

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY THE DEPUTY OF ST. MARY
ANSWER TO BE TABLED ON MONDAY 13th SEPTEMBER 2010**

Question

“Given that in the budget for Tourism an expenditure line for “Planning and research” has hovered around £1 million over the last 7 years, peaking at £2 million in 2007 and £1.4 million in 2008, would the Minister explain exactly where this money was spent in those two years?”

Answer

The budget (as presented in the EDD Annual Business Plan) for the Planning & Research area of Jersey Tourism may vary from year to year depending on the studies to be undertaken.

In presenting the accounts for Jersey Tourism in the Jersey Tourism annual reports the figures also include some spending from more corporate areas that do not fall into any other particular activity centre. Some of these can be one off costs such as the Island rebranding in 2007 and varying amounts for route marketing which support the development of new air routes mixed with the annual grants to the Jersey Conference Bureau and Bureau de Jersey.

Appendix to Question 5611 (Question 20)

	2008 Actual £000	2007 Actual £000
Corporate		
Strategy and Policy	1,224	1,794
Research and Planning	186	253
Communication		
Advertising and Media	1,845	2,247
Distribution	191	214
Marketing Services	431	551
Product Development	906	989
Market Development		
Public Relations	562	549
Trade Relations	977	386
Consumer and Media Relations	675	885
Visitor Services	324	282
Net Revenue Expenditure	£7,322	£8,150

Note: The above figures include direct salaries and an allocation of Economic Development Department (EDD) overheads

Key Financial Results

Total net revenue expenditure for 2008 decreased by £838,000 (-10%) when compared with 2007.

Part of the decrease can be attributed to the move to UK GAAP, where the cost of 2009 Tourism brochure has been carried forward into 2009 and effectively reduced expenditure by £268,861 in addition during 2007 there was one off expenditure in relocation and Island Branding.

Corporate expenditure decreased by £637,000 (-31%)

The decrease in Corporate Strategy and Policy expenditure was mainly due to one-off costs in 2007 including the relocation to the new Tourism Building at Liberation Place (£675,000) and Island Branding (£120,000) Corporate Research and Planning expenditure decreased by £67,000 due to the Visitor Exit Survey in 2007, which is only conducted once every few years.

Communication expenditure decreased by £628,000 (-16%)

During 2007 Communications Advertising included Trade Relations (£660,000). However, in 2008 due to its importance it is reported separately under Market Development (see below). In line with UK GAAP the cost of 2009 Tourism brochures has been carried forward to 2009, effectively reducing expenditure by £263,861. Taking these factors to one side, Communications Expenditure increased by £235,000.

The increased spend related to £210,000 for additional advertising in response to the Historic Child Abuse Enquiry (HCAE), for which it received budget. The Tourism Development Fund paid £250,000 for HCAE Advertising costs which are reported separately in the Tourism Development Fund Annual Report.

Market Development expenditure increased by £437,000 (+21%)

The increase is mainly due to the change in reporting Trade Relations under Marketing Development for 2008 (see above).

Business Unit	Section	Actual 2007	Actual 2008	Difference
NTC000 –Corporate Strategy – General	Strategy and Policy	136,072.88	84,448.82	-51,624.06
NTC001 –Jersey Conference Bureau	Strategy and Policy	240,045.21	230,203.00	-9,842.21
NTC005 –Corporate Strategy – Committees	Strategy and Policy	43,531.37	0.00	-43,531.37
NTC010 –Ice Rink	Strategy and Policy	3,984.59	15,286.56	11,301.97
NTC015 –Bureau de Jersey	Strategy and Policy	50,000.00	50,000.00	0.00
NTC020 –Island Branding	Strategy and Policy	119,989.86	217.00	-119,772.86
NTC030 –Tourism Strategy Development	Strategy and Policy	6,820.58	0.00	-6,820.58
NTC040 –New Business Opportunities	Strategy and Policy	93,492.94	77,240.29	-16,252.65
NTC055 –Town Centre Manager	Strategy and Policy		9,956.03	9,956.03
NTC050 –Airline Marketing	Strategy and Policy	250,776.83	3,571.91	-247,204.92
NTC051 –Route Development	Strategy and Policy	457,653.00	726,390.27	268,737.27
NTC100 –Relocation – Liberation Place	Strategy and Policy	325,009.74	0.00	-325,009.74
NTC101 –Relocation – Jubilee Wharf	Strategy and Policy	50,334.53	10,931.78	-39,402.75
Overheads		16,136.36	15,549.24	-587.12
	Total for Strategy and Policy	1,793,847.89	1,223,794.90	-570,052.99
NTM610 – T & M – General Research and Strategy	Research and Planning	253,119.07	186,409.36	
	Total for Research and Planning	253,119.07	186,409.36	-66,709.71