
STATES OF JERSEY



TOURISM DEVELOPMENT FUND: REPORT FOR 2013

Presented to the States on 3rd September 2014
by the Minister for Economic Development

STATES GREFFE

REPORT

Message from the Chairman

On behalf of the Tourism Development Fund and our Advisory Panel, I am very pleased to present our Report and Accounts for 2013.

This was the first year we opened the Fund to applications from private organisations following the approval by the States in July 2012 to broaden our remit to enable us to make grants to the private, as well as the non-profit, sector. We invited applications in the Spring and Autumn of 2013 and we were delighted to receive a wide range of applications from a number of diverse public, charitable and private organisations. In all we received a total of 38 applications, requesting grants totalling £1,604,945. Of the 38 applications received, 13 were from the private sector and 25 were from the non-profit sector.

Our Advisory Panel held 12 meetings in the course of 2013 to review and consider the applications received. In addition, Advisory Panel members met with many of the applicants in advance of our meetings to gain further information, and a number of applicants were invited to make presentations and to discuss their applications. Minutes of all of our Advisory Panel meetings are recorded by the States Greffe and published on our website www.jersey.com/tdf.

In 2013 the Advisory Panel approved grants to 17 applicants, totalling £658,761. Of the applications approved, 11 were from the non-profit sector and totalled £613,574, and 6 were from the private sector and totalled £45,187.

In addition to the projects themselves, the Advisory Panel assess applications under a range of criteria, including the estimated number of visitors, as well as the sustainability, timing and organisational governance of the event or project. One of our main criteria is the amount of funding that will be raised or generated from sources other than the TDF grant. Well over £2,000,000 in additional funds will be committed by the successful grant applicants in addition to the total of £658,761 in grants that we have approved in 2013.

Our Advisory Panel members serve on a voluntary basis and there is a considerable amount of time and effort involved in fulfilling our role. I would like to thank all of the members of our Panel for their dedication and contribution to our activities during the year. In particular, I would like to thank Lawrence Huggler, who has been a member since the inception of the Panel and who has provided excellent service as our Vice-Chairman. I would also like to thank Steve Bailey, Dominic Jones, Kristina Le Feuvre and Melinda Isherwood, who retired in the course of 2013 and early 2014. Your collective skills and efforts contributed over the years have been invaluable and you will be missed. I would also like to thank David de Carteret, Melanie Drummond and their colleagues in the Economic Development Department and the States Greffe for their valuable support.

We are looking forward to 2014 and the opportunity to provide continuing support to our vibrant Tourism Industry.

On behalf of the Tourism Development Fund:

Peter C. Funk, Chairman

1. Introduction

In line with the terms of the Tourism Development Fund (TDF) Approved Scheme, the 2013 Annual Report is hereby submitted to the States of Jersey.

As of 31st December 2013, since the TDF began its operations in 2002, there were 116 projects that had received, or were due to receive assistance from the Fund. Seventeen projects were approved for funding during the year, and 3 further projects from the Autumn 2013 round remained under consideration for final decision in early 2014.

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 was allocated £500,000 per year from 2013–2015. The Panel welcome the security of funding that this provides in the short to medium term, which has been lacking in the past.

In July 2012, the States agreed to open the Fund to the private sector. This has encouraged a broader range of applications, now being received from voluntary, public and private organisations, increasing the capacity for the Fund to impact visitor numbers and the Tourism Industry as a whole.

All grants recommended by the Panel over £100,000 are referred to the Minister for Economic Development for approval, and grants over £500,000 also require the approval of the Minister for Treasury and Resources.

In cases where the Panel does not recommend funding, there is an opportunity for the applicant to appeal the decision. These are made in writing to the Minister for Economic Development, detailing any additional information to support the application. The Minister would normally ask the Panel to review their decision and then have the Chairman fully brief him on their decision before making his own final decision. In 2013, 2 appeals from the Fruits de Mer Oyster Festival and the Folklore Festival were considered fully by the Minister, who ultimately upheld the original decision of the Panel not to grant the funding.

The Panel for the Spring Round 2013 comprised: Peter Funk (Chairman), Lawrence Huggler (Vice-Chairman), Kristina Le Feuvre, Melinda Isherwood, Carol Canavan, Andrew Shrimpton, Dominic Jones, Aurelie Leroy, William Church and Steve Bailey.

The resignations of Kristina Le Feuvre and Steve Bailey were accepted by the Chairman ahead of the Autumn round of applications. Following the Autumn round, further resignations were accepted from Lawrence Huggler (Vice-Chairman), Dominic Jones and Melinda Isherwood.

The Panel advertised for new members in the Spring of 2014 with advertisements placed in the Jersey Evening Post, on the States website and in other media, with a wide selection of applications being received. With the assistance of the Appointments Commission and the Economic Development Department, interviews were held and 5 new Panel members were appointed. The new members participated in the Spring 2014 round of applications with the full Panel consisting of the following members:

Peter Funk (Chairman), Andrew Shrimpton, Carol Canavan, William Church, Aurelie Leroy, Nick Steel, Daphne East, Donna Gramolt, Natalie Duffy, and Stephen Law.

The Economic Development Department is represented at officer level by Chief Executive, Mike King, and Director of Tourism and Marketing, David de Carteret; and the Panel was supported at executive level by Melanie Drummond, Economic Development Department.

3. Activities in 2013

The Panel met 12 times during the year. Copies of the approved minutes of each of the Panel meetings are available on www.jersey.com/tdf.

There were 2 rounds of applications in 2013; one in 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 Jersey.com website, a press release was issued, and it was highlighted in the Jersey Tourism e-newsletter.

In the Spring round of funding, 18 applications were received and, of these, 7 were approved. However, subsequent to this, one application that had received approval was for an event that was subsequently postponed; and another for a project that was deferred subject to planning permission. The latter applicant has been advised to re-apply, when appropriate, updating the details of the application, for the Panel to confirm their support.

At an extraordinary meeting of the Panel in October 2013, applications from the Branchage Film Festival and National Trust for Jersey were considered and approved.

The Autumn round of applications commenced in November, and 18 applications were received. In total, 7 applications were approved, with 3 applications being subject to continued consideration by the TDF Advisory Panel.

As previously, the Panel reviewed each application, taking regard of the potential impact on tourism, the additional investment from other sources that the project would leverage, the sustainability of the project and the project governance. For some projects where further information was required, individual Panel members or Economic Development Officers were tasked with contacting the applicant, and gathering details to report back to the Panel. This process remains an effective way to

provide additional scrutiny to applications, whilst minimising 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.

Three applications: Jersey Race Club, Blue Badge Guides, and La Hougue (1975) Farms Ltd., were still under consideration by the Panel at the end of 2013 and were subsequently approved in early 2014. The application from La Hougue (1975) Farms Ltd. of £300,000 in the Autumn round required Departmental and Ministerial due diligence, before a final decision was taken by the Minister to approve the funding in 2014. This grant will only be made following an investment of over £800,000 by the company itself.

The following projects were approved by the TDF Panel for funding during 2013:

| TDF Round | Project | Organisation | Amount approved |
|--------------------------|---|------------------------------------|------------------------|
| Autumn 2012 | Textile workshop | Art in the Frame | £8,000 |
| Autumn 2012 | Ice Age Archaeology | Jersey Heritage | £199,000 |
| Autumn 2012 | Liberation Music Festival | Music in Action | £5,000 |
| Spring 2013 | The Tour Series Finale | Jersey Tourism/ Sweetspot | £70,000 |
| Spring 2013 | Battle of Flowers Association – Replacement PA system | Battle of Flowers Association | £10,604 |
| Spring 2013 | Spice Treasures & Trade event | Spice Treasures & Trade | £700 |
| Spring 2013 | Jersey Language School Marketing | Jersey Language Adventure | £5,592 |
| Spring 2013 | Ice Age Interpretation | Jersey Heritage | £43,000 |
| Extraordinary Meeting | Branchage Film Festival Development – Biennial 2015 and Annual 2014 | Branchage Film Festival Limited | £100,000 |
| Extraordinary Meeting | National Trust Wetlands Centre – St. Ouen’s Pond (additional funding) | National Trust for Jersey | £37,870 |
| Autumn 2013 | Restoration of St Helier Sea Pool | West Park Marine Lake Trust | 115,000 |
| Autumn 2013 | Marketing trips to and from Russia | Journey Boutique Limited | £7,350 |
| Autumn 2013 | Venture Cup/Power-Boat Race stopover | Jersey Tourism | £20,000 |
| Autumn 2013 | Refurbishment of Beach signs | Jersey Tourism | £5,100 |
| Autumn 2013 | International Kayak symposium | Jersey Canoe Club | £7,000 |
| Autumn 2013 | Improvements to activity centre accommodation | Paradox Limited | £20,000 |
| Autumn 2013 | Marketing to Russian Language Students | St. Brelade’s College | £4,545 |
| | | Total: | £658,761 |

Whilst the TDF committed £658,761 towards these projects, the total investment in tourism through these initiatives, including the funds contributed by organisations themselves and additional project sponsors, amounted to well over £2,000,000.

4. The future

The TDF Panel has been encouraged by the continued interest in the Fund and by the overall number of applications received. 2013 has seen 13 applications from private organisations, a trend which, at the time of writing, is certainly continuing in 2014.

As the number of applications continues to increase, the TDF is pleased to confirm that support is now available to organisations before and after the application process from Jersey Business Limited. It is hoped that this free, optional service will support individual organisations and encourage improvements in the sector overall.

Tourism Development Fund

The Tourism Development Fund was established by the States in December 2001. The aim of the Fund is to stimulate investment in the tourism industry and infrastructure, in order to improve Jersey's competitiveness and sustain the industry as a second pillar of the economy.

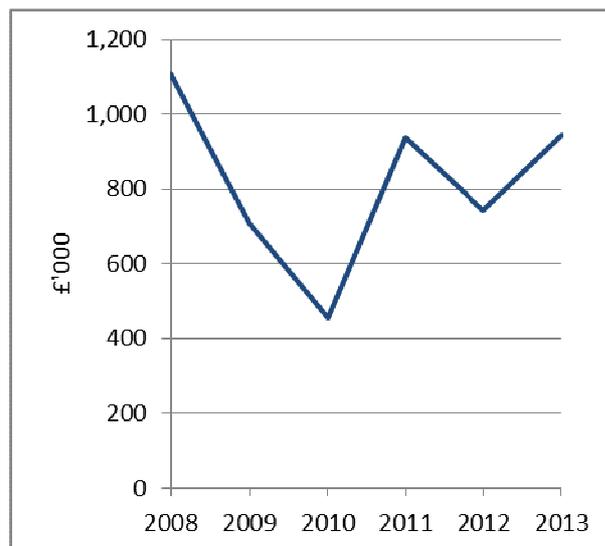
Summary snapshot

| | |
|---------------------------|----------------------------------|
| Fund Position | |
| £945,500 | 27.5% increase from 2012 |
| Net Revenue Income | |
| £204,348 | 204.4% increase from 2012 |

Changes in Net Asset Value from 2012

The Net Asset Value of the Fund increased from £741,152 to £945,500, an increase of £204,348 (27.5%). The increase is mainly due to the receipt of a grant of £500,000 from the Economic Development Department, together with the payment of grants (£297,073) in accordance with the purpose of the Fund.

Net Asset Value over time



**Performance compared to 2012
(Total NRE)**

Key Variances from 2012

| | £'000 |
|-----------------|--------------|
| 2012 NRE | 196 |
| Grant received | (500) |
| Grants paid | 100 |
| 2013 NRI | (204) |

The Fund received a grant of £500,000 from the Economic Development Department to allow the TDF Panel to continue further rounds of grant allocations during 2013 and beyond. There were no grants received in 2012.

There was an increase of £99,759 (50.6%) in grants paid compared to 2012. Grants from the Fund are considered and recommended to the Minister 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.

Grants paid in 2013 amounted to £297,073.

| Grantee | Reason for Grant | Amount granted in 2013 (£) |
|--|--|----------------------------|
| Branchage Film Festival | Annual and Biennial Film Festival | 90,000.00 |
| Jersey Heritage Trust | Ice Age Archaeology | 67,898.30 |
| National Trust for Jersey | Completion of Wetlands Visitor Centre | 45,000.00 |
| Jersey Heritage Trust | Ice Age Interpretation | 24,000.00 |
| Music in Action Ltd. | Music Festival | 12,250.00 |
| Jersey Tourism | Replacement of Cycle Network signs | 11,079.00 |
| Jersey Battle of Flowers (Events) Ltd. | New PA speaker system | 10,604.38 |
| Durrell Luxury Camping Project | Luxury Campsite | 6,500.00 |
| Jersey Archive | Replacement software – online reading room | 6,250.00 |
| Jersey Chess Club | International Chess Tournament | 5,000.00 |
| Channel Islands Occupation Society | Refurbishment of Bunker | 4,998.82 |
| Art in the Frame | Textile Workshop | 4,965.78 |
| Jersey Seasearch | Marine guide for divers | 4,883.14 |
| St. Helier Yacht Club | Yacht race Jersey event | 1,500.00 |
| Jersey Language Adventure | 2 year marketing project | 1,338.56 |
| Spice Treasures & Trade | Craft festival | 805.00 |
| Total: | | 297,073.00 |

Statement of Comprehensive Net Expenditure

| | 2012 Actual £'000 | 2013 Actual £'000 |
|---|-------------------------|-------------------------|
| Revenue | | |
| Investment Income | 7 | 6 |
| Other Income | | 500 |
| Total Revenue | 7 | 506 |
| Expenditure: Near Cash | | |
| Supplies and Services | 5 | 4 |
| Administrative Expenditure | 1 | 1 |
| Grants and Subsidies Payments | 197 | 297 |
| Total Expenditure: Near Cash | 203 | 302 |
| Net Revenue Expenditure: Near Cash | 196 | (204) |
| Net Revenue Expenditure/(Income) | 196 | (204) |
| Total Comprehensive Expenditure/(Income) | 196 | (204) |

Statement of Financial Position

| | 2011 Actual £'000 | 2012 Actual £'000 | 2013 Actual £'000 |
|--|-------------------------|-------------------------|-------------------------|
| Current Assets | | | |
| Balance due from the Consolidated Fund | 987 | 742 | 1,130 |
| Total Current Assets | 987 | 742 | 1,130 |
| Total Assets | 987 | 742 | 1,130 |
| Current Liabilities | | | |
| Trade and Other Payables | 50 | 1 | 185 |
| Total Current Liabilities | 50 | 1 | 185 |
| Total Assets Less Current Liabilities | 937 | 741 | 945 |
| Assets Less Liabilities | 937 | 741 | 945 |
| Taxpayers' Equity | | | |
| Accumulated Revenue Reserves | 937 | 741 | 945 |
| Total Taxpayers' Equity | 937 | 741 | 945 |

The Projects

As of 31st December 2013, 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 on the website: www.statesassembly.gov.je/pages/reports.aspx .

| | Project | Project managers | Year | Amount approved £ | Comment |
|---|---------------------------------------|-------------------------------|-------------|------------------------------|---|
| 1 | Ice Age Archaeology | Jersey Heritage | 2013 | 199,000 | A 3 year project specifically to support the continuing work of the Quaternary Archaeology and Environments of Jersey Project, which seeks to identify Ice Age sites in Jersey with potential in tourism development. |
| 2 | Textile workshop | Art in the Frame | 2013 | 8,000 | To facilitate the week-long Jersey Textile Showcase event to be held at the Harbour Gallery in March 2014. |
| 3 | Liberation Music Festival | Music in Action | 2013 | 5,000 | To facilitate a marketing campaign focused on Guernsey, in order to bring in visitors to the Island specifically for the Liberation International Music Festival. |
| 4 | Pearl Izumi Tour Series Finale | Jersey Tourism/ Sweetspot | 2013 | 70,000 | The purpose of the grant is to bring the Tour Series Finale to Jersey in June 2014. The Tour Series Finale is a televised event which will raise awareness of Jersey as a cycling destination for both tourists and elite cyclists alike. |
| 5 | Battle of Flowers PA system | Battle of Flowers Association | 2013 | 10,604 | The purpose of the grant is the purchase of a set of speakers suited to the outdoor broadcast of music and voice for events. |
| 6 | Spice Treasures & Trade Fair | Spice Treasures & Trade | 2013 | 700 | To support the Spice Treasures & Trade event held in September 2013. |
| 7 | Marketing to French Language Students | Jersey Language Adventure | 2013 | 5,592 | The objective and purpose of the grant is to facilitate a 2 year marketing project aimed at increasing the number of students visiting JLA for English Language and adventure courses. |

| | Project | Project managers | Year | Amount approved £ | Comment |
|----|--|---------------------------------|-------------|------------------------------|--|
| 8 | Ice Age Interpretation | Jersey Heritage | 2013 | 43,000 | The project is to provide an interactive living Ice Age history exhibition to complement the archaeological excavations, and produce a walking guide and dedicated website. |
| 9 | Wetlands Centre, St. Ouen | National Trust for Jersey | 2013 | 37,870 | The objective and purpose of the grant is to complete the development of a Wetland Visitor Centre at St. Ouen's Pond. |
| 10 | Branchage Annual & Biennial Festivals | Branchage Film Festival Limited | 2013 | 100,000 | The purpose of the grant is to develop and deliver the new Branchage Annual Festival in 2014, and to develop the Branchage Biennial Festival into an Island-wide multi-media festival to be held in autumn 2015. |
| 11 | Restoration of St. Helier sea-pool | West Park Marine Lake Trust | 2013 | 115,000 | The objective and purpose of the grant is to restore and develop the St. Helier western sea-pool into a public water sports facility. |
| 12 | Interior refurbishment at Jersey Outdoor Activity Centre | Paradox Limited | 2013 | 20,000 | To enhance the interior at Haut de la Garenne, by installing ground floor toilet, shower and sauna facilities. |
| 13 | Marketing to Russian tourists | Journey Boutique Limited | 2013 | 7,350 | The purpose of the grant is to market Jersey as a destination to Russian-speaking tourists. |
| 14 | Replacement of Beach Signs | Jersey Tourism | 2013 | 5,100 | To replace the beach signs on non-lifeguarded beaches in Jersey. |
| 15 | Venture Cup Powerboat Race stopover | Jersey Tourism | 2013 | 20,000 | The purpose of the grant is to bring the Venture Cup to Jersey in June 2014. The Venture Cup is a powerboat race from the River Thames to Monte Carlo. |
| 16 | Marketing to Russian Language Students | St. Brelade's College | 2013 | 4,545 | Implementation of a 3 year marketing plan to recruit English Language students from Eastern Europe (specifically Russia). |
| 17 | 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. |

| | Project | Project managers | Year | Amount approved £ | Comment |
|----|---|------------------------------------|-------------|------------------------------|--|
| 18 | 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. |
| 19 | 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. |
| 20 | Improvement of Occupation sites | Channel Islands Occupation Society | 2012 | 5,000 | Further support has been granted for specific works, particularly at Corbière, to ensure that these important sites of interest are maintained and improved to showcase Jersey's historical tourism offering. |
| 21 | 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. |
| 22 | Spice Treasures & Trade Fair | Spice Treasures & 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. |
| 23 | Tour des Ports | St. Helier Yacht Club | 2012 | 1,500 | The Tour des Ports attracted over 100 yachts and 700 crew and race officials. |
| 24 | Stand for Jersey Rugby Football Club | Jersey Rugby Football Club | 2012 | 56,000 | The TDF made a contribution towards building a stand at the Rugby Club to enhance visiting supporters' experience, and so 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. |

| | Project | Project managers | Year | Amount approved £ | Comment |
|----|--|-------------------------------------|-------------|------------------------------|---|
| 25 | 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. |
| 26 | 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 work in seasons due to habitat protection, the work has been delayed until Summer 2013. |
| 27 | 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. |
| 28 | 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. |
| 29 | Liberation Music Festival 2012 | Music in Action | 2011 | 7,250 | International marketing support is being provided to support this successful festival. |
| 30 | Tour des Ports de la Manches | St. Helier Yacht Club | 2011 | 1,500 | TDF funds allowed the marketing and promotional activity for the 2011 event. |
| 31 | Branchage – development of marketing, promotion and PR | Branchage | 2011 | 25,000 | The successful 2011 festival saw an increase in overseas visitors and visitor spend. |

| | Project | Project managers | Year | Amount approved £ | Comment |
|----|--|-------------------------|-------------|------------------------------|--|
| 32 | P1 Powerboat Racing | Jersey Tourism | 2011 | 20,000 | Funding awarded to support this unique event, which included exposure on satellite television networks. |
| 33 | 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. |