

2024.06.25

3.6 Deputy M. Tadier of the Minister for Sustainable Economic Development regarding funding to Jersey Heritage OQ.129/2024)

Further to his response to Written Question 230/2024, will the Minister advise why the 2023 Government funding to Jersey Heritage was frozen at 2022 levels?

Deputy K.F. Morel of St. John, St. Lawrence and Trinity (The Minister for Sustainable Economic Development):

As the Deputy is aware, grant funding to Jersey Heritage almost doubled following the introduction of the 1 per cent for Arts, Culture and Heritage. Due to the fact that we have launched the Arts Strategy and the Heritage Strategy in 2022, both of which contained ambitious plans in order to deliver on these, including new initiatives, it was necessary between 2022 and 2023 to keep core grant funding to Jersey Heritage at the same level. That, though, has been superseded in 2024 with a £360,000 increase in funding for Jersey Heritage, which equates to 6.5 per cent. So the grant today stands at £5.8 million. Back in 2021, I believe it was, it was £2.8 million. So between those years there has been clearly a very significant increase in funding for Jersey Heritage Trust.

3.6.1 Deputy M. Tadier:

I do not think it is reasonable to compare to pre-1 per cent levels. I think the Minister did not really address why the funding had been frozen. I do not want to compare with other A.L.O.s (arm's length organisations) because I think it could be seen as divisive, so I will not quote exact figures. But it is the only A.L.O. that did not receive an increase from its 2022 figures. The 6.5 per cent that the Minister talks about only equates to a fraction of the 25 per cent inflationary costs that the organisation has seen over a 2 or 3-year period. Can the Minister again try and explain why they had to accommodate a freeze, which of course meant that they did not have enough to pay their staff a cost-of-living adjustment, when other organisations were not given that freeze?

Deputy K.F. Morel:

If I remember rightly I did explain in the first part of my answer, that there are many claims on the public purse and certainly that is no different in the Arts, Culture and Heritage sector. So I was faced with requests for funding from many different areas, not just A.L.O.s but also small and individual organisations, and in order to satisfy those requests, while also implementing the arts and heritage strategies, I chose to keep the 2023 grant for Jersey Heritage at the same level as 2022. That, as I said, was a vast increase on 2021 and as such I believe that Jersey Heritage were able to understand their budget. Jersey Heritage Trust also have, unlike other A.L.O.s, the ability to get subscriptions from members and also entrance and other means of raising funding, operating essentially as a business. I felt at the time that they have the opportunity to raise extra funding in other ways, and so that was the appropriate thing to do for that year.

3.6.2 Deputy H.L. Jeune:

I am new into this area and just read the Art Strategy following this question. Could the Minister give an update on the new arts investment framework for Jersey as described in the Arts Strategy of 2022, and how it has leveraged additional resources for the arts?

Deputy K.F. Morel:

Again, with the greatest respect, I am not sure that follows from a question about funding for Jersey Heritage Trust.

The Bailiff:

I am afraid it does not. Obviously supplemental questions have to be supplemental to the answers and supplemental to the ambit of the question. I think that question is outside the ambit of the original question. Did you have another question you wish to ask at this point, Deputy Jeune?

Deputy H.L. Jeune:

Yes. Does the new arts investment framework include the Jersey Heritage and how has that helped to leverage additional resources for the arts and for Jersey Heritage?

Deputy K.F. Morel:

Work is ongoing in the arts investment framework so I would have to check with officers whether it includes Jersey Heritage. At this present time I am not able to answer that question clearly.

3.6.3 Deputy H.L. Jeune:

It would also be good to hear from the Minister what the maximum uplift of the 1 per cent the Minister believes has been achieved with this framework is and if this then could go towards Jersey Heritage in the future.

Deputy K.F. Morel:

I am afraid I did not understand that question.

Deputy H.L. Jeune:

As part of the strategy, the new arts investment framework talks about maximising that 1 per cent uplift so additionally I was wondering if the Minister, when asking his officers for further information, can also find out about that specific uplift beyond the 1 per cent and if that will also be feeding into support for Jersey Heritage.

Deputy K.F. Morel:

Of course, I can do so.

3.6.4 Deputy J. Renouf:

Jersey Heritage suffered a cut effectively, with inflation, of around 25 per cent in its Government grant funding as a result of that freeze. Was the aim of the 1 per cent not to ensure that Jersey Heritage had the ability to meet the terms of the strategic partnership agreement that has been signed between the Government and Jersey Heritage? Does he not accept that the cut would have meant that that was very difficult to achieve?

Deputy K.J. Morel:

I dispute the idea of a cut when previous to the 2022-2023 year, I disagree with Deputy Tadier when he says the 2021 year previous to the 1 per cent is irrelevant; I do not believe that is irrelevant. This is an organisation that had £2.8 million worth of funding; a year later it had £5.5 million worth of funding. I believe that in itself, that growth there, means that Jersey Heritage was able to meet its obligations going forward. That is also to be put in the context that Jersey Heritage also receive funding for Elizabeth Castle, which is a major revenue project, and this year they have received an increase of funding of over 6 per cent. I believe that when we budget for A.L.O.s it is important that they work within their budget. Given the almost

doubling of Jersey Heritage's budget from 2021-2022 back in 2022, I chose at that time not to increase their funding purely because there were many other calls. As I am very aware, in a sense Jersey Heritage could take all of the £11 million and still be asking for more from the 1 per cent. I believe in order to make sure there is a thriving arts eco-system, the 1 per cent is not just money for Jersey Heritage, it is 1 per cent for the entire arts and culture eco-system, as well as the entire heritage eco-system, that means that difficult choices need to be made as to where funding is placed.

3.6.5 Deputy J. Renouf:

My understanding is that when the 1 per cent was brought in, one of the fundamental aims of it was to ensure that Jersey Heritage had a sufficient level of funding. Is he now claiming that the initial allocation of £5.5 million was over what they needed because he seems to be arguing that it was relatively simple for them to accept a 25 per cent cut in real terms after that increase?

Deputy K.F. Morel:

No, that is not what I am claiming.

3.6.6 Deputy M. Tadier:

The whole point of the 1 per cent was because there had been a decade of atrophy for the grants going to organisations, including Jersey Heritage. Now we are seeing a period of further atrophy under this Minister where in a period of 25 per cent interest in inflation rates this organisation, which does sterling work for Jersey in terms of its cultural heritage, or *patrimoine* as the French might say, have got simply 6 per cent while other organisations have got 23 per cent, 32 per cent, 29 per cent and the budget for festivals went up by 53 per cent, all of which are great because they do also good work.

[10:30]

Does the Minister think that there is a risk if we push Jersey Heritage too far and cut their budgets relative to inflation too much they may simply turn around and say: "The States can take back this castle, we do not any longer have the staff or resources to deal with it"? What kind of position does the Minister think that would put the Government and the people of Jersey in when it cannot maintain its own cultural assets?

Deputy K.F. Morel:

No, I significantly and severely disagree with that suggestion, the idea that atrophy has happened under this Minister. Let me remind the Assembly, £2.8 million was paid to Jersey Heritage in 2021; in 2024 £5.8 million has been paid to Jersey Heritage; that is in its core grant funding. It is also receiving, I believe it is over £7 million, for the Elizabeth Castle project. It is £6.453 million for the Elizabeth Project and that remains ongoing. The organisation receives over £11 million in funding at the moment from the Government of Jersey; that is not atrophy, this is an organisation that received £2.8 million just 3 years ago. I understand that the Deputy is trying to portray it in a certain way but that is not the way that either the account of Jersey Heritage or the reality can be seen.