
STATES OF JERSEY



TOURISM DEVELOPMENT FUND: REPORT FOR 2012

**Presented to the States on 22nd March 2013
by the Minister for Economic Development**

STATES GREFFE

Message from the Chairman

I am pleased to present our report on the activities of the Tourism Development Fund in 2012.

This has been a significant year in the evolution of the Tourism Development Fund. A proposition to open the Fund to the private sector was approved by the States in July. The approval followed a detailed review of the proposals by the Corporate Services Scrutiny Panel and the community at large. The TDF Panel welcomed the interest and time the Scrutiny Panel expended on their research and report which undoubtedly contributed to the support the proposition received in the States.

By opening the Fund to private sector applicants, we are encouraging the tourism community to put forward as wide a variety of proposals as possible for the Panel's consideration. Whilst we continue to encourage applications from the not-for-profit sector, we are of the firm belief that we must seek out the best ideas to develop tourism and not be constrained by what type of organisation happens to be the one to promote it.

I am delighted that for the first time since its inception, the TDF has secured and quantified additional funding for the next 3 years. This ensures an investment of £500,000 a year into the Fund, which we hope will be utilised in full by organisations wishing to develop new and innovative ways to bring visitors to our Island. I would like to thank the Minister for Economic Development, the Council Of Ministers and the States Assembly for recognising the importance of the TDF by approving this level of funding in an environment where there is significant competition for resources.

Our challenging economic conditions continue, yet the Tourism Industry continues to be resilient and is maintaining its central role in the Jersey economy. All of the organisations that apply to the Fund are contributing to this success, and I hope many more will come forward in the next year to enable the Panel to support projects that capitalise on our unique environment and heritage.

I would like to thank all of the members of our Panel for their excellent contribution to our activities during the year. Our reviews of grant applications and the tourism industry at large have been lively and thorough. I would also like to thank the Director of Tourism and Marketing, our executive level officer at Economic Development, and their colleagues in the Economic Development Department and the States Greffe for their valuable support.

On behalf of the Tourism Development Fund Panel.

Peter C. Funk
Chairman

REPORT

1. Introduction

In line with the terms of the Tourism Development Fund (TDF) Approved Scheme, the 2012 Annual Report is hereby submitted to the States of Jersey.

As of 31st December 2012, since the TDF began its operations in 2002, there were 107 projects that had received, or were due to receive assistance from the Fund. Nine projects were approved for funding during the year and 3 further projects from the autumn 2012 round remain under consideration for final decision in early 2013.

2. Background to the Fund

The Tourism Development Fund was established in 2002 and replaced the Tourism Investment Fund. The aim of the Fund is to stimulate investment in the tourism product and tourism infrastructure in order to improve Jersey's competitiveness and to sustain a flourishing tourism industry as a valuable contributor to the economy and the social fabric of the Island. Applications are assessed as to the likely impact on visitor numbers and the visitor experience, how sustainable the impact may be, and the associated investment that TDF funding would leverage.

When the Fund was established, an agreement was made in principle that the sum of £10 million would be set aside over the following 5 years. In 2003, £1.2 million was transferred to the Fund, and in 2006, an additional £1 million was transferred. The Panel Members were pleased that an additional £650,000 was granted to the Fund in 2011, although recognise that the total amount awarded to date is significantly less than the original £10 million agreed.

Through the Medium Term Financial Planning process, the TDF has been allocated £500,000 per year for the next 3 years. The Panel welcome the security of funding that this provides in the short to medium term, which has been lacking in the past.

The Panel are also pleased that, following a Scrutiny Report into the issue, published in July 2012, the States agreed to the proposition to open the Fund to the private sector. It is hoped that this will encourage a broader range of applications, which can now be received from voluntary, public and private organisations, and therefore there will be increased capacity for the Fund to have a greater impact on visitor numbers and associated impact on the Tourism Industry as a whole.

The Panel welcomed 2 new Panel members during 2012: William Church and Aurelie Leroy. The Panel also comprises: Peter Funk (Chairman), Lawrence Huggler (Vice-Chairman), Kristina Le Feuvre, Melinda Isherwood, Carol Canavan, Andrew Shrimpton, Dominic Jones and Steve Bailey. The Department is represented at officer level by its Chief Executive and the Director of Tourism and Marketing; and the Panel was supported at executive level by an officer of the Economic Development Department.

3. Activities in 2012

The Panel met 9 times during the year. Copies of the approved minutes of each of the Panel meetings are available on www.jersey.com/tdf.

At the beginning of the year, the application by Durrell Wildlife Conservation Trust was formally approved, following fulfilment of the provision of information which the approval was conditional upon.

There were 2 rounds of applications in 2012; one in the spring, and one in autumn. To alert potential applicants of the opportunity of funding, adverts were placed in the Jersey Evening Post, it was promoted on the website www.jersey.com, a press release was issued and it was highlighted in the Jersey Tourism e-newsletter.

In the spring round of applications, 17 applications were received and 5 applications were approved. However, subsequent to this, one application that had received approval was for an event that was subsequently cancelled; and another, for an event that was postponed for one year. The latter applicant has been advised to re-apply when appropriate, updating the details of the application, for the Panel to confirm their support.

The autumn round of applications commenced in October. This was the first round of applications where the private sector was eligible to apply. In total, 27 applications were received. In total, 5 applications were approved, with 3 applications being subject to additional information requests at the end of the year.

In both rounds, the Panel reviewed each application, taking regard of the potential impact on tourism, the additional investment from other sources that the project would generate, the sustainability of the potential impact and the project governance. For those projects where further information was required, individual Panel members were tasked with contacting the applicant, and gathering details to report back to the Panel. This process proved to be an effective way to provide additional scrutiny to applications without causing unnecessary time delays in the application process. For particular projects where it was deemed necessary, the applicants were invited in to discuss their projects with the Panel as a whole.

The following projects were approved for funding during 2012 –

TDF Round	Project	Organisation	Amount awarded
autumn 2011	Development of Luxury Camping	Durrell Wildlife and Conservation Trust	121,500
spring 2012	Spice Treasures and Trade Fair	Spice Treasures and Trade	1,000
spring 2012	Tour De Ports	St. Helier Yacht Club	1,500
spring 2012	Stand for Jersey Rugby Football Club	JRFC	56,000
autumn 2012	International marketing for Tarka Sea Trips	Tarka Sea Trips Ltd.	£3,412

TDF Round	Project	Organisation	Amount awarded
autumn 2012	Improvement of occupations sites	Channel Islands Occupation Society	£5,000
autumn 2012	International Chess Tournament	Jersey Chess Club	£5,000
autumn 2012	Family History Online Development	Jersey Heritage	£6,875
autumn 2012	Refurbishment of Cycle Network signs	Jersey Tourism	£11,079
		Total	£211,366

Whilst the TDF committed £211,366 towards these projects, the total investment in tourism through these initiatives, including the funds contributed by organisations themselves and additional project sponsors, amounted to over £790,000.

It should be noted that 3 applications made in the autumn 2012 round are still under consideration, and final decisions regarding these will be completed in early 2013.

4. The future

Having achieved significant progress in 2012 in terms of evolving the nature of the Fund, it is now time to see these changes embed, and fully optimise on the opportunities they offer. The impact of opening up the Fund to the private sector will not be felt for some time, but it is hoped that many more applicants will seek to utilise this Fund for their benefit and the benefit of the Island as a whole.

APPENDIX

Unaudited Accounts**Highlights:**

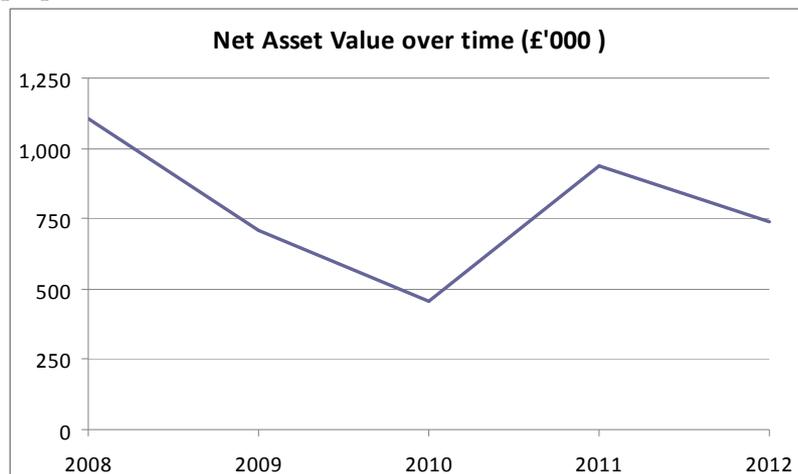
Closing Net Asset Position of £741,152, a decrease of 20.9% on 2011

Net Revenue Expenditure of £195,811, an increase of 140.7% on 2011

Key Results**Changes in NAV**

	£'000
2011 NAV	937
Grants paid	(197)
Other Variances	1
2012 NAV	741

The Net Asset Value of the Fund decreased from £936,963 to £741,152, a decrease of £195,811 (20.8%). The decrease is mainly due the payment of grants (£197,314) in accordance with the purpose of the Fund.

**Performance compared to 2011**

	£'000
2011 NRI	480
Grants received	(650)
Grants paid	(27)
Other Variances	1
2012 NRI	(196)

The Fund received a grant of £650,000 in 2011 from the Economic Development Department to allow the TDF Panel to continue further rounds of grant allocations during 2012 and beyond. There were no grants received in 2012.

There was a decrease of £26,862 in grants paid compared to 2011. Grants from the Fund are considered and approved by a committee comprising business leaders and senior officers from the Economic Development Department. The amount paid in grants each year is dependent upon the number and financial amounts of applications received and approved by the committee.

Statement of Comprehensive Net Expenditure		
	2011	2012
	Actual	Actual
	£'000	£'000
Revenue		
Investment Income	4	7
Other Income	650	–
Total Revenue	654	7
Expenditure: Near Cash		
Supplies and Services	2	5
Administrative Expenditure	2	1
Grants and Subsidies Payments	170	197
Total Expenditure: Near Cash	174	203
Net Revenue Income: Near Cash	480	(196)
Net Revenue Income	480	(196)
Total Comprehensive Income/(Expenditure)	480	(196)

Statement of Financial Position			
	2010	2011	2012
	Actual	Actual	Actual
	£'000	£'000	£'000
Current Assets			
Trade and Other receivables	24	–	–
Balance due from the Consolidated Fund	435	987	742
Total Current Assets	459	987	742
Total Assets	459	987	742
Current Liabilities			
Trade and Other Payables	2	50	1
Total Current Liabilities	2	50	1
Total Assets Less Current Liabilities	457	937	741
Assets Less Liabilities	457	937	741
Taxpayer's Equity			
Accumulated Revenue Reserves	457	937	741
Total Taxpayer's Equity	457	937	741

The Projects

As of 31st December 2012, in the last 3 years the following projects had received or were due to receive funding from the TDF. For projects where funding was allocated more than 3 years ago, please see previous annual reports available at www.statesassembly.gov.je.

	Project	Project managers	Year	Amount approved	Comment
1	Family History Online Development	Jersey Heritage	2012	£6,875	Family History Tourism is a growing niche market. This will allow the development of a website to encourage more people to visit Jersey to find out about their past.
2	Refurbishment of Cycle Network signs	Jersey Tourism	2012	£11,079	The cycle network is a key draw for many visitors to Jersey and work is required to ensure the network is effectively promoted and signposted across the Island.
3	International marketing for Tarka Sea Trips	Tarka Sea Trips Ltd.	2012	£3,412	The grant has been awarded to joint fund marketing into a new market to test viability of such an approach over the longer term.
4	Improvement of occupations sites	Channel Islands Occupation Society	2012	£5,000	Further support has been granted for specific works, particularly at Corbière, to ensure these important sites of interest are maintained and improved to showcase Jersey's historical tourism offering.
5	International Chess Tournament	Jersey Chess Club	2012	£5,000	Funding to enable the establishment of an international Chess tournament which is anticipated to draw competitors to Jersey for a week long competition in the shoulder months. Organisers are intending to make this a regular event in the Jersey calendar.

	Project	Project managers	Year	Amount approved	Comment
6	Spice Treasures and Trade Fair	Spice Treasures and Trade	2012	£1,000	2,700 people attended this event in September 2012. The organisers are intending to make this into a regular event in the tourism calendar.
7	Tour De Ports	St. Helier Yacht Club	2012	£1,500	The Tour Des Ports attracted over 100 yachts and 700 crew and race officials.
8	Stand for Jersey Rugby Football Club	Jersey Rugby Football Club	2012	£56,000	The TDF made a contribution towards the building a stand at the Rugby club so that to enhance visiting supporters' experience to encourage repeat visits and recommendations to other teams. In the first 6 matches of the season, 2,900 visiting supporters attended games, staying between 2–5 nights in the traditionally quiet season.
9	Developing luxury Camping at Durrell	Durrell Wildlife Conservation Trust	2011/2	£121,500	The Camping facility opened for business at the end of July 2012 and in August it achieved an 87% occupancy rate. It is anticipated that it will be achieving significant revenues for Durrell in years to come, which improves the sustainability of this key attraction, and brings visitors to experience the wider tourism offering across the Island.
10	Development of Wetland Centre	National Trust	2011	£50,000	This project adds a new attraction to Jersey's portfolio by constructing a wildlife viewing centre at St. Ouen's Pond. Due to poor weather conditions, and the inability to conduct

	Project	Project managers	Year	Amount approved	Comment
					work in seasons due to habitat protection, the work has been delayed until summer 2013.
11	Development of business plan to extend scope of the Festival	Branchage	2011	£10,000	Plans to develop the event to maximise its potential to benefit Jersey.
12	Development of Marine exploration guide and resources	Jersey Seasearch	2011	£28,000	This project aims to increase diving tourism by exposing the great diving offering of Jersey, linking in to the UK Seasearch Network to maximise the exposure to the large UK diving market.
13	Liberation Music Festival 2012	Music in Action	2011	£7,250	International marketing support is being provided to support this successful festival.
14	Tour des Ports de la Manche	St. Helier Yacht Club	2011	£1,500	TDF funds allowed the marketing and promotional activity for the 2011 event.
15	Branchage – development of marketing, promotion and PR	Branchage	2011	£25,000	The successful 2011 festival saw an increase in overseas visitors and visitor spend.
16	P1 Powerboat Racing	Jersey Tourism	2011	£20,000	Funding awarded to support this unique event which included exposure on satellite television networks.
17	Refurbishment of Kempt and La Rocco Towers	Jersey Heritage	2011	£143,000	Following the success of previous projects, these funds will be used to turn Kempt and La Rocco Towers into self-catering accommodation.
18	Liberation Festival 2011	Music in Action	2010	£12,500	By marketing the 2011 event early enough, the organisers hope to attract more visitors to the event.

	Project	Project managers	Year	Amount approved	Comment
19	Branchage 2011	Branchage	2010	£10,000	Branchage is now becoming an anchor event in the calendar, and the marketing for the event needs to begin early to ensure that it attracts increasing numbers of visitors.
20	Jersey Fish Festival 2011	Jersey Fishermen's Association	2010	£6,000	These funds will be used to market the event at similar events in the UK. The event organisers also attracted marketing assistance from other local partners.
21	Improvements to Dolmens	Société Jersiaise	2010	£4,500	Société Jersiaise maintains many of the Island's Dolmens and these funds will allow some much-needed maintenance and improvements.
22	Tour des Ports de la Manche	Jersey Yacht Club	2010	£1,500	The Tour des Ports has a long history, and in 2010 Jersey had the honour of hosting the departure of the race.
23	Liberation Festival	Music in Action	2010	£4,000	The funds provided helped market the event off-Island and helped develop this event.
24	Joint marketing for air and sea routes	Jersey Tourism	2010	£85,000	Jersey Tourism used the funds on a £ for £ basis with carriers to encourage more visitors to the Island.
25	Development of a Jersey Food Festival	Jersey Tourism and partners	2010	£8,000	Jersey Tourism in association with other local organisations began the development of a new food festival that will celebrate local produce and dining excellence.

	Project	Project managers	Year	Amount approved	Comment
26	Jersey Boat Show 2010	Jersey Harbours	2010	£8,000	Fast becoming a major spring event, the funds were used on off-Island marketing.
27	Jersey Fish Festival	Jersey Fisherman's Association	2010	£6,500	Another event with the potential to become a major spring event, the funds were used on off-Island marketing.
28	Animation of arrivals hall in Jersey Airport	Jersey Airport	2010	£11,000	Funds (on a £ for £ basis) will be used to create a lasting first impression for visitors coming through this important gateway to the Island.
29	Motoring Festival	Classic and Vintage Motor Racing Club	2010	£20,000	Funds were used to help market the event at special shows and in motoring publications in the UK.
30	Installation of mains electricity to occupation sites	Channel Islands Occupation Society	2010	£8,000	By installing mains electricity into some of the bunkers, the CIOS are now able to extend the opening hours of many of their facilities.
31	Jersey Textile Showcase 2011	Art in the Frame	2010	£4,000	By marketing the 2011 event early enough, the organisers hope to attract more visitors to the event.
32	Filming of the Town Criterion 2010 for Television	Jersey Cycle Association	2010	£8,000	The Town Criterion [cycle race] is growing in stature and attracting media interest.
33	Branchage Film Festival 2010	Branchage	2010	£25,000	Building on the success of recent years, the organisers are now developing a very sophisticated marketing and sponsorship package for the event.