



Economic Affairs Scrutiny Panel

Quarterly Hearing

WEDNESDAY, 22nd MARCH 2017

Panel:

Deputy S.M. Brée of St. Clement (Chairman)

Deputy D. Johnson of St. Mary (Vice-Chairman)

Connétable M.J. Paddock of St. Ouen

Witnesses:

Senator L.J. Farnham, Minister for Economic Development, Tourism, Sport and Culture

Connétable S.W. Pallett of St. Brelade, Assistant Minister

Deputy M.J. Norton of St. Brelade, Assistant Minister

Interim Chief Officer, Economic Development, Tourism, Sport and Culture

Deputy Chief Officer, Economic Development, Tourism, Sport and Culture

Assistant Director, Economic Development, Tourism, Sport and Culture

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[10:32]

Deputy S.M. Brée of St. Clement (Chairman):

Welcome Minister, Assistant Ministers and Officers, members of the public and the press. This is the Quarterly Public Hearing with the Minister for Economic Development, Tourism, Sport and Culture (E.D.T.S.C.). I would stress that this is a Quarterly Public Hearing. Minister, if I can draw your attention to the notice in front of you, just so that you are aware of the status of this meeting. Members of the public and press, if I can ask you to remain silent at all times, and if you could ensure that all phones or mobile devices are set to silent so that we are not disturbed by anything. Before moving on, for the benefit of the tape, if we can go round making introductions. My name is Deputy Simon Brée, I am Chairman of the Economic Affairs Scrutiny Panel.

Deputy S.M. Brée:

Thank you very much. Now, we have quite a number of areas that we want to discuss with you and investigate further. If I could ask all of you, please, to keep your answer short, to the point and as succinct as possible because we have quite a number of areas. To start with we would like to look at Visit Jersey as an independent arm's length type of organisation. If you would, Minister, just update us on how you feel Visit Jersey are performing. Are they meeting the criteria that you feel they should do? Explain to us a little bit more about how key performance indicators (K.P.I.) are being used to assess their performance.

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

Thank you, Chairman. Yes, I have been very pleased with the way Visit Jersey have started. Their work is guided by the Jersey Destination Plan. Specifically, yearly business plans are also published that guide them. The benchmark I use for Visit Jersey ultimately at the end of the year is based around visitor numbers. As far as I am concerned, their key role is to market and promote Jersey at every appropriate opportunity and the key goal is to increase the number of visitors to the Island, with a priority on increasing the number of leisure visitors. As I have said before, I think they have made a good start and I am very pleased with the progress.

Deputy S.M. Brée:

Can you confirm how much grant funding is currently being provided to Visit Jersey on an annual basis?

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

It is approximately £5 million. I think it is due to increase to £5.1 million over the course of the current medium-term financial plan.

Deputy S.M. Brée:

Provision of that grant funding of £5 million, or next year £5.1 million, that is provided on the basis that you approve or, at least, get involvement in their business plan and do you get to see the full accounts?

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

Yes, the grant funding is subject to a number of criteria, including the business plan, and perhaps I can ask Darren just to cross the Ts and dot the Is, but, yes, I do see the business plan and all the relevant information.

Assistant Director:

Visit Jersey have a 3-year partnership agreement. Under the terms of that partnership agreement they are required to submit for ministerial approval a business plan for each year. That business plan, obviously, details proposed activities and also exactly what they are going to do with the funding. That business plan, ultimately, is, obviously, approved at some point by the Minister and then, essentially, there are 2 key monitoring relationships. There is a Senior Officer within the department who has responsibility for governance and compliance of Visit Jersey. On a monthly basis he will meet with Keith Beecham, the Chief Executive of Visit Jersey. Then separately to that we have, essentially, for want of a better phrase, a business relationship management in terms of their activities, separate from governance and finance matters, but again it is the delivery and the K.P.I. targets within their business plan.

Deputy S.M. Brée:

You say there is a 3-year partnership agreement. How far into that 3-year partnership agreement are we at the moment?

Assistant Director:

That partnership agreement was started from when they were set up and they were established in 2015.

Deputy S.M. Brée:

Right, so what is going to happen in 2018?

Assistant Director:

We are currently starting discussions with them about analysing their performance to date, looking at what they have proposed, with a view to starting discussions about the next iteration of that partnership agreement.

Deputy S.M. Brée:

Your intention at the moment is to continue that partnership relationship still based on a grant funding type model. Okay. Minister, you have spoken in the past about Events Jersey. Can you explain to us exactly what is happening in that area? Because we have Visit Jersey, who are responsible for marketing Jersey as a destination, but, obviously, overseas. What does Events Jersey do if it still exists?

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

Events Jersey is now part of Visit Jersey. We have spoken about this at previous hearings and we have followed the journey of Events Jersey from its conception to its operation, which commenced in the second half of 2016. I cannot remember the exact date.

Assistant Director:

September.

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

September time it officially started. Visit Jersey had employed one person to manage Events Jersey and they are in the process of getting their feet under the table and I am waiting to receive an update. I do have regular meetings with the Chief Executive of Visit Jersey and have recently asked for a new update on what the plans are for Events Jersey so I hope to receive that sometime before Easter.

Deputy S.M. Brée:

What is the intention behind Events Jersey, then?

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

The plan for Events Jersey has always been to provide extra support for events and to promote Jersey as an events destination. I would hope that Events Jersey would be responsible for bringing in new larger events. If we look at the Dance World Cup and the Island Games; 2 examples of events that worked extremely well for us. I do not see Events Jersey as organising small local events. I think that is for local organisers and groups to do. Our department, because we have sport now as part of our department, we have inherited some very useful infrastructure from the sport portfolio and the Island Games and we want to make sure that is utilised. It is early days, but over the next couple of years I would like to see Events Jersey bring in 2 or 3 key sport events, for example, in the shoulder months to help build our visitor numbers when we need to most.

The Deputy of St. Mary:

Am I right in thinking that the provisional idea of Events Jersey was it would have its own separate identity? It would follow its own track and it is now being merged with ...

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

Yes, and it does have its separate identity but it is being run and staffed by Visit Jersey because we thought that was the most economical and productive way to do it.

Deputy S.M. Brée:

Originally, Events Jersey sat within your department, Minister.

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

It did not because it was an idea until it became operational under the management of Visit Jersey.

Deputy S.M. Brée:

Are Visit Jersey looking for additional funding or are they going to run Events Jersey within their existing budget?

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

The tourism budget would have been £4.9 million but we allocated an additional £200,000 ... and correct me if I am wrong, Darren, I am doing this from memory ...

Assistant Director:

That is correct.

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

... to operate the Events Jersey model so that is why their budget is going to be £5.1 million, that includes an element of funding for Events Jersey.

Deputy S.M. Brée:

Right, okay. What has happened with the Tourism Development Fund?

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

The Tourism Development Fund is ticking over. It is fully operational. I have asked Officers to work on an application for the Economic and Productivity Growth Drawdown Fund (E.P.G.D.P.), it that is the correct name for it, because if there is going to be a medium- to long-term future for the Tourism Development Fund it will need more funding. The current status is it is fully operational, it is currently being chaired by Kevin Keen and has a board and they are regularly considering applications.

Deputy S.M. Brée:

Because, if I remember rightly, a little while ago a certain number of members of the Tourism Development Fund Board resigned.

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

Yes.

Deputy S.M. Brée:

Therefore, has the Board now been fully reconstituted?

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

Yes, it was pretty much reconstituted straightaway following Peter Funk's resignation; John Henwood took over. Since then John Henwood has stepped down and Kevin Keen has taken over. It was quite a seamless ...

Deputy S.M. Brée:

How much funding is still available within the Tourism Development Fund?

Assistant Director:

There is currently around £360,000 unallocated within the fund.

Deputy S.M. Brée:

Right. Within your department, Minister, who monitors or makes the decision as to that remaining funding being awarded to local companies or events or whatever? Who makes the decision?

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

The Tourism Development Fund is an advisory board. That have executive support from an officer in my department and they will consider all applications, they will examine the detail and make recommendations to me.

Deputy S.M. Brée:

You are the decision maker as to monies being paid out of the fund?

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

Darren, could you clarify the amount? I think the Accounting Officer has clearance up to £100,000 and anything over that comes to me.

Assistant Director:

The ultimate decision maker in the rules of the Tourism Development Fund is the Minister, but based on advice. There is an initial recommendation made, as the Minister says, from the advisory panel, chaired by Kevin Keen. There is then, call it whatever you will, governance, due diligence checks to make sure that they are fully compliant with financial directions as they stand. Ultimately the Accounting Officer will authorise the expenditure, as they do with any other expenditure, but the Minister, ultimately, makes the decision, but makes the decision based on advice and based on a recommendation.

Deputy S.M. Brée:

Okay. Looking at tourism, if we want to call it that, Visit Jersey is now responsible for promotion outside of the Island, Events Jersey is looking to attract events of various natures to the Island, they are an arm's length independent organisation, so one does have to question, Minister, as Minister for Economic Development, Tourism, Sport and Culture what is your actual involvement in promoting tourism if it is just done by grant funding? What is your department doing to promote tourism in the Island?

[10:45]

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

Other than agreeing the destination plan and the annual business plans, we do exactly what I think is the right thing, leaving the rest to Visit Jersey, leaving the rest to tourism and hospitality specialists and experts.

Deputy S.M. Brée:

Your approach to this is that you set up this independent arm's length organisation, you provide grant funding based on approval of business plans and looking at the accounts and making sure everything ...

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

Very careful criteria.

Deputy S.M. Brée:

Yes, the criteria. Supposedly within your department there are, is it right, 2 people that are monitoring how the money is spent and where it is spent?

Assistant Director:

With regard to Visit Jersey, yes. There are 2 individuals that I referred to earlier ...

Deputy S.M. Brée:

Yes, but Visit Jersey encompasses Events Jersey as well, does it not?

Assistant Director:

Yes.

Deputy S.M. Brée:

Okay. However, other than that your department does not really get involved in any active promotion of tourism yourselves, you are just giving this grant funding to a third party to say: "Within the policies that we want seen set, within the agreement just go off and do it"?

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

It is not quite as cavalier as that.

Deputy S.M. Brée:

No, I am not suggesting it is cavalier, it is just trying to understand what your department's involvement is in how things are done.

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

We monitor things, we ensure they are operationally in compliance with the relevant laws, we scrutinise the business plans to make sure they are in line with the policy and I and my Assistant Ministers try to be as supportive as possible. We have regular meetings with Officers, they brief us regularly and we take a great deal of interest in what they do. I personally have championed tourism for all of my political career and a long time before that. We are hugely supportive and do whatever we can in a supporting role, but I do not think there is any point in setting up an arm's length body and then trying to manage it, so I am very comfortable with the arrangements that we have. It is a partnership that I think works very well.

Deputy S.M. Brée:

Any other questions on this area? Okay.

The Connétable of St. Ouen:

Yes, Minister, I wonder if you could give us an update with the latest situations of the fast ferry service following the comprehensive review? Perhaps you could also enlighten us regarding the rumours that the company is up for sale.

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

I will start with the last point you made first. Currently there are no plans whatsoever by Macquarie to sell Condor. It is not for sale and they are not actively trying to sell it. Having said that, I suppose every business is for sale at the right price, but just to scotch those rumours. It is currently not for sale and I have reassurance of the Chief Executive this week about that, just to clarify that. He has quoted publicly that the rumours are wholly untrue, baseless, inaccurate and wrong. I think he has made his position clear. That was a rumour, I believe, that was started by a remark by the President of the Economic Development Committee in Guernsey. That is who I think it came from. There was a misunderstanding there. We have had a number of meetings with Condor and I have a meeting with the President of Guernsey's Economic Development Committee and his Vice-President tomorrow in Jersey, following our meeting in Guernsey last month, where we plan to discuss and catch up with the current plans. Then we will have a follow-up meeting with Condor within the next 2 to 3 weeks. I am not sure if anything has been arranged, but it is pending our meeting tomorrow. I would like to see Condor invest in an additional vessel, as do our counterparts in Guernsey, to ensure there is more contingency available in the fleet should there be disruption with one of the ships. Having said that, I am particularly pleased, while touching wood, that the performance of Condor has improved significantly over the last year. They have been very proactive with the technical management of the fleet and I think the Liberation has now bedded in a lot more and the engineering team have a much better understanding of how she operates, so have been able to head off any technical problems before they become an issue so I'm encouraged by that. The position is active and constructive discussions are still taking place between Jersey, Guernsey and Condor about possible future opportunities to ensuring their business and their fleet remains robust and reliable.

The Connétable of St. Ouen:

You mentioned that you would like to see another ship running alongside the fleet. How has their take up been on that? Is it something they would consider or ...

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

Yes, they are certainly considering it. It is a big investment so they would look to us to try and provide more security for that investment, and I do not mean financial security. However, I think there would be an opportunity for us to look at the current operating agreement and, maybe in return for the purchase of a new vessel, put together a new operating agreement that may work slightly better in both of our best interests. However, of course, we have a third partner in this and that is Guernsey. One of the challenges is that Guernsey's requirements in terms of passengers is different to ours because they rely much more on a U.K. (United Kingdom) day trip market. Whereas I might think that it is in Jersey's best interests to have another clipper type vessel that can ply the Channel day in day out 7 days a week, 365 days a year, they perhaps would like a fast ferry that gives them more resilience or extra capacity on their U.K. day trip market. I am using

these as examples. Those are the types of issues we are discussing in our meetings with Condor and Guernsey, but I would report that we have had a very positive response from Condor and they are keen to listen and are prepared to invest if the right deal can be done...

The Connétable of St. Ouen:

You have just commented on that you are quite upbeat about the performance of Condor at the moment. What does your counterpart feel in Guernsey? Do they feel the same way?

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

Probably 'upbeat' is perhaps a step too far. I am feeling still a bit concerned. I am encouraged the improvements are showing promise and I am encouraged at the steps they have taken to make sure they are on top of the engineering and the technical issues that have been a problem for the fleet, especially with the Liberation. I think Guernsey are a little way behind us. The Guernsey men and women, oddly enough I did not think it was possible, tend to be slightly less forgiving than the Jersey public at times and they are probably a few months behind where we are at the moment in term of confidence. However, I do know that the Minister is also encouraged at the improved performance; and we are meeting the President of the Economic Development Committee in Guernsey tomorrow.

The Deputy of St. Mary:

Just going back to your comment that it is not only Jersey who is involved here, is there any appetite to consider services applying to Jersey alone without the Guernsey stopover as it were?

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

From a Condor perspective?

The Deputy of St. Mary:

Yes.

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

I do not think I would like to comment on that. I think that is an issue for Condor and I do not really know the sums and the figures involved, but I would imagine their business is stronger by servicing all of the Channel Islands.

Deputy S.M. Brée:

With regards to the current operating agreement, is Guernsey a signatory?

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

No.

Deputy S.M. Brée:

The operating agreement that exists at the moment is solely as signatories between Jersey and Condor?

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

Yes.

Deputy S.M. Brée:

Okay. Minister, do you believe the operating agreement that currently is in place is fit for purpose?

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

Yes I do. That is not saying that in my opinion it could not be improved upon.

Deputy S.M. Brée:

When does the current operating agreement expire?

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

It expires in ... Help me out, Darren.

Assistant Director:

It is a 10-year agreement signed in 2014.

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

Yes, and I am just trying to think, is there a 3-year review?

Assistant Director:

There is, effectively, a 3-year run-off, for the want of a better phrase.

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

Yes.

Deputy S.M. Brée:

Okay. You were mentioning that you feel that improvements can be made to the operating agreement.

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

Yes.

Deputy S.M. Brée:

Because I know that one of the concerns is the fact the operating agreement allows Condor to run one vessel only at times when it needs to. Is this the sort of thing that you are in current discussion with Condor about?

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

I have alluded to it before. There is an opportunity, I believe for Jersey and Guernsey and Condor to produce a new operating agreement in return for investment in the Condor fleet that would provide more ...

Deputy S.M. Brée:

Sorry, Minister, when you say in return for investment in the Condor fleet, are you talking about the States of Jersey investing in the Condor fleet?

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

No. If Condor were to invest tens of millions of pounds in a new fleet they would want to have an operating agreement with Jersey and with Guernsey. There is currently no operating agreement with Guernsey so Condor feel exposed there, but also Guernsey are exposed by not having an agreement.

Deputy S.M. Brée:

If you are going to be looking at the operating agreement with Condor, will you be inviting any other ferry operators or companies to tender at the same time or are you solely going to be dealing with Condor?

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

I think that depends on the nature of the talks. At the moment Jersey has a 10-year agreement with Condor and we have 6 to 7 years left to run so we are not able to talk to any other operators. We are unable to go out to tender because that would be in breach of the operating agreement. We have to work with Condor.

Deputy S.M. Brée:

Sorry, just to confirm, and I am sure we have spoken about this before, the current operating agreement that Jersey has with Condor precludes Jersey from entering into any discussions or negotiations with alternative ferry providers during the period of that agreement?

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

Well, subject to conditions.

Assistant Director:

The current operating agreement is non-exclusive so another operator could provide the same baseline services as Condor. What a new operator cannot do is cherry-pick any aspect of that. Therefore, they could not run the northern route. They would have to match the minimum service level, which I think you alluded to a few minutes ago. They would have to match that level, but the agreement with Condor is non-exclusive.

Deputy S.M. Brée:

Therefore, it does not preclude you, Minister, or your department from discussing alternatives with alternative providers?

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

No, but we cannot put a tender out.

Deputy S.M. Brée:

Are you having discussions with any alternative providers at the moment?

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

Not at the moment, no.

Deputy S.M. Brée:

Is it something you intend to do, ie to look at what is now available in the marketplace?

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

I understand there are other operators looking at providing services between the Channel Islands at present but I have had no approach. It is just hearsay.

Deputy S.M. Brée:

You can confirm that it is not your intention for Jersey to make any form of investment into vessels or the Condor fleet in any way, shape or form?

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

Yes.

Deputy S.M. Brée:

Okay. I just misunderstood, obviously, something you said there.

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

Basically, what Condor are saying: "If you are asking us to invest tens of millions of pounds in a new ship, then we would like increased security of tenure in terms of we would like an agreement with Guernsey."

Deputy S.M. Brée:

Would they look for an exclusive agreement do you think?

Assistant Director:

That may well form part of the discussions. I think that effectively would be a bargaining chip in those discussions but it is not something that has been raised so far. Complete exclusivity has not been discussed.

Deputy S.M. Brée:

If Condor did say: "We are willing to invest up to £50 million in reconfiguring the fleet to provide a better service, but in return we require a 10-year exclusive agreement," is that something you would consider?

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

It is something I would consider but I would certainly seek ratification by the States after getting all the relevant expert advice. It is not a decision I would make on my own. I think for any further major decisions relating to Condor and the importance of transport links I would seek the full States' backing with a States debate on it. It is a possibility we could be coming back with something like that.

[11:00]

Deputy S.M. Brée:

That is something you feel you would bring back to the States for debate and ... yes.

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

If it meant we could secure a more robust ferry service with greater contingency in the fleet for Islanders, yes, I would consider bringing something like that to the States.

Deputy S.M. Brée:

Going back to the recent survey figures that Condor published, while I believe their reliability was up on timings of departures and arrivals, the customer satisfaction figures were slightly down, only slightly but slightly down. Does that raise any concerns in your mind, Minister, that perhaps Condor need to be looking a bit closer at their customer satisfaction figures?

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

I am just trying to find the figures. Have we got them here?

Assistant Director:

Yes.

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

Let me just refer to the figures then. I do not have their customer satisfaction figures to hand, sorry. I am pretty sure that customer satisfaction has increased fairly significantly over the last 12 months: "Since 2006 Condor ferry services improved steadily with better punctuality, arriving ..."
Yes.

Deputy S.M. Brée:

Punctuality, yes. However my understanding was there was ...

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

Customer satisfaction is up.

Assistant Director:

I agree with you in terms of Condor's figures. However, I think Condor will always have improvement because of the low benchmark of the terrible year that they suffered on the introduction of the Liberation. In all the meetings that I have with their C.E.O. (Chief Executive Officer), Paul Luxon, as the Minister has referred to, Paul has put an emphasis on passenger satisfaction and improving confidence in Condor. I think the survey shows that he is doing a good job. If you take year on year, if you look at 2017 based on 2016, which, again, was a much better year than 2014 and 2015, they are moving in the right direction. There is an upward trend. Certainly, as a department we are hearing a lot less of dissatisfaction with Condor's service generally.

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

Condor's customer satisfaction levels are well up on 2016 but very slightly below 2015 and 2014 before the troubles really started, but they are moving in the right direction. I expect 2017 to catch

up, and I hope they exceed the customer satisfaction levels that were being achieved in 2014 and 2015.

Deputy S.M. Brée:

I think everybody hopes that.

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

Yes. However, it is looking like they will, touch wood, calm seas and a bit of good weather ...

Deputy S.M. Brée:

Anything more on the Condor situation, gentlemen, you would like to ask?

The Deputy of St. Mary:

Next topic, really, is an extension on the previous one, which concerns inter-Island travel, both frequency and cost. Starting with air services, do you feel there is sufficient competition on that route and have costs got too far ahead of the market?

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

I would like to see better value for customers on the inter-Island routes, but I would say that Blue Islands are doing all they can in terms of they have acquired an extra aircraft, they have put more seating capacity with a larger aircraft on the peak times where, at certain times of the week, demand was ahead of supply. They have addressed that. I would like to see lower fares but Blue Islands are certainly not profiteering by the fare levels. They are not making great profits at all because it is a small market and it is expensive to run an airline. Of course, another challenge we have is we are all travelling less for business. With technology, for example, I know just from my own experiences, and I am sure others around here can say, whereas I might have in my political role gone to Guernsey and back at least once a month, I may do it 3 or 4 times a year now because a lot of meetings I have with my Guernsey colleagues are done by video-conferencing. This, the airlines agree, has had an impact on visitor numbers, so it is challenging. It is not just short haul, it is longer haul as well. That is something I see as one of our big challenges in the future.

The Deputy of St. Mary:

Aside from the business travel aspect, there are the possibility of other events and notably sporting events. Is that something which your department gets involved in?

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

Yes, we try and help wherever possible. I know that the Assistant Minister is always trying to help make arrangements for larger sporting events and I think I heard today or yesterday that Blue Islands had bought in a bigger plane for the Siam Cup, for example.

The Deputy of St. Mary:

I heard that on the radio this morning too, yes.

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

Yes, so they are doing that. Also, Condor are also prepared to put on extra sailing sporting events where the timetable allows.

The Deputy of St. Mary:

Has that come of their own volition, their own initiative, or did the department identify these?

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

It is normally when there is a demand.

The Connétable of St Brelade, Assistant Minister:

I think from a sports perspective it is from demand. We met with the sports commission last year to discuss this very issue over in Guernsey. There are still concerns from sport in regards to inter-island travel and the opportunity to go for day trips, for example, for cricket teams, football teams. However, in last year's meeting, which I have to say was very amicable in regards to Condor and the airlines and what they could offer, there was 2 things, really. One is it was to be very much on demand and the other was that there needed to be some liaison with sports in both islands in regards to making sure that if trips were put on they were commercially viable. I think there is a piece of work to be done probably both islands, in regards to the sports getting together and identifying ned, identifying weekends when Condor could assist. That is something that we will actively move forward on. Something probably Jersey Sport would be in the best position, when and if they are up and running, liaise with sports, if not, it is something that the sports department will have to do in future.

The Deputy of St. Mary:

To date you are suggesting that perhaps not enough forethought has been given to these events by advising the carriers this is going to happen and can you ...

The Connétable of St Brelade, Assistant Minister:

I think it is 2 things. One is that the sports need to get together. They have to look at their own event timetabling as well to try to make sure that we can get enough people travelling to play sport

on specific weekends and that is not easy because sometimes we have to look at the events calendar a year to 18 months in advance. That is something they have got to do. It is something they have got to be a little bit more proactive about.

The Deputy of St. Mary:

They being the carriers, you mean?

The Connétable of St Brelade, Assistant Minister:

No, the sports themselves. Murattis get set one or 2 years in advance; same with the Siam Cups. I think if we want to make the most of travelling inter-island and asking Condor to put on extra sailings, I think there needs to be some work on both sides to make sure that worked.

The Deputy of St. Mary:

Within that, is there scope for negotiating costs at all or assistance given by Jersey Sport, or whatever?

The Connétable of St Brelade, Assistant Minister:

I think there probably is. I think Condor have always been relatively open to discussions around discounts and what might be available to sport. If they can fill a boat up I think they can look at what they might be able to do on a discount basis. We need to get to a point where we sit down at the table with a full boat and say: "How cheaply can you do that for?" That is something I think we need to look at.

Deputy S.M. Brée:

This does bring us nicely on to our next area, which, Minister, your department recently launched a consultation relating to the Tourism Law, which obviously needed updating bearing in mind the changes in the markets. Having liaised and had a briefing from your department, can you advise us what the main aim of a change to the law is that you are anticipating? What areas are you looking to change the legislation on? The main areas.

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

Just for the record, as I always do, can I just declare an interest insofar as I am, I think as you all know, a director of a hospitality business. In fact, before I took the role as Minister I did speak to the Bailiff and seek advice on the fact that I would be dealing with general issues from time to time about tourism and the Bailiff's advice was clear, which is what I follow. If I feel there is ever a direct or pecuniary interest then I will declare it, but where there is a general interest I tend to feel comfortable. With the Tourism Law, during the consultation period, I feel my interest is general and perhaps even my knowledge of the industry might even be helpful. If at any time I feel that it

goes beyond that I will, of course, declare an interest but I just wanted to make that clear at this stage. Really, what we want to do is improve conditions for industry growth and better productivity in line with our economic plans. We want to make sure that the consumer and business have a good environment to operate in with as little red tape as possible. The new law will help to secure important data for marketing purposes to Visit Jersey. Those are just some of the aims. I hope also that the new law will clear up any grey area there is for limited cash or home rental, for example, the Airbnb type businesses about, and, of course, the maintenance of public safety is also very important. As I have said, we would like to lower the cost of regulation and reduce red tape. Those are just some of the high-level purposes of what we are doing.

Deputy S.M. Brée:

You say, Minister, that you would like to see as little red tape as possible but my understanding from looking at the consultation is that anybody who wishes to effectively rent a room out in their property through the Airbnb, as we call it, type market, will have to register. That is increasing red tape because, at the moment, the law does not require you to register as either a lodging house or guesthouse if you take in 5 or less people.

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

There is a slightly grey area and, of course, we expect that, given the technology and the arrival of businesses like Airbnb, this is something that can grow significantly in the future and would, at the very least, need some control or monitoring to make sure that the safety of visitors is maintained. I would rather that business be enabled with limited regulation than just outlaw it altogether.

Deputy S.M. Brée:

Sorry, when you say 'outlaw it altogether', under the current law any householder can take in, effectively, paying guests of 5 or less without having to register, without having to notify anybody of what they are doing. Are you saying that people who wish to do that will now have to register? If they do not register as that sort of destination that you would outlaw it? I am sorry, I do not understand.

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

No, I am not saying that. Perhaps, Darren, you would explain the detail.

Assistant Director:

With the Airbnb issues, obviously, there is a massive difference between the world today and the world in 1948 when the current legislation was put together and I think there are jurisdictions around the world far bigger than Jersey that are struggling with precisely how to deal with Airbnb, both for tax purposes and for regulation purposes. I think one of the clear distinctions between

what has happened in the past and what increasingly is happening today, is that platforms like Airbnb make it a commercial transaction, make it a legal transaction between the person renting the room and the person supplying the room. In doing that there are legal responsibilities created, a contract, and one of the reasons for consulting on the issue is to get people's views, both views of States Members, importantly the industry and those people who are currently using Airbnb both to rent rooms and to provide rooms, to define exactly what that minimum level of bureaucracy, red tape, regulation has to be. I do not think the intention is, as you have probably seen from the consultation and the briefings that you have had, not to cover this with red tape and [prohibit this kind of activity. Conversely, the Government's position is to encourage this type of activity and make sure it is done legally and, more importantly, safely.

Deputy S.M. Brée:

Again, I do wonder whether or not you are going to need to look at, I cannot remember the exact law but I think it is the Control of Housing Law, to amend that as well, that anybody who, if you want to call it, subleases rooms, which I think we have all done at one time or another ...

[11:15]

... I know certainly when I was young I rented a house and rented out the 3 other bedrooms to people who did not have qualifications, however, I was the lessee and at that is fine under the law. What you are saying is because of Airbnb market you are now looking to bring in a form of registration for anybody wishing to, say, rent out one or 2 rooms to people using the Airbnb type model, and there are a number of different other companies that do it, and for that they will be required, obviously, to pay a registration fee. I am presuming as well the idea would be that, for example, fire safety regulations would then apply, health and safety checks would be required to ensure that the property is adequate. That, to me, and perhaps this is where you can calm my fears, looks to be increasing red tape and looks to be attempting, effectively, for the Government to earn money through the issuance of licences to a market that you cannot, at the moment, regulate. Perhaps I am being a bit harsh but that certainly is what appears to be the case.

Assistant Director:

We are in danger of prejudging an open consultation. The purpose of a consultation, obviously, is to solicit people's views. The majority of views that have been expressed so far and, again, it is still open, is that Airbnb is obviously a very good thing, it is something that is not going to go away in respect of whether Jersey does or does not do something about it, and it does need addressing in some way. Ultimately, once the consultation is finished, Ian, who is running the consultation and running this piece of work, is in contact with other States departments. For example, Social Security and Chief Minister's Department who administer the Control of Housing and Work Law to

ensure that the proposals that come forward, which, obviously, you will be working with us, effectively, on, are the right proposals for Jersey, having taken heed of all the responses to the consultation. Nothing has been predetermined and decided. A consultation has been put out there to ask questions cognisant of the fact that we do live in a world with, as you rightly say, Airbnb and other excellent operators of the same service.

Deputy S.M. Brée:

One of the things that, obviously, is different in Guernsey is the fact that you cannot, how can I put it, rent for a week or 2 a whole property on your own. I am talking about a normal property here, not self-catering accommodation, which is a normal house. That is a huge market in other areas of the world if you think of the Owners Direct, Home and Away, and things like that. It is a huge growing market. Do you think there will be the opportunity to encourage that in Jersey as well as just renting through Airbnb a room, i.e. the gîte type concept that works so well in France and other countries?

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

Unless significant problems are held up as examples of why we should not do it, I cannot think of any reason why we would not. Obviously, housing ...

Deputy S.M. Brée:

Well, by doing that you are going directly against the Control of Housing Law which states that nobody without qualifications can rent a property for any period of time.

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

One concern is the supply of housing over here at the moment is finite and we have forecasts of housing shortages if we do not keep up with the demand. That is an area that would concern me, but we do not want people to build houses to want to rent them out for 52 weeks of the year. You also have to balance that though with a bit of common sense with somebody with a house and maybe they go on holiday for a month and they want to rent it out while they are on holiday.

Deputy S.M. Brée:

Are you in discussions with the Minister for Housing on this at all or not?

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

Not at this stage.

Assistant Director:

Those discussions are taking place at Officer level.

Deputy S.M. Brée:

Okay, all right. One point that I think we probably should bring up here because it is related to, obviously, tourism and the commercial growth of the tourist market. What feedback have you had from the hospitality market, and I am including restaurants, bars and everything else, on the commercial waste charges that are due to be introduced?

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

Officially we have had no feedback. That is a consultation that is underway at the moment. I make no secret about it, I do not like this charge. I think it is going to be challenging, particularly for small businesses, but we are living in fiscally-challenged times and I understand that certain new charges are necessary. From what I have heard in the industry just from chatting to people as you do, there is an acceptance of the fact that the industry has to pay its way, bearing in mind that companies do not pay corporation tax, and I know there are a lot of businesses in this sector that are not companies but I think the industry is realistic.

Deputy S.M. Brée:

Therefore, you are not actively going out and talking to the hospitality industry to gauge their response to it?

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

The consultation is being carried out but not by our department. That is being carried out by the Chief Minister.

Deputy S.M. Brée:

Your department is responsible for tourism.

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

Yes.

Deputy S.M. Brée:

Surely you should be ...

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

However, my department is not responsibility for carrying out the consultation on the waste charge, that is being carried out by public services, but, of course we are available to listen and support industry where necessary.

Deputy S.M. Brée:

Do you think that the commercial waste charge is for a lot of companies and operators in the hospitality trade going to create even more financial challenges and, therefore, there is a risk, a potential risk, of people pulling out of the market as opposed to continuing?

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

I would certainly hope not. My concern is for smaller business. My first hope is that it will start to change behaviour and people will be a lot more mindful of the use of resource, but some smaller businesses are being very careful with the way they manage water and their waste at the moment. I am thinking, perhaps, about the small cafes and restaurants who make a lot of coffees and utilise a lot of water because they have to. There is no other way round it. They have to make coffees and wash dishes, that is part of their businesses. They will be faced with bills that may not appear to be a lot on paper but several hundred or £2,000 or £3,000 a year for taking this away. That is a concern.

The Connétable of St Brelade, Assistant Minister:

Every cost is a financial challenge, we have got to accept that. I know from my own experience of speaking to some of the hoteliers within St. Brelade, some of whom were quite vocal about potential new costs, they want to understand what those costs are and identify the scale of the costs. Having been to the Department for Infrastructure (D.f.I.) workshop last week, as the Minister says, there is a big role for D.f.I. in face to face communication with businesses as to what it is going to mean to them so that they can fully understand what those costs are going to be. From that there is an impact on the hospitality industry. I think there will be a role for the department to play in supporting those businesses and working through that, but I think it is more likely to impact on the smaller businesses; those coffee shops.

Deputy S.M. Brée:

As the Minister responsible for tourism, do you support the introduction of the commercial waste charge?

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

I would rather we did not have to do it, if I am honest.

Deputy S.M. Brée:

The answer to that is: no, you do not really support it but your hands are tied because of collective responsibility.

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

No, not at all. I have said I would rather we did not have to do it. I understand why there is a charge.

Deputy S.M. Brée:

Therefore, you do support the introduction of a commercial waste charge? It is a very simple yes or no question.

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

If I don't not support it I suppose it has to mean I do support it, but ...

The Connétable of St Brelade, Assistant Minister:

I am wholly supportive of it, commercial waste charging, but it has to be fair and equitable. If we have a basis where it is fair and equitable, and small businesses are not overly impacted, I think then it is a commercial way of life around Europe and it is something that we are one of the few places that do not do it. It is an inevitability but it needs to be fair and businesses need to understand upfront what those costs are going to be.

The Connétable of St. Ouen:

Do you think time is of the essence? Because the workshop you have alluded to we have attended, certainly myself and the Deputy got the impression from the Minister that he was wanting to introduce this pretty quickly.

Deputy M.J. Norton, Assistant Minister:

There is engagement with small businesses and, again, I have attended a couple of workshops and a couple of meetings with D.f.I. and the Minister responsible for this and he has said to me, and so have his officers, that they are more sympathetic to the smaller business and that was something that this department did put forward, that they were concerned about smaller businesses, smaller under-5-employee businesses that would be using a great deal of resources and not having the capacity for that impact. They are looking at that. We have asked them to look at that as small businesses. Ultimately, D.f.I. will bring that proposal forward not E.D.T.S.C.

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

I align myself with Murray and Stephen's comments. We want to make sure the charges are applied fairly, they are manageable and affordable for businesses. For example, I would like to make sure that the standing charges that apply before the volume charges are equitable in terms of the size of building. I do not think it would be fair, for example, that a huge office block was paying a similar standing charge to a tiny café next to it. There needs to be some equity. I am a reluctant supporter providing it is applied fairly and it is affordable to business.

The Deputy of St. Mary:

Just carrying on from the Connétable's intervention, first of all, can I say that the relevant Scrutiny Panel will be scrutinising this. The concern I do have is that, as has been said, the Minister for Infrastructure is likely to lodge propositions fairly shortly, whether covering both liquid or solid waste at the same time, I do not yet know. It just seems to me that since the M.T.F.P. (Medium Term Financial Plan) was discussed last September there has not been too much public comment about this and is the industry really aware of what is going to happen?

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

I believe most businesses are expecting it, they are just waiting for the exact details so they can work out what the actual costs are and whether they are affordable and manageable.

Deputy S.M. Brée:

We have a number of areas; we need to carry on. If we can move on now. For this one you will probably be able to answer our questions quite quickly. Locate Jersey. Obviously, with the departure of the previous head of Locate Jersey, who was obviously very instrumental in its success, can you update us on what the organisation of Locate Jersey looks like now and whether or not you have a new head of that particular operation? What is happening to Locate Jersey, basically?

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

It is very much business as usual for Locate Jersey and, perhaps, I could ask Darren or Ian just to update the meeting on the plans for that structure. I know the former director was very instrumental and made a huge contribution but I would also like to pay tribute to the team there. It is a small team but they are all engaged and they are all very proficient. It has been a team effort and continues to be a team effort. I just wanted to make that clear, but Ian can, perhaps, update on that.

Interim Chief Officer, EDTSC:

I have not been at the department long but I would echo the Minister's comments about the team that remain. They are working very hard, business as usual, following the director's departure. The plan was to bolster the team in a particular area in terms of giving them some more research support that will enable the team to effectively continue in the same path they were on before and in terms of organisation on an interim basis they are reporting to the Deputy Chief Executive. They have line management support there and we have experience in dealing with investment in the past. There are still being supported, still being challenged and it is still delivering some very good results already this year so I think that is a positive to reflect on the team. There is no reason

why, if we bolster the resources in the way that we plan originally had that they would not be able to continue doing that.

[11:30]

Deputy S.M. Brée:

You are not looking to take on a replacement effectively to the previous director, you feel that with the existing team there is the necessary expertise and knowledge base that they can continue to ...

Interim Chief Officer, EDTSC:

Yes, we will be bolstering the team, but not at that level.

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

We would keep that under review but that is the plan.

Deputy S.M. Brée:

Yes. Now, you introduced yourself as the Interim Chief Officer. How long have you been in the department now as the Interim?

Interim Chief Officer, EDTSC:

I am the Chief Officer of Social Security and I am helping out the department and the ministerial team here for 3 months and doing both roles.

Deputy S.M. Brée:

You are doing both roles, you are Chief Officer of, effectively, 2 departments at the same time, is that correct?

Interim Chief Officer, EDTSC:

That is correct.

Deputy S.M. Brée:

Do you not feel that to be an excessive workload?

Interim Chief Officer, EDTSC:

I am very grateful for the support of the existing E.D.T.S.C. team and also the Social Security team and we believe we can manage both for 3 months but it is not tenable going forward. I am talking to the ministerial team around what happens next.

Deputy S.M. Brée:

Have you taken over Accounting Officer responsibility as well?

Interim Chief Officer, EDTSC:

Yes, apart from the Innovation Fund.

Deputy S.M. Brée:

Yes. Will you be returning to Social Security in 3 months' time or would you like to continue with ...

Interim Chief Officer, EDTSC:

The intention is to return to Social Security. There are some important issues within the Social Security environment that need to be moved on in the middle part of the year.

Deputy S.M. Brée:

During this 3-month period you will be looking to recruit and appoint a new Chief Officer for this department?

Interim Chief Officer, EDTSC:

Potentially, yes.

Deputy S.M. Brée:

That is the plan.

Interim Chief Officer, EDTSC:

The plan is to have a clear way forward for the rest of the year and beyond.

Deputy S.M. Brée:

Okay. It was just to understand a bit where you sat in things. Okay, I think we need to move on now to ...

The Deputy of St. Mary:

Sorry, can I ask a technical question?

Deputy S.M. Brée:

Sorry. Yes, please.

The Deputy of St. Mary:

It concerns the interaction between the high net worth individuals and their use of Guernsey professionals. It has been suggested that perhaps to ensure that they pay tax at the minimum rate, they are using Jersey structures. The tax situation might need to be looked at. Can you confirm whether or not that is the case or is that more for Tax Department?

Interim Chief Officer, EDTSC:

Yes, I would have thought so. Yes.

The Deputy of St. Mary:

Okay, I will withdraw there and let you get on.

Deputy S.M. Brée:

Okay. Perhaps we can move on to the next area, which is, again, related to hospitality tourism, which is the licensing law. David, would you like to ...

The Deputy of St. Mary:

Yes. As you know, we have been anxious to get on with this for some time. Could you please tell us exactly where we are on this and the proposed date for lodging?

The Connétable of St Brelade, Assistant Minister:

Yes, I can give you a hot-off-the-press break down. We have been waiting for some time for the H.R. (human rights) report in regards to Human Rights Compliance. We received the statement this morning so that completes all the information we need in regards to the background to the law. You will need to just review and endorse, provisionally the final draft law. Thanks to the panel, there are one or 2 technical questions which I think we managed to deal with.

The Deputy of St. Mary:

I have a few more as well.

The Connétable of St Brelade, Assistant Minister:

We have dealt with the ones that we have currently. We just need some confirmation from the Council of Ministers in regard to whether they wish to see it again. We do not believe they do but they may wish to, before we can get to a point of signing a ministerial decision to lodge. Most of that now can be moved on pretty quickly. The H.R. statement was the one thing that we were looking for. Hopefully we would be in a position to lodge fairly soon. We are, again, grateful to the panel for their support and advice to date. That has to continue. It is a very large piece of

legislation and it is only the first part of 3 parts in regard to licensing policy and regulations. In terms of the actual situation: "Have you got the Draft Law now?" Yes, we have.

The Deputy of St. Mary:

We have been working on a draft. That is going to be slightly amended from what you say is it to ...

The Connétable of St Brelade, Assistant Minister:

Very slightly amended.

The Deputy of St. Mary:

Okay. We might see that in what sort of timeframe?

The Connétable of St Brelade, Assistant Minister:

I am going back to speak to officers this afternoon at 4 o'clock just to find a definitive way forward. It is the first opportunity I have had. I have tried to get it in earlier but it is the same day, as it were, but we are keen to move this on as quickly as we can.

The Deputy of St. Mary:

We will see the file draft before it is lodged as a proposition, yes?

The Connétable of St Brelade, Assistant Minister:

You will get it before anybody else gets it.

The Deputy of St. Mary:

Okay, thank you for that. That is all I had.

Deputy S.M. Brée:

What industry response have you had so far to the provisions that are laid out in the licencing law? Are they supportive of it? Are they concerned about it?

The Connétable of St Brelade, Assistant Minister:

With any new policy there will always be those that find some extremely good points in it and those that will have concerns. The original consultation was really good. It gave us a lot of feedback from the industry. It gave us a lot of pointers as to things that we needed to review and we did, but I think generally the industry are desperate for a new law, something that is fit for purpose that is of the 21st century, speeds up the process, makes it simpler to use, allows you to, for example, do your returns online, all the things that you would expect of a modern law. Generally they are

supportive, but they have not seen the final draft law yet but many of the things that they commented on have been listened to and, I hope, have been included within the law, so I hope they will be supportive. That is very much a role for yourselves now to get some feedback from the industry in regards to what the final law looks like, but I am hopeful they will be supportive.

Deputy S.M. Brée:

Do you have a firm date when you are looking to lodge the new licencing law?

The Connétable of St Brelade, Assistant Minister:

It is now as soon as possible. I would say days now. It certainly will not be weeks, it will be days. Then we are very much in the panel's hands in terms of a debate date, but I would be hopeful we can get into a position to debate before the summer recess. That would be the intention, but again, that is something we will need to discuss with yourselves.

Deputy S.M. Brée:

Okay, thank you.

The Deputy of St. Mary:

That refers to the law. The regulations come under it. When might they be produced?

The Connétable of St Brelade, Assistant Minister:

We will have to do a consultation on that. There are elements of the regulations that we have started to prepare but, clearly, the regulations are the nuts and bolts. They are going to be quite complex and I think we need to make sure that what we put out for consultation mirrors some of the comments we have already heard back from industry in regard to, and I will pick an example, the categories where there has been some need from the industry to have a simpler system. That is something that we have been working on towards. We are close to finding something in that regard but there are other elements to the regulations that we have not started yet. Once we have the law lodged we can then move on thinking about regulations and getting that to a consultation stage. We have to consult with industry, it would only be right that we did, and consult with the Scrutiny Panel. I would like to think we can consult with you in regards to what that consultation looks like, for example, to make sure that we are not missing anything which might help us to speed the process up. Clearly, if we are to try to achieve the objective of having a law by the end of this political term it is going to take a lot of work from all parties and some collaborative work as well and something I hope we can do together. I think the closer scrutiny is to work on an issue like this the better.

The Deputy of St. Mary:

The Chairman will confirm we are anxious to get on with it as well so we are happy to collaborate with you.

Deputy S.M. Brée:

Okay. Moving on to other areas. We would like to talk a little bit about Jersey Sport, so, David, do you want to lead?

The Deputy of St. Mary:

Same basic question, we have just seen your press release and understand what is happening now and, as you know, the panel has decided to review the overall structure, nothing more than that. However, can you tell us exactly where we are in terms of what the structure is at the moment?

The Connétable of St Brelade, Assistant Minister:

I can give you some hot-off-the-press detail again. I had stated that the law has been lodged. It has been given to The Greffier of the States. The Greffier of the States has some issues around the wording of the proposition so we are trying to iron that out today. Hopefully it will be ironed out by today. I have made it quite clear I am frustrated that another hiccup has arrived. I am not particularly happy about that. However, in terms of the structure, you have been given an informal briefing around what the structure will be, it is a trust structure. I will have to get some advice from officers about trusts, the enforcer, the trustees and how the body works. If you have any specific questions, if I cannot answer them I am sure there are brighter brains than me in here that can.

The Deputy of St. Mary:

As I say, as it is going to be sent to review we have not gone into it in depth.

The Connétable of St Brelade, Assistant Minister:

I do not particularly like trying to compare it with other trusts but it is based on the structure that was used for Visit Jersey in regard to the structure and the trust structure, although the way it has got to where it is presently has been done slightly different than Visit Jersey.

The Deputy of St. Mary:

The one point I do have is that, after a quick review of the trust document, I should make the comment that I see one of the original trustees rejoices in the same name as my wife, but there is no connection.

The Connétable of St Brelade, Assistant Minister:

We are going to make that information available to you and we are also going to make the partnership agreement available to you. Anything in regards to how we will govern the structure and the relationship and the partnership between Jersey Sport and Government, we are quite happy to give you and ask for your input about. Obviously, I want this to lodge because I want to send a message out that we were trying to move this forward as quickly as we could. You understand some of the background information in regards to P.170/2010 in regards to what that meant. That has been the reason for bringing it to the States, new advice we had received in regards to reviewing the partnership agreement and I think it was only prudent and right that if we are asked to go through another check and balance to ensure that the structure is right and that procedures are being followed, then that is the right thing to do.

The Deputy of St. Mary:

Just to clear that up, we have received a large number of documents for which thank you. As we are going to review we will save it for then. The only comment I would make now is that the trust is in being and the company is in being, have directors as yet been appointed for the company?

The Connétable of St Brelade, Assistant Minister:

The shadow board has not evolved into a full board yet and it should ...

The Deputy of St. Mary:

It means that the company is in embryonic form, but, am I right in saying, the directors have not yet been appointed to that board?

The Connétable of St Brelade, Assistant Minister:

They have not, no. Not in the official capacity as a full board, no. That is awaiting the States' decision.

Deputy S.M. Brée:

The delay to establishing the full board and getting Jersey Sport up and running, obviously, would have caused concerns among the staff that are due to be transferred across.

The Connétable of St Brelade, Assistant Minister:

Absolutely.

Deputy S.M. Brée:

Can you state whether or not the delay and the concerns has resulted in any of the proposed staff that are going to move over deciding not to move over now?

The Connétable of St Brelade, Assistant Minister:

No, I can say from the discussions I have had with the board and discussions I have had with one or 2 members of staff, they are still fully supportive of this moving forward. There is no suggestion anybody is going to back out of being a part of the organisation. They are extremely enthusiastic, they are frustrated and rightly so because I think the board and the staff are quite keen to move on and go into a new era of sports development, but we have to be cognisant of the fact that P.170/2010 exists and there are elements in there now that trigger a States debate. For me, having a debate about sport in the States is an exciting proposition, and I do not mean that in a glib way. States Members very rarely have an opportunity to discuss sport in any depth, so I hope we have a debate about sport.

Deputy S.M. Brée:

Can you confirm that an offer of employment has been made to a potential new Chief Executive Officer of Jersey Sport?

The Connétable of St Brelade, Assistant Minister:

Yes.

Deputy S.M. Brée:

Has this delay caused any problems in this particular area?

The Connétable of St Brelade, Assistant Minister:

In terms of the individual, no. The individual has been fully informed of the situation both by the department and by the shadow Jersey Sport board. The individual is comfortable with the situation although, not knowing how Jersey operates and how Government operates, clearly, it has been a surprise, but the person has been fully informed and is comfortable with it. The short-term solution, depending on time frame, will be that they will be employed by the States for a short period and then transferred over to Jersey Sport, if and when the States agree.

[11:45]

Deputy S.M. Brée:

Okay, just to make sure that this delay has not caused any problems in that area.

The Connétable of St Brelade, Assistant Minister:

No, like I say, a frustration rather than any wish not to be involved.

Deputy S.M. Brée:

Okay, good. Any other questions on Jersey Sport at the moment?

The Deputy of St. Mary:

No, there are quite a few technical areas but I think they are better left for another day.

Deputy S.M. Brée:

They are better left for another day. One area that we did want to ask you, Minister, about was about the financial ombudsman. Now, does that area still fall under your ministerial responsibility?

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

Yes, it does.

Deputy S.M. Brée:

Why does it? Because financial services were moved to The Chief Minister's department. Why are you left with the financial services ombudsman? It does seem slightly at odds with the other areas of your responsibility.

Assistant Director:

It depends which way you look at the ombudsman, I guess. The decision taken was that the ombudsman is part of a consumer protection portfolio and is better located within that portfolio. Trading Standards, Jersey Consumer Council, so it is part of a suite of consumer protection offerings that this department is responsible for. It is not a regulator nor is it for the promotion or development of financial services. It is seen as a better fit within the portfolio of consumer protection. That is certainly the view of the board of the ombudsman service.

Deputy S.M. Brée:

Okay. Since the establishment of the ombudsman, how many cases have been referred to the ombudsman? Do you have that information?

Assistant Director:

We do not have a precise figure. In the first year it was double the expectation. It just depends what you mean by cases so whether they are things referred to the ombudsman and then ultimately not taken on as a case for one of a number of reasons or whether it is cases taken on and taken all the way through. As you well know, it is an adjudication service so the idea is that things do not go to full adjudication. It is effectively a mediation service. Numbers have been higher than expected, but in terms of enquiries made and in terms of cases taken on and opened as a file, for the want of a better phrase, which is not a great surprise given the fact that as soon as it opens there was obviously going to be a backlog of cases that people had not got anywhere

with. It is an independent body but we meet regularly with the ombudsman, having created it and established it. There was a meeting earlier on today with the office of the ombudsman and, as States Members, you will have the annual report for 2016 presented to you by the Minister and the Chairman of the Board.

Deputy S.M. Brée:

Who pays for the ombudsman?

Assistant Director:

The industry in both islands. There is not one penny of States' money.

Deputy S.M. Brée:

Not one penny of States' money is diverted to the operation?

Assistant Director:

No. When it was originally set up both Islands, Jersey and Guernsey, gave a loan to establish it, which are now both fully repaid. It is entirely 100 per cent industry-funded by a combination of levy and case fees.

Deputy S.M. Brée:

Have any problems been identified to your department with the current setup or staffing levels or operation of the ombudsman or do they feel that they are able to cope with the volume of inquiries or cases that they are dealing with?

Assistant Director:

The ombudsman and the Chairman of the ombudsman are comfortable with the resources they have. They took on one more person than was in their original plan and there are plans to deal with any spike in complaints. They have a contingency plan to deal with that at short notice to effectively buy in junior case handling services at short notice. No, they are entirely comfortable with their resources. We would be the first to know about it if they were not. The Minister presents their budget to the Assembly each year, which is, essentially, how much they need for the following year and their proposal as to how they are going to get that in terms of the balance between the levy and case fees.

Deputy S.M. Brée:

Okay. Any more questions?

Assistant Director:

The ombudsman will be keen to extend an invitation to the panel for a formal visit to their offices to discuss in detail their work, which ...

Deputy S.M. Brée:

That would be useful at some time in the future, certainly, for us to understand better how they operate, as you say, and how they work. Okay, Mike, do you want to ...

The Connétable of St. Ouen:

Minister, Aircraft Registry. Could you give us a summary of the organisation, the spend, the activity to date and the process for the reappraisal and the prospects?

Deputy M.J. Norton, Assistant Minister:

I will jump in here, if I may, because I have been looking at this, as you might expect. It is fair to say from the outset that I share the disappointment that many others share with its performance to date. If you go way back, the initial thoughts and talks on the Aircraft Registry in Jersey started in 2005. Talks were held in 2013 and the then Minister for Economic Development took it to the States in 2014, and the Registry itself was launched late in 2015. During that time it was given one year of life, if you like, for it to perform to the expectations that were put out in its business plan. The business plan was put out, and correct me if I am wrong, it included a first-year target of 12 aircraft. All aircraft registries are very slow in the first year, second and third year it was due to go up from there. The first year targets of 12 were not met. At the end of 12 months where we reviewed it only 2 aircraft had been registered, one was a private jet and the other was a helicopter. That clearly is not up to the expectations that the States of the time voted in. We then took some action straightaway to ensure that further funds, not that there were any further funds to spend at that time, were not spent going forward and that we sought professional experience and global and international advice on the best way forward for the aircraft registry, which is what we did from November. We are at this stage in discussions as to the best way forward, looking at various options.

Deputy S.M. Brée:

What are the total costs since inception of the aircraft registry? Total costs.

Deputy M.J. Norton, Assistant Minister:

Total costs I have down here. The latest accurate total cost that we have is £860,801.

Deputy S.M. Brée:

It is not any more than that. You can categorically guarantee that the States have not spent any more than £860,801 on the aircraft registry?

Deputy M.J. Norton, Assistant Minister:

Those are the figures that I have in front of me.

Deputy S.M. Brée:

What I am saying is you have looked into it and that is the total cost since inception.

Deputy M.J. Norton, Assistant Minister:

Yes. I am looking for confirmation from Officers and they are saying yes.

Assistant Director:

Since the decision was taken to pursue a Jersey-only registry, which is in 2013, the figure is £860,801.

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

That is the total cost for the 4 years.

Deputy S.M. Brée:

Okay, I have heard bandied around a figure of £2 million. You can confirm it is nowhere near that.

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

Categorically not.

Deputy S.M. Brée:

All right. What revenue has the Aircraft Registry earned since it opened?

Deputy M.J. Norton, Assistant Minister:

I can give you the exact figure, Chairman, as soon as I can find it down here. I have it written down somewhere. The figure that I have, and I am looking for the exact figure now, if someone else can help me then I will be grateful, I have £11,000 something or other. Just over £11,000.

Deputy S.M. Brée:

Okay. Who has been responsible for the Aircraft Registry within your department, Minister?

Deputy M.J. Norton, Assistant Minister:

Currently it is me.

Deputy S.M. Brée:

When did you take over responsibility?

Deputy M.J. Norton, Assistant Minister:

I first put an interest into the Aircraft Registry back in May last year and that was during a visit to the International Air Show ...

Deputy S.M. Brée:

When you say you 'put an interest in' ...

Deputy M.J. Norton, Assistant Minister:

At the time, in terms of delegated responsibility, there is not a delegated responsibility. It was a job that was undertaken by us as a team within the department and I went to see the potential for an aircraft registry in May 2015 and that was my first visit into the aircraft world, if you like. After that, given the one year of the Aircraft Registry running it was November that I basically then went to the Minister with the results of the first 2 aircraft being registered, it underperforming ...

Deputy S.M. Brée:

November which year?

Deputy M.J. Norton, Assistant Minister:

November of last year.

Deputy S.M. Brée:

2016?

Deputy M.J. Norton, Assistant Minister:

November 2016.

Deputy S.M. Brée:

You are saying that in November 2016 you took over effectively through delegated responsibility the operation of the aircraft registry?

Deputy M.J. Norton, Assistant Minister:

I must make it clear it is not on delegated responsibility. I have taken this as a responsibility within E.D.T.S.C. I think I am correct in saying that.

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

Outside of what is delegated we manage a number of projects and areas of the business and Murray has been responsible for managing the Aircraft Registry. Of course, the overall accountability is with the Minister but it is an area we have all been slightly concerned about from day one and have been monitoring it hence we said we would give it a year and we have.

Deputy S.M. Brée:

Okay. That slightly confuses us because on 16 November 2015 at the Quarterly Public Hearing with yourself, Minister, at which Deputy Norton was there, we were talking about the Aircraft Registry and, to use your words, you advised us: "I have been anxious to make sure that we put the work in and Deputy Norton is going to be leading on this to make sure that we promote and market the Registry properly because it does make us slightly anxious." According to advice you gave us, Minister, in November 2015 Deputy Norton was responsible for the Aircraft Registry. However, according to Deputy Norton, he did not assume responsibility until November 2016, a full 12 months later. What happened between November 2015 and November 2016?

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

I understood Deputy Norton to say, and correct me if I am wrong, that he picked up on the problem and has started on the solution since November 2015.

Deputy S.M. Brée:

I, very clearly, asked Deputy Norton when had he assumed responsibility for the Aircraft Registry. I wrote it down. He very clearly stated November 2016. As I said, I am, therefore, a bit concerned as to who was looking after it or keeping an eye on it or monitoring it in that period.

Deputy M.J. Norton, Assistant Minister:

I think you will find that that is me. From November 2015 I was, indeed, monitoring the Aircraft Registry. We rightfully gave it one year of life until November 2016 and I do apologise if I misled you on that. I did not have delegated responsibility. Delegated responsibility by ministerial decision or otherwise I did not have. I was taking responsibility for overseeing the Aircraft Registry.

Deputy S.M. Brée:

Okay. Between November 2015 and November 2016 you were looking into it as opposed to having responsibility for it?

Deputy M.J. Norton, Assistant Minister:

I think that is fair. That is a fair assumption, Chairman, yes.

Deputy S.M. Brée:

Who, then, was responsible for it during the period from November 2015 to November 2016?

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

Deputy Norton was responsible for the management ...

Deputy S.M. Brée:

No, he has just stated that he was looking at it. I am asking: who had responsibility for it?

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

I will be absolutely clear. I have responsibility as Minister for everything that goes on in this department, overall the buck stops with me for everything. There are a number of delegations. Some are written; some are not. For the avoidance of doubt, Deputy Norton has had responsibility for the Aircraft Registry since November 2015. That is the position.

Deputy S.M. Brée:

You agree with that? That you are responsible for the Aircraft Registry from November 2015?

Deputy M.J. Norton, Assistant Minister:

Yes.

Deputy S.M. Brée:

Yes, okay. In November 2015 ...

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

When it launched.

Deputy S.M. Brée:

... we were asking the question: how much money has been spent since September 2013, when it was launched or established? At the time we were told £407,000 has been expended, and these are your words, Minister, getting it to this stage with the first plane registered. There we are, November 2015, £407,000 had been expended. We are now looking at a total cost of £860,801. There are 2 aircraft, one a helicopter and one the first plane registered. We are now at a total cost of £860,000.

[12:00]

What on Earth has approximately £460,000 been spent on between November 2015, where you already had the first plane registered, and to date? It is an additional £460,000. Apparently, without really achieving anything. Could you just explain to us because we are at a loss to understand what on Earth has been going on.

Deputy M.J. Norton, Assistant Minister:

Darren, I am going to ask you to explain some of the expenditure on this because it is quite clear that when we started there was expenditure. That expenditure was ongoing as part of the setup costs of an Aircraft Registry.

Deputy S.M. Brée:

Yes, and you confirmed £407,000 has been expended on getting it to this stage with the first plane registered. You had a working registry, you had one plane registered and between then and now you spent an additional £460,000 on what?

Assistant Director:

Establishing an Aircraft Registry was the decision of the previous States Assembly predicated on a business plan that was presented to it at the time, which obviously included the section of the market, for the want of a better phrase, that the Aircraft Registry was going after. The plan was then to launch that registry, which is, again, a complex series of interconnecting laws to launch the registry.

Deputy S.M. Brée:

Yes, we are fully aware of that. At the time we are speaking about ...

Assistant Director:

At the time it was launched ...

Deputy S.M. Brée:

... the Registry was in existence with the first plane registered at a cost of £407,000.

Assistant Director:

The Jersey Aircraft Registry was launched at the earliest opportunity. It was not when it was fully developed. It was launched at the earliest available opportunity that it could legally register a plane to take advantage of registering that plane. There were still things being developed. There were still contracts that were agreed. It was not fully operational. Launching and fully establishing a registry are 2 separate things. It was launched at the earliest opportunity to take advantage of

the opportunity that was in front of it, but it was not fully established, and still is not fully established.

Deputy S.M. Brée:

In fact, I will go on looking at it. At the same meeting, Quarterly Public Hearing on 16th November 2015, the Minister did advise us that in the region of £116,000 in 2016 will be the anticipated running costs. The question was: "What are the anticipated running costs?" You have £407,000, £116,000 added to that during 2016, which was what we were advised at the time. What we are trying to establish is how come we went from those figures with the first plane registered, and we understand there are running costs, to a cost of £860,000 being spent with apparently nobody really monitoring what was going on. It has been in existence for a while now and we are merely trying to establish: what happened, who was responsible for it and who was actively monitoring it? Where did that money go? That additional £400,000-odd.

Assistant Director:

The vast majority of that £400,000 went on the development of the I.T. (Information Technology) system. The development of an online registry, which is work that the department had agreed with the Jersey Financial Services Commission. The Jersey Financial Services Commission were contracted pre that date to develop a highly complex specialised piece of registration software for the Jersey Aircraft Registry. In the intervening period between the dates that you are talking, £300,000 of the, roughly, £400,000 difference, was spent on the software platform for the Jersey Aircraft Registry.

Deputy M.J. Norton, Assistant Minister:

There was also £117,000 in running costs.

Assistant Director:

Yes.

The Connétable of St. Ouen:

This was the question that was answered from Deputy Mézec, £372,000 was the I.T.

Assistant Director:

Just over £300,000 of which was spent in that intervening period, hence, the difference between the £400,000 and the £800,000.

Deputy S.M. Brée:

In November 2015 £407,000 had already been expended on what? If you are saying that an additional £300,000-something had to be spent on I.T. development software, whatever it may be, you are saying that to get it up and running in a state that could accept hopefully new applications for registration, costs nearly over £700,000? Is that what you are telling us? That at the time the first plane was registered in November 2015 you did not have the I.T. platform on which to run the registry.

Assistant Director:

No, we did not.

Deputy S.M. Brée:

How did you register the first plane?

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

Without the I.T. platform. That was a registration that was done manually.

Deputy S.M. Brée:

You have now spent an additional £460,000 to register a helicopter?

Assistant Director:

No. Categorically not.

Deputy S.M. Brée:

Well, how many planes are on the registry? The I.T. investment ...

Deputy S.M. Brée:

Am I correct in saying, as we stand today, and irrespective of what happens in the future, but as we stand today ...

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

It has never been the intention to invest in an Aircraft Registry and get your money back in year one. This is a medium- to long-term investment that the States of Jersey decided to take, okay? Since 2013 there has been registrar services, £115,000; insurance, £25,000; consultancies and specialist advice, £177,000; Civil Aviation Authority fees, £15,000; external marketing, admin and P.R. (Public Relations) support, £32,000; some travel and associated expenses, £17,000; some external legal advice, £11,000; miscellaneous expenses including internal resources, which I think is an allocation of the wages for our Officers, £96,000.

Deputy S.M. Brée:

If I may ask, Minister, the travel and associated expenses, £17,000. Who needed to travel where at that price?

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

We will provide a breakdown of those figures.

Deputy S.M. Brée:

I am sorry, Minister, but your department does not have a very good track record on closely monitoring and controlling ...

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

You cannot set up an Aircraft Registry on fresh air, with the greatest of respect. The department has worked extremely hard with relevant consultants and experts carrying out the States' instructions to establish an aircraft registry, which is what it has done. It was never intended, even if we had registered the 12 aircraft that we had intended to, to recoup our costs in year one. If you look at Guernsey, for example, or other aircraft registries, they contracted an independent company to do this. The States of Jersey decided not to. As a result, there has been no cost for Guernsey to set up their Aircraft Registry, aside from some fees. In return, they have given that independent company a 20- or 35-year agreement. Now, that independent company would have invested considerable sums of money, could have been less or could have been a lot more than we have invested, to set up their infrastructure. Rightly or wrongly we have decided to do it this way. This is what we are committed to. This is what we have spent. This is an investment in the future.

Deputy S.M. Brée:

How many aircraft of various natures does Guernsey have on its registry at the moment?

Deputy M.J. Norton, Assistant Minister:

160.

Deputy S.M. Brée:

Okay, so that is, what, 158 more than we have.

Deputy M.J. Norton, Assistant Minister:

That is perfectly clear, Chairman.

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

In their first year, and possibly 2 years, they had a very, very slow start and it took them a bit of time. This has to be given time to work.

Deputy S.M. Brée:

Sorry. When was the Jersey Aircraft Registry open for business?

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

November 2015.

Deputy S.M. Brée:

It was not 2013?

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

No, 2015.

Deputy S.M. Brée:

The first plane registered was November 2015?

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

Yes.

Deputy S.M. Brée:

Right.

Deputy M.J. Norton, Assistant Minister:

At the inception of the Aircraft Registry being open for business.

Deputy S.M. Brée:

What we are asking is who was monitoring it during this period, who was responsible and how are you keeping a handle and managing what appear to be very high levels of expense to run an Aircraft Registry that has only attracted 2 aircraft? Just correct me if I go wrong here, but according to what the Minister has said, responsibility for the aircraft lay with yourself, Assistant Minister, from November 2015.

Deputy M.J. Norton, Assistant Minister:

Yes.

Deputy S.M. Brée:

We are just trying to clarify things here. Since it started the costs have been £860,000. I know that there was in the answer in the States to a written question and I believe that Bailiwick Express also published a number of figures which seemed to correlate very closely.

Deputy M.J. Norton, Assistant Minister:

Yes.

Deputy S.M. Brée:

At first glance, this seems to be a very large amount of money that has been spent on a project that, yes, was agreed by the States, does not seem to have worked.

Deputy M.J. Norton, Assistant Minister:

Do you wish me to answer at that point?

Deputy S.M. Brée:

Yes, please do.

Deputy M.J. Norton, Assistant Minister:

I said at the very outset when you said: "We will now turn to the Aircraft Registry," I am as disappointed as everybody else in the outcome. I do not have the luxury of 20:20 hindsight, therefore, I cannot know when an aircraft registry launches that it is going to be immediately successful and have 12 planes, which was what was predicted, and only ended up with 2. The costs involved, I agree, are high. The costs involved in setting up any aircraft registry are high. They normally work to a 20- to 35-year return basis, which is why contracts are handed over for 20 to 35 years, because the front end costs are the exceptionally high costs. You normally would see by the year of 3 to 4, possibly 5, even a break even point. Now, the States knew that when they were going into it in 2013. I knew that when I was monitoring it from November 2015 until 2016. What became apparent, when you give something life, by the end of 2016, was that it was not working because we only had 2. I am in full agreement with you and, again, I do not have the hindsight of 12 years previous. Therefore, by November 2016 it was decided that the original business model for corporate business jets had not proved successful. It was launched too late into a crowded market with no distinctive U.S.P. (unique selling point) to differentiate from others and others were doing much better because they were more established. There are 2 things we can do at that point. We can say we have just either wasted £860,000 or we can say that we have invested £860,000 and that £860,000 goes forward into, and a pivotal point now, a different direction for our Aircraft Registry. We are in very good discussions, very encouraging discussions, at the moment on various options. We are in the middle of those and I cannot, obviously, divulge those at the moment. They are business sensitive. We have, since having rightfully given a

project 12 months to prove itself, we are now going to take that project forward and that is where we are at the moment. We are in discussions and I am very hopeful that I would be able to come back to another Quarterly Hearing here and be able to give you more positive news of the Aircraft Registry. I am not hopeful, I am more confident.

Deputy S.M. Brée:

During the period November 2015 to date, who has been actively marketing the Jersey Aircraft Registry?

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

Darren, would you explain how it has been marketed and managed from an officer perspective and the resources involved?

Deputy M.J. Norton, Assistant Minister:

It is handled by an Officer rather than by me, as you might guess.

Assistant Director:

One Officer has had responsibility for the Aircraft Registry within the department, reporting, effectively, as far as the Aircraft Registry is concerned, to the Chief Officer of the department. It has had one full ...

Deputy S.M. Brée:

Who has been marketing the Jersey Aircraft Registry?

Assistant Director:

The department has, so that Officer has.

Deputy S.M. Brée:

You have sufficient knowledge, experience, expertise and skillsets within your department to actively go out and market an aircraft registry?

Assistant Director:

One of the large items of expenditure that we have just gone through is on the services of a registrar, and that registrar was Bob Commander, who has years of experience in this. The civil servant responsible for the Aircraft Registry is working, effectively, in tandem with the registrar to market ...

Deputy S.M. Brée:

Sorry. Can I just confirm something then? The registrar services you have alluded to is this gentleman called Bob Commander.

[12:15]

Assistant Director:

Yes.

Deputy S.M. Brée:

Okay. According to the breakdown in figures your department has paid him £115,000 over the period, is that correct?

Assistant Director:

That is a period between 2013 and 2017. It is for the services of a registrar. They are effectively consultancy fees.

Deputy S.M. Brée:

They are consultancy fees. Okay.

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

It might be helpful to explain what the registrar is responsible for registering and marketing at this stage.

Assistant Director:

The registrar is effectively a legal function who, under delegation from the Minister, ultimately registers an airplane or a helicopter. He has also helped out, as part of his contract, in terms of giving specialist advice or has attended meetings to give exactly what you were asking for, which is the specialist advice and the industry expertise and knowledge.

Deputy S.M. Brée:

That is quite interesting because back in November 2015 we did discuss who was working on the Aircraft Registry and Deputy Norton advised us at the time that it was this gentleman called Bob Commander who was purely as an interim at the time, according to the transcript I have in front of us, he was to be paid on a daily basis. These were to use your words, Deputy Norton: "He is interim. We had a recruitment process, which was unsuccessful and in the interim period for that we have Bob Commander who is in until such time as we recruit." What happened between then and now? Have we not gone through a recruitment process?

Assistant Director:

No, that is one of the protections we have put in place. We were only going to recruit a permanent registrar when such time as business levels dictated that there was the requirement so to do. The prudent and sensible thing to do was to extend and retain the Commander Aviation Services interim contract until such time as business levels improved to warrant the recruitment of a fulltime or permanent registrar. That clearly has not yet been the case.

Deputy S.M. Brée:

Yet we have paid him £115,000.

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

Since 2013.

Deputy S.M. Brée:

Is it 2013 or is it 2015? This is what we need to clarify. Because if he is registrar's services you are saying the registry only came into existence in 2015.

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

When was Bob Commander originally engaged?

Assistant Director:

It is over that period. It is over the 2013-2017 period. In order to launch a registry, and I think we are in danger here of getting into a level of technical detail ...

Deputy S.M. Brée:

I think it is very important we get into this level of detail because it is crucially important we understand, 1, what happened; 2, who was monitoring it and who was managing it; and, 3, what your intentions are now moving forward. We have to establish exactly what we have spent money on to understand where we now go.

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

Sure. We have done that.

Assistant Director:

You do not open a registry, aircraft, shipping, and on day one recruit a registrar. You have to have that registrar pre-launch to advise on technical documents, technical manuals, to provide the technical knowledge to enable you to take advantage and register the client. It is not ...

Deputy S.M. Brée:

Okay, so he was really a consultant beforehand, but ...

Assistant Director:

Yes.

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

He is a consultant of aviation services.

Deputy S.M. Brée:

During the period you have paid this particular individual, effectively, £115,000.

Assistant Director:

Over that period.

Deputy S.M. Brée:

Over that period. What, then, is specialist advice and consultancy at a cost of £177,000? Did that go to Bob Commander as well?

Assistant Director:

No. That was the engagement of Appleby and Brian Johnson, who was the consultant that developed the Isle of Man registry several years previously.

Deputy S.M. Brée:

Right, so those are 2 separate things. There is a question over a £96,000 on miscellaneous.

Assistant Director:

We can provide a breakdown of that if it would assist. To write it a different way, it is everything that is not covered in the things above.

Deputy S.M. Brée:

All right. We are now in a situation where we have an Aircraft Registry that has been in existence since November 2015, we have a quoted expense of £860,000, we have an Assistant Minister who has been responsible since 2015 and is now looking to either say: "We need to draw a line at some point in the sand," or ...

Deputy M.J. Norton, Assistant Minister:

I do not think I said that.

Deputy S.M. Brée:

Well, I am probably saying ...

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

We can do 2 things: do nothing or do something, and we are doing something.

Deputy S.M. Brée:

"Do nothing, do something," perhaps is ...

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

Doing nothing has never been an option.

Deputy S.M. Brée:

What additional expense are you looking to spend on the Aircraft Registry moving forward?

Deputy M.J. Norton, Assistant Minister:

Currently we have commitments for the insurance of the 2 aircraft that are registered, that is £8,000.

Deputy S.M. Brée:

Per annum.

Deputy M.J. Norton, Assistant Minister:

Per annum.

Deputy S.M. Brée:

For both or each?

Deputy M.J. Norton, Assistant Minister:

For both. That is our insurance commitment to the aircraft that are currently there. As I said, since late November last year through January we have had a series of meetings. Those meetings are becoming rapidly more regular as we are discussing, and have taken advice with global experts on our aircraft registry and its direction of travel, to which no pun is intended. We are very encouraged by the information that we have been given and the directions that we are moving in at the moment and I am encouraged, hopeful, optimistic of where we may be in 2 or 3 months' time when we will have more information.

The Deputy of St. Mary:

Looking at the overall picture more, I think you are quoted as saying that you are fleeing a register. Is it not the case that if you have just got 2 aircraft on register now, there is very little in the way of additional expense you need to do in just maintaining it?

Deputy M.J. Norton, Assistant Minister:

Absolutely.

The Deputy of St. Mary:

Okay.

Deputy M.J. Norton, Assistant Minister:

That is exactly where we are and with the current business model we have, which evidently over 12 months has not proved successful, then we have to, at this point, be very pivotable and look at other markets and decide where we can move to. It is about spending less money on what we are doing now, not closing the registry down, but keeping our options open.

The Deputy of St. Mary:

Yes, I understand that. Again, moving forward, you are engaging with other consultants as to the way forward, which presumably you are getting different advice to what you were giving in the first place, is that right?

Deputy M.J. Norton, Assistant Minister:

The market has moved on, to be perfectly fair with you, and most people in the aircraft registry industry will tell you that the market has changed since 2002, 2005, 2010 and it does change from time to time. Once you are in that market and you have a build-up of aircraft registered, it is a lot more comfortable position to be sitting there with 150 and changing direction. The advantage for us is that there is very little cost for us to maintain the registry we have without spending any extra money, apart from the insurance I have just mentioned, and it means that we can look at all of the options and all of the best 'what really good looks like' in an aircraft registry.

The Deputy of St. Mary:

The final question on this then, the figures which were given in the States Assembly of £860,000, which covers the period up to February, therefore, we are paying more consultancy fees since then?

Deputy M.J. Norton, Assistant Minister:

No.

The Deputy of St. Mary:

We are not?

Deputy M.J. Norton, Assistant Minister:

No, we are not.

The Deputy of St. Mary:

The consultants are doing this for free or ...

Deputy M.J. Norton, Assistant Minister:

We are engaging with experts in the aviation industry and we are having discussions on proposals that are being put to us at the moment. If I were to tell you I would be telling every one of our competitors as well and I am not prepared to do that, nor am I allowed to do that at the moment, but when I have got news ...

The Deputy of St. Mary:

No one would expect you to do that. I am just wondering where your advice is coming from if you are not engaging consultants to advise us.

Deputy M.J. Norton, Assistant Minister:

Our advice is the very best that is available in the international market and we are looking at that at the moment.

The Deputy of St. Mary:

They are not charging for that service? That is where I am coming from.

Deputy M.J. Norton, Assistant Minister:

There are no charges going out of our department.

The Deputy of St. Mary:

Wish you could apply it elsewhere.

Deputy S.M. Brée:

If I can, just to confirm, the period between November 2015 and, effectively, November 2016, the Aircraft Registry was, effectively, left for a year to see what would happen. Ie, nobody was ...

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

It was not left. It was being managed by the Officers of the department.

Deputy S.M. Brée:

No, the point I am trying to get to is during that period there was no decision to be made or decisions made as to how things were working. It was just felt that we need to give it 12 months to see how things progress and then at the end of the 12-month period we will review it and decide where we go from there. Is that ...

Deputy M.J. Norton, Assistant Minister:

That is a fair assumption. Conversely, if we had done it another way, if we had spent, as we had done, £407,000 at the inception of the Aircraft Registry knowing that we have extra expense coming during that year, to have then said: "This is not working," after 3 months, that would have been too short a time; 6 months still would have been too short of time. We, I believe rightly, under the business model and the premise that it was put in place in the first place, gave the Aircraft Registry 12 months in order to review ... clearly, it was not left, as in abandoned, it was kept in operation during those 12 months to see if it did bring in the 12 it was predicted to. It did not.

Deputy S.M. Brée:

As you said, hindsight is a great thing, but I have to say I am highly concerned about the fact that we have paid a particular individual £115,000 to go out and market it and we have, basically, nothing.

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

Chairman, I am sorry but that is just not correct.

Deputy S.M. Brée:

That is not correct? Okay, who was marketing it then?

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

I will say it again, but I hope I do not have to say it again after that, the person we are talking about, Commander Aviation Services, have been paid a total of £115,000 between 2013 and 2017.

Deputy S.M. Brée:

Yes, and I understand that.

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

We did not pay him £115,000 to market the registry in one year. That is a total amount of his fees. If you would like to know how much we have paid him in 2016 I am sure we can, perhaps, supply you with that information.

Assistant Director:

Those fees are for registry services, and narrowing down his role and covering them with the term marketing I do not think is fair. The primary purpose of his contract is to provide technical services as a registrar. He assisted ...

Deputy S.M. Brée:

Putting his services aside as registrar, ie the bulk of that, who ...

Assistant Director:

I think I am going to answer your question. He assisted the civil servant in the department to market the Aircraft Registry. Therefore, the question: "Who was marketing the Aircraft Registry through the period in question?" there is one answer. The answer is there was a dedicated civil servant who was supported technically by the registrar. As Andrew and Ian have referenced earlier, Locate Jersey have assisted with promoting the Aircraft Registry so interest both from high net worth individuals and businesses ...

Deputy S.M. Brée:

The dedicated civil servant within your department, who received support from a registrar advising him what is the best way of doing it, was that a senior civil servant?

Assistant Director:

I do not know what the definition ... my answer would be yes, I think.

Deputy S.M. Brée:

I am merely asking whether or not the correct level of resources were allocated within your department to this particular project to ensure its greatest chance of success and whether or not the individual within your department who was allocated responsibility as a civil servant, not talking about political responsibility here, had the correct level of expertise and knowledge to carry out the task you were asking of them. No fault on their part, but I am just saying ...

Deputy Chief Officer:

They probably did because he was involved from the start so he was acquiring the knowledge and working with the likes of Appleby and Bob Commander.

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

I am not sure what grade I would call a senior officer, but he was reporting directly to the Chief Officer. I think you cannot get much more resources than that. Obviously, we do not want to put over resources into it, but we have to balance our resources properly.

Deputy S.M. Brée:

Moving forwards now and looking at the Aircraft Registry, Deputy Norton, you believe there are hopefully going to be success stories that you will be able to tell us about in the future?

Deputy M.J. Norton, Assistant Minister:

There are opportunities and I am very optimistic. We are in discussion right now and I am hopeful that I can come back at a later stage and share those with you both in this Scrutiny and with Scrutiny in a non-public hearing as well.

Deputy S.M. Brée:

What timeframe have you given yourself to make the final decision as to where we go with this?

Deputy M.J. Norton, Assistant Minister:

We have given ourselves a period until the 31st of July. It is on public record that I will give it until 31st July pursuing the opportunities that we have at the moment. After that period we will have to look and see, and review again. What we have done is ensure that there are no further outgoings to go out of the department, save those insurance costs.

[12:30]

Deputy S.M. Brée:

Save the insurance costs, which you have already detailed for us.

Deputy M.J. Norton, Assistant Minister:

It is important that we look at a new direction for the Aircraft Registry and, hopefully, we will come back with some positivity.

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

Expanding the point, it is not a start-again; we are not wasting. We have some very good foundations here, we have very good software, we have an Aircraft Registry that we want to expand the opportunities and we are building upon what we have. We are absolutely committed to doing that. I will say it again, even if we had signed 12 aircraft, based on these figures it would have brought in £60,000 and people would be saying: "Oh, what, £60,000?" This is the initial

investment and it has been high. I would say that aircraft registries in their early years in other jurisdictions have invested significantly more money than this. This is a medium- to long-term investment and it has to be given a chance to work. We are absolutely committed to making it work and we are going to do our very best to do that. There are no plans to scrap it at this moment in time and I just wanted to be clear on those points. I want to thank Deputy Norton and the team for working hard, especially over the last 2 to 3 months, to try and get this back on track.

Deputy M.J. Norton, Assistant Minister:

My prediction is we will get it back on track. Let me be worried about that quote in the days to come but, as I have said, I am optimistic that with the discussions we have there are, Chairman, in excess of 40,000 aircraft in the sky and I do not think it is beyond the realms of possibility that we can get some registered for us.

Deputy S.M. Brée:

Why is your department continuing with the Aircraft Registry? Would you not hand it over to Ports of Jersey who I believe are looking after the Shipping Registry.

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

Can we pick up on this discussion at the next hearing, perhaps, or if you wanted to have a briefing in between we could arrange that, but there are lots of different discussions going on at the moment we would rather not share in this public forum due to business confidentiality arrangements.

Deputy S.M. Brée:

Okay. Can we move on? I know we are running very short of time, we just have a couple of questions, if we may, Minister?

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

Yes.

Deputy S.M. Brée:

Obviously, there has been a lot of public interest in the Innovation Fund, what is happening with regards to the reviews, timescales and relevant information. Can you give us any updates on that or not?

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

I can only comment on the review that I am involved in, which is the political review, and that is ongoing. It is in progress. I cannot really say much more than that. I would expect it to be

concluded within a reasonably sensible period of time but it is being managed by The Chief Minister's department, where the fund sits now.

Deputy S.M. Brée:

I am aware that there are a number of reviews running at the same time.

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

I believe there are 3 reviews. I think there is one that is concerned with Senators Maclean, Ozouf and myself. There is a further review in relation to the board and there is a further review in relation to the action of Officers in the various departments that were involved.

Deputy S.M. Brée:

Therefore, the review that you are involved is ...

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

Is progressing.

Deputy S.M. Brée:

... political responsibility timeframes and timescales.

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

Yes, that sort of thing. It is clarification.

Deputy S.M. Brée:

Yes, clarification. Will that review be out any time soon are you aware or you have not been given a ...

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

I would hope so, but I cannot guarantee that. I should not think it should take too long.

Deputy S.M. Brée:

Will you be making the results of that review public?

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

It is not my review, I am being reviewed. I would very much hope they will be made public, yes, but I am not sure if they will be. That is a question for The Chief Minister I am afraid.

Deputy S.M. Brée:

Okay. You can neither confirm nor deny sort of situation.

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

That was exactly the phrase I was looking for, thank you. You entered that into the record.

The Deputy of St. Mary:

Can I just confirm, in relation to one of those reviews, I am aware that previous applicants for Innovation funds have themselves been approached as to their opinion of procedures, et cetera, is that an additional review or does that come within one of the 3 you are talking about?

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

I would imagine that comes within the review into the board and procedures around the board, because the frontline of the whole Innovation Fund was the Innovation Fund Board, so all applications and all business, in the first instance, was conducted through that process, but you would need clarification from the Chief Minister's department.

Deputy S.M. Brée:

We have touched on quite a number of areas during this Quarterly Hearing, obviously, tourism, licencing law, Jersey Sport, the ongoing work of the Aircraft Registry. What other priorities does your department have at the moment outside of those areas we have discussed? What are you working on at the moment?

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

We have just launched the Rural Economy Strategy. That is going to be ...

Deputy S.M. Brée:

Which we will be reviewing.

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

Which you are reviewing. That is a high priority for us as we want to remain completely engaged with that and work closely with the industry. There is a big job of work to do there to ensure that our farming community are all performing better from not only a business point of view, commercial point of view, but from an environmental point of view in the years ahead. That is going to remain a high priority for us. For me, though, I am very keen to make sure that we get our fair share of the money set aside by the States for the Economic and Productivity Growth Drawdown Provision and I would very much like to see some more money come in for tourism for the Tourism Development Fund. I think that is absolutely key if we are serious about supporting our tourism industry we need to put some funds there. Going back to the Rural Economy

Strategy, we have a Rural Initiative Scheme and the monies there are pretty much all accounted for now. We have some very good applications from very innovative rurally-linked businesses producing some very good products that I would like to be able to help. That is going to be quite challenging. I will look to my Officers now and say: "What are the signals coming from the Treasury?" and so forth, but a priority is I want to get some funding to help these businesses. Not an awful lot but just some money to make sure we are doing what we are meant to do and promoting innovation and productivity in the traditional sectors. Those are a couple of things. Of course, there are lots of other businesses that use your activities. Deputy Norton might like to update you briefly on his culture and arts portfolio, and I know there is a new culture strategy in the pipeline and other things.

Deputy M.J. Norton, Assistant Minister:

There is. In fact, there is public sector reform funding for a culture and sport strategy, which is going on at the moment. I know Andrew has been dealing with that so we are close to moving on that, which is going forward. Probably the best news story of the year, as far as I have been concerned, has been our lottery success so far and we will be doing ongoing work on that. The report just published has put funding for good causes at £1.25 million, which is ...

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

Highest amount ever.

Deputy M.J. Norton, Assistant Minister:

... a record amount and that has been down to some extremely good work in reshaping the lottery in a great deal. I would point the finger at Darren Scott, whose hard work on that has made it a tremendous success story and I know that the community will feel the benefit of lottery success, not only this year coming but in years to come as well. That has been really important. From the cultural side of things we have a big campaign coming up at the moment with regard to Elizabeth Castle, which has been in the media recently as well. It is really important that we work on making sure the infrastructure of the castle is safeguarded for the future generations.

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

Can I just turn to recognise Connétable Pallett who chairs 'A vision for the future', I know that is a priority not just for us but a particular high priority for Steve is Fort Regent. Steve, I do not know if you would like to share some of your plans?

The Connétable of St Brelade, Assistant Minister:

Clearly, that is the main priority. It is a priority for every States Member, it is not just a priority for me. We need to get to grips with the decay of the building over nearly 50 years now and how we

deal with it. Just to be clear about the sports strategy, it is not a new future strategy it is a strategy around facilities and the maintenance, refurbishment and replacement of facilities over the next 25 to 30 years. The culture strategy is slightly different in regards to what it is going to deliver but just to be clear the policy around sports development will be something that either the sports development team who currently manage it, or Jersey Sport in the future, will put together the new strategy for 2018.

Deputy S.M. Brée:

Both of those areas, particularly Elizabeth Castle and Fort Regent, are going to require major capital injection.

The Connétable of St Brelade, Assistant Minister:

Through one source or another, the answer to Fort Regent is: "Yes."

Deputy S.M. Brée:

Elizabeth Castle needs a lot of work doing to it as well. Where are the funds going to come from? If you pursue this strategy and it is successful.

The Connétable of St Brelade, Assistant Minister:

I will deal with the Fort. There was an ongoing process to put together an expressions of interest document that will be looking to private sector investment in the Fort and what that might mean or could mean, subject to all the necessary consultation and all the necessary discussions ...

Deputy S.M. Brée:

Sorry, just to confirm, private sector investment in the Fort.

The Connétable of St Brelade, Assistant Minister:

Absolutely, in the Fort. However, the first question that always comes up when we talk about the Fort is: "Are there people in the private sector that will be prepared to fund any type of investment in the Fort?" I think it is only prudent that the department finds out whether that is a true statement or not. We have no idea whether there is any opportunity of private investment, and let me just finish because I know what the question is likely to be, if there is no private investment there are some really hard questions to be answered in regard to Government and Council of Ministers about what the level of capital investment will need to be, public investment, if the Fort is to remain one of our premier sports facilities, which it currently is, an entertainment facility. However, we need to open the question up around private investment because it is always bandied about as there are people out there with money. Well, let us find out if there are people out there with money.

Deputy S.M. Brée:

If you do seek and find private sector investment, can you confirm that the sport facilities at Fort Regent, used by the public, will be maintained?

The Connétable of St Brelade, Assistant Minister:

I cannot guarantee that. What we need to guarantee is that sports users at the Fort and those that are currently engaged in using the Fort will be dealt with in a proactive and positive way, and it may mean using alternative facilities. I hark back to the long-term sport strategy because we have not really got a full understanding of what our portfolio is and the capacity within it, and the capacity for sports organisations, some of which need to merge because they are struggling financially.

Deputy S.M. Brée:

Would you be prepared to see the loss of sports facilities at Fort Regent if private investment could be found to inject capital into the building itself?

The Connétable of St Brelade, Assistant Minister:

Not without a full public consultation with States Members and the public, and as we all probably know it will be the public that will decide what Fort Regent is used for eventually. We need to explore the opportunities and if a private investor was to come up with some fantastic scheme for, and I am going to pick an example, an entertainments complex that would mean we have to relocate some of our sport, that would be part of any ongoing deal and negotiation with whomever comes forward. However, I will guarantee, as long as I have blood running through my veins, that every sport that is currently located at the Fort would be dealt with fairly, transparently, honestly and supported by this department, which is what we currently do and we will carry on doing. However, we need to explore every avenue. Some of them will lead nowhere but hopefully we will find an avenue that will provide us with a sustainable ... really, we need to look at the next 50 years of the Fort because clearly the infrastructure is creaking and we need to make sure that we deal with it before it gets to a point where it breaks.

The Deputy of St. Mary:

As you know, there was a consultation carried out in the summer of 2014 on the Fort. Are you suggesting now there will be another one and, if so, what time factor are we talking about because obviously the place is creaking and ...

The Connétable of St Brelade, Assistant Minister:

The expressions of interest document is a matter of urgency. What comes of that in terms of what interest there is would be the basis for a consultation with the public and a consultation with the States Members. We do need to have a States Members' briefing around the Fort, a more open one, where we can get some feedback from States Members about what they see as the future of the Fort. We are open to that. The more feedback we get the better, but we have to understand that in this M.T.F.P. there is no money allocated to the Fort in terms of capital expenditure. With the current pressures on funding going into the M.T.F.P. it may well still be difficult but it is for this department to fight the corner for the Fort and make sure that it gets the necessary capital investment it may need.

[12:45]

In the interim period let us have a look and see if there is private investment in it and what it might look like. The consultation would be based on what comes back off that. If we get some fantastic concepts for the Fort that is the time to go back to the public and go: "What do you think?"

The Deputy of St. Mary:

Yes, but what I am getting at is we are in limbo at the moment. When are we going to seek expressions of private interest?

The Connétable of St Brelade, Assistant Minister:

We are working on that at this moment and we engaged with a party that was really interested, who have now not got the time to be able to put to that. We have sources or companies that we would want to go to and see what interest they have in providing us with a document. It is not going to cost hundreds of thousands of pounds and it would be wrong to spend that sort of money. We have to have something that is professional that clearly sets out the parameters for what is possible and what is not. We have some information from the Environment department around some of the things that they think you cannot touch. Clearly, you cannot touch the fabric of the building, it is a listed building. However, there are some things you can do within the internal parts of the Fort that might be aspirational and might prompt a future consultation, but it is going to be, and I keep stressing this, the public that really decide the future of the Fort. Even if we put something forward, there are 48 States Members that they can go and give grief to if they are not happy with it, and they will because it is such an integral part of Jersey life.

The Connétable of St. Ouen:

Do you think there would be any mileage in States Members having a tour of the Fort? Certainly in other projects that the States have been involved in and where we have had that invite, I have personally found it beneficial.

The Connétable of St Brelade, Assistant Minister:

We did a tour of the Fort for the Council of Ministers just before Christmas and they found it an eye-opener. It would probably be worthy of a visit. States Members would benefit from seeing the state of some parts of the Fort. Some of the areas we are currently going to deal with, as I have already said as a matter of urgency, such as the pool and the cable car station. They are a public liability and we need to deal with them as a matter of urgency. To have States Members fully understand the urgency in trying to find a solution for the Fort would help move things forward and maybe give a better understanding of why we're looking for the opportunity for private investment. If we had £80 million, £90 million, £100 million of public money rolling around in our back pocket, we would quite happily put that towards the Fort. However, let us see what is out there. If there is no private investment out there then there are some hard decisions to make.

The Deputy of St. Mary:

Am I right in saying the initiative for this is with this department?

The Connétable of St Brelade, Assistant Minister:

Absolutely.

Deputy S.M. Brée:

If I may, one last closing question, and thank you for extending your time with us, Minister. Over the past couple of years we have seen the creation by your department of independent arm's length entities, whether they be trust type structures or whether they be fully incorporated bodies, Visit Jersey, Jersey Sport, Ports Incorporated. Is it your intention to continue following that path with any other areas of responsibility that you have?

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

We have no further plans, Chairman, at this moment in time.

Deputy S.M. Brée:

There was some talk a little while ago of something called Farming Jersey, which, again, would be set up as a grant-funded institution to promote farming.

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

Farm Jersey, Jersey Product Promotions Limited and Genuine Jersey now are all working together as part of the Rural Economy Strategy. A name such as Events Jersey or Farm Jersey does not mean it is going to be a structure the same as Sport Jersey or Visit Jersey.

Deputy S.M. Brée:

Therefore, at the moment you have no plans to create new totally independent arm's length entities and purely provide grant funding to them?

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

Yes, we do not.

Deputy S.M. Brée:

Okay. I think we need to wrap it up there. Thank you very much for extending your time with us Minister and Assistant Ministers, gentlemen. We will draw this Quarterly Public Hearing to a close and thank you very much for your assistance.

ADJOURNMENT

[12:50]