also learned that, now that Fort Regent is staying open for longer (due to the delay of Oakfield), up to six additional staff will need to be recruited to keep the site safe and operational.

The Panel briefly questioned the Assistant Minister for Sport on the proposed capital project “Springfield Pitch and Floodlights” and queried why this project had been included in the proposed Government Plan when estimate funding is not due until 2025. The Minister informed the Panel that, when the business case was written at the start of this year, only indicative quotes were available. Inflation was added to cover any cost increase. In addition, there is a contractual obligation with the Football Association to update the pitch and lighting.

The Panel learned that the project was due to replace the existing 3G carpet at Springfield as well as the old floodlights, with the outcomes significant in terms of maintaining continuity of service to the football community, as well as those who hire and use the facility. The Panel asked how the cost estimates for the proposed revenue expenditure had been assessed and reviewed regarding best value for money. The Panel was informed that the project involves procuring the services of specialist artificial 3G carpet providers as well as floodlighting providers with officers due to source three quotes and follow the procurement rules for projects of this scale. A [submission](#) from Jersey Sport has informed the Panel that the Football Foundation helped fund the new pitch at Springfield and the agreement for this requires the GOJ to fund its replacement in and around the expiry of 10 years, indicating that withholding such funding would be in breach of a legal agreement as well as prejudicial to local football.

The Panel was informed that the project “Inspiring Active Places – Sport Strategy” was now complete with the delivery of the new sports hall at Oakfield due to complete the projects that were funded within the original Inspiring Active Places strategy.

The Panel received a [submission](#) from the Jersey Sports Association for the Disabled questioning provision of sport, and has received a [response](#) to the points raised.

The Panel would highlight some concern as to the delay in provision of sports, such as at the Oakfield site. Although it has agreed not to challenge the revenue expenditure bid, the Panel would suggest that a clear plan for the Island’s sport is forthcoming. The Panel intends to monitor progress following the publication of the findings of the [Review of Sport and Physical Activity in Jersey](#).

**RECOMMENDATION 8:** Noting the recently published Review of Sport and Physical Activity in Jersey, the Minister for Sustainable Economic Development and Council of Ministers should ensure a clear strategy for the Island’s sport provision is produced by the next Government Plan to enable accurate costing and forward planning.

## **Conclusion**

The Panel's review of the proposed Government Plan has raised some concerns as to whether revenue programmes and capital projects are likely to ensure productive service delivery, drive economic productivity and ensure value for money. The Panel's key areas of concern, as outlined above, are:

- That independent review of Arm's Length Organisations governance arrangements, setting and meeting of Key Performance Indicators, and value for money including attributable, measurable and tangible impact upon the Island's economy, has not been undertaken.
- Support, through budget measures for innovation and enterprise, are mainly focused on the finance sector.
- Use of the Technology Accelerator Fund to finance the Government's Digital Service Platform.
- A number of revenue expenditure items that require further information to be provided, either prior to funding or by the next Government Plan, to identify whether they will provide productive service delivery, improve economic productivity and ensure value for money.



## **Appendix 1 – List of identified Key Stakeholders**

The Panel identified and wrote to the following key stakeholders as part of the evidence gathering process for its review:

- Minister for Sustainable Economic Development,
- Assistant Minister for Infrastructure (Sport),
- Minister for External Relations
- Assistant Chief Minister with Responsibility for Financial Services
- Jersey Finance
- Jersey Funds Association
- Jersey Financial Services Commission
- Jersey Association of Trust Companies
- Jersey Bankers Association
- Jersey Financial Intelligence Unit
- Association of Investment Companies
- Jersey Business
- Jersey Fishermen's Association
- Digital Jersey
- Jersey Hospitality Association
- Randalls Jersey
- Visit Jersey
- Chamber of Commerce
- Jersey Farmers Union
- Institute of Directors
- Jersey Opera House
- Jersey Green Room
- Art House Jersey
- Jersey Heritage
- Jersey Sports Association for the Disabled
- Jersey Sport