



# **Economic and International Affairs Scrutiny Panel**

## **Quarterly Public Hearing**

### **Witness: The Minister for Economic Development, Tourism, Sport and Culture**

Friday, 26th February 2021

**Panel:**

Deputy D. Johnson of St. Mary (Chair)

Senator S.W. Pallett

Deputy S.G. Luce of St. Martin

**Witnesses:**

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

Deputy K.F. Morel of St. Lawrence, Assistant Minister for Economic Development, Tourism, Sport and Culture (1)

Deputy H.C. Raymond of Trinity, Assistant Minister for Economic Development, Tourism, Sport and Culture (2)

Mr. R. Corrigan, Acting Director-General, Economy

Mr. D. Houseago, Group Director, Economy

Mr. A. Scate, Acting Director General, Growth, Housing and Environment

Mr. O. Brewster, Project Manager, Growth, Housing and Environment

Mr. K. Lemasney, Director of High Value Residency, Economy

Mr. B. Harvey, Head of Sport Operations, Growth, Housing and Environment

Mr. C. Gibaut, Director, Strategic Development, Economy

[11:08]

**Deputy D. Johnson of St. Mary (Chair):**

Good morning, everyone, and welcome to this public hearing of the Economic and International Affairs Scrutiny Panel. For the record, I will introduce those on the panel side before handing over to the Minister to introduce his colleagues. I am David Johnson, Deputy of St. Mary, chairing the panel. I have with me the Deputy of St. Martin, Steve Luce, and Senator Steve Pallett. Perhaps, Minister, you would like to introduce your team.

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

Good morning. Thank you very much, Chair. Yes, I am Senator Lyndon Farnham, Minister for Economic Development, Tourism, Sport and Culture. I am joined today by Deputy Morel and Deputy Raymond, the Assistant Ministers, together with Andrew Scate, Barclay Harvey, Dan Houseago, Richard Corrigan and Oliver Brewster. We have got a cast of thousands here today and some officers might be joining at the appropriate time, but I hope I have covered everybody. If I have not, perhaps anybody could speak up if I have missed them out, thank you.

**The Deputy of St. Mary:**

Thank you for that. Again, welcome to you all. As you may have seen, we have what appears to be a fairly heavy question plan, although I do say at the outset some of the headings are there merely for updates, so hopefully it is not as onerous as it might appear. That said, it is quite a lot to get through so I will now kick off. My first question relates to travel bubbles post-COVID. Now that cases have decreased dramatically, what plans do you have for travel bubbles and opening our borders to international travel?

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

Thank you. There are no concrete plans at the moment to open the borders fully to international travel. One of the key mitigations to protecting Islanders is tight control over the borders and any changes will depend of course on the prevailing circumstances. Having said that, we are working to produce a roadmap to give Islanders a better idea of the timing of such changes to the travel policy. I think the announcement by the British Prime Minister on U.K. (United Kingdom) travel a few days ago does or could have a bearing on Jersey. There has certainly been a strong demand, strong shows of interest in the Island, with air and sea and hotel operators reporting strong demand. I think that has somewhat superseded the opportunity for a travel bubble with Guernsey and the Isle of Man, but of course we would like to keep our options open. We would be very keen in encouraging safe travel between other safe jurisdictions as soon as it is safe to do so. I am wondering if any of the officers would like to add anything to what I have just said.

**Group Director, Financial Services and Digital Economy:**

I do not think so, Minister. I think it is something that will be developed by the officers in Public Health, taken through S.T.A.C. (Scientific and Technical Advisory Cell) and then ultimately

presented to competent authority Ministers for a decision. Largely it is outside the work of officers in this department specifically.

**The Deputy of St. Mary:**

Thank you for that, Minister. You mentioned the term “roadmap” there and you say the U.K. have issued one. Apart from anything else, I have a constituent anxious to make her wedding plans. Is that roadmap going to be available for us shortly? Next week I have been told or have heard.

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

I understand the aim is to produce a roadmap by the end of next week. Having worked closely with the Chief Minister and the comms team, and of course subject to careful ministerial consideration during next week, I am sure that would be possible. I hope it is possible. I think it is very important that we can start to give Islanders and businesses certainty about how we are going to come out of this. We are in a better position to do so now, given the success of the vaccination programme and of course the rapidly falling numbers in positive cases of COVID, not just here, but overseas as well.

**The Deputy of St. Mary:**

Thank you for that. While you are on matters related to transport, it is perhaps premature, but are yourselves or Ports of Jersey looking to open new routes?

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

There has been a very close rapport between Ports of Jersey and the air and sea operators. We have previously announced new routes to Jersey from a number of different airlines, which are aiming to start later into the summer. We still very much hope that can be the case. I would report that we expect to be well-served by air and sea as we reopen our borders and as we reopen the visitor economy.

**The Deputy of St. Mary:**

Sorry, just to go back to the original question, I know at the time of financial assistance being given to Blue Islands there were questions raised about Ports of Jersey actively looking for new routes. I presume they have been on hold for the moment, but are there any new routes in contemplation?

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

I believe so, although I do not have the detail. This is a constant work in progress for Ports of Jersey. I am just trying to recall the new routes we have announced recently. I think we have announced Jet2. Maybe one of the officers can help me with the other route announcement that was made recently by Ports of Jersey.

**Group Director, Economy:**

Minister, as far as I understand it, Jet2 I think are operating from 3 new regional airports in the summer season this year, so they have plans to. I think Blue Islands are also looking to expand from their legacy network pre-COVID into a couple of new areas as well. Then we hope for a rapid restart of both frequency of services and depth of services from British Airways and easyJet, who have served the Island so well for a number of years.

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

Yes, thank you. Just to reaffirm, one of the key roles of Ports of Jersey is to work continuously to develop new air routes and they are continuing to do so. I would expect we could well have some further announcements during the course of this year as normality sort of tends to return.

[11:15]

**The Deputy of St. Mary:**

Thank you. For my colleagues, I better tell them I cannot see any hands up, so Senator Pallett is quite right to put a message in the chat and I will see it there. Over to you, Senator, for your question.

**Senator S.W. Pallett:**

Yes, sorry, I could not find the hand button, so that is why I did that.

**The Deputy of St. Mary:**

Nor I.

**Senator S.W. Pallett:**

It is not connected with public flights as such, more those private flights. I do not know whether the Minister can answer this, but I have had some concerns around the security and resilience and robustness of testing procedures for those that are coming in on private jets, private aircraft. Could the Minister just reassure us that those testing procedures are as rigorous and as robust so that there is not risk through those people that are entering the Island?

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

Yes, all people entering the Island are subject to the same testing criteria, no matter what mode of transport they use. Of course there are some exceptions for essential workers, people that come here to work in emergency or bring in skills and services that we require urgently, but I would stress everybody is subject to the same conditions.

**The Deputy of St. Mary:**

Sorry, before we leave that - we are getting an echo - can I ask if the emergency services will continue as long as necessary? I presume there are still in place arrangements for discretionary flights for those on compassionate reasons, for whatever reason.

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

Yes, as I understand it. That strays slightly outside our area of responsibility, but I can reassure the panel and of course members of the public that all aspects of emergency flights are currently covered.

**The Deputy of St. Mary:**

Thanks. I will leave that topic now and perhaps hand you over to Deputy Luce.

**Deputy S.G. Luce of St. Martin:**

Thank you, Chairman. Good morning, Minister. There is a sort of a crossover, Minister. If I could just reiterate, when it comes to economic recovery obviously hospitality has been severely affected, but this roadmap, the plans you are coming out with, will they have some specific ideas around travel bubbles with other islands, other jurisdictions and will they also be considering the possibility of allowing people to travel more freely if they have been vaccinated?

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

I think it is just too early to tell exactly what the roadmap will contain. Its primary objective is to give as much certainty around a timeline as possible to enable Islanders to plan for the future. I think as the Chair or a member of the panel said earlier, Islanders are wanting to make arrangements for all sorts of important areas of their lives, including weddings and getting away to visit close friends and family that they have not been able to see for some time. Sorry, Deputy, could you just repeat the second part of the question?

**The Deputy of St. Martin:**

The second part was just around whether we are going to treat people who have been vaccinated differently when it comes to travel.

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

That is a discussion that is ongoing at the moment and we have got a lot of talking and thinking to do about that. I see it as an opportunity to provide greater confidence and security for travellers and for those in the areas that might be visited by people from overseas. I think there is an opportunity for immunisation certificates to be helpful, but of course that does come with a number of ethical and other considerations that need to be considered, but I think there is an opportunity there to use that and that is something we are going to be working on. The U.K. are currently working on a

similar programme and there might be an opportunity to work closely with them, while stressing we will be totally in control of our borders at all times.

**The Deputy of St. Martin:**

That is helpful, thank you. Could I just ask, in the chief executive's business plan it says that during 2020 households and businesses had a certain level of healthy resilience, but the ability to continue to withstand economic shock is going to be diminished. Can I just ask you to start off with, please, Minister, how you see our ability to cope with more shocks - should it come this summer - economically?

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

I think the resilience of Jersey's economy has proven itself over the last 12 months. The economy has held up very well, although unfortunately we have seen some sectors really badly hit by the pandemic, but fortunately I would say the majority of sectors have held up very well. That has been supported of course by the strong business support measures that were put in place and have been constantly reviewed through the pandemic. Of course that is still going on. Support measures are continuously being reviewed and will continue to be until we come through the pandemic. Looking ahead, it is an ever-moving estimate. We have performed relatively well, considering all of the challenges in the past year. A lot depends on how quickly we can get back to normality, which will allow those sectors of our economy that have been hardest hit to start trading normally again. The Fiscal Policy Panel and economic advisers have predicted a recession lasting for up to 3 to 4 years, so I think we can expect some challenging economic times ahead. That is the catalyst for a lot of the work we are doing now on our future economy and economic recovery planning.

**The Deputy of St. Martin:**

I see, Minister, that our sister Island yesterday announced economic assistance to business into the middle of next year, which may or may not be an indication of the way they intend to go with their travel. Can you give the panel some assurance that should travel not open up like we hope desperately it will that you will continue to find monies for business moving through this year and into next year? Because as the chief executive points out in his report, we may have started from a healthy place, but all the spare cash is gone and a lot more besides and businesses are no longer in a healthy position to cope with any further downturn.

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

Yes, absolutely. We maintain the position. I again reassure the panel and businesses that we will not suddenly stop support. Support will continue for as long as it is necessary. We have always based it on the prevailing circumstances. All the decisions we have made in relation to business support have been based on the very best information we have had at the time. We want to be

absolutely certain here for businesses and the panel that we will continue to provide business support as long as is needed. Hopefully that will not need to be into next year, but if it has to be, it will be.

**The Deputy of St. Martin:**

I am grateful. My last question on this subheading, Minister, is this: we were working on an economic framework some time before the COVID restrictions and pandemic arrived on the Island. Can you just update us as to where we are with that and if we are moving ahead, which I am sure we are? Are we having to update and change that economic framework in any great way to cope with what will be the effects of the pandemic?

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

The Future Economy Group, which the Deputy and I worked together on, evolved - following the start of the pandemic - into the economic framework. We set up a separate Economic Council as well that has also reported with some valuable input. The workstreams have changed slightly to take account of the pandemic, although the longer-term aims remain the same. Perhaps I could hand over to either Richard or Dan - Dan has been leading on the work - to provide slightly more detail around that.

**Group Director, Economy:**

Thank you, Minister. On your point, Deputy, you will be aware from your previous attendance at the Political Oversight Group for the future economy programme that we were at that point anticipating recruiting a client partner to support capacity and capability in this area so that we could get on with this quickly and at the right pace. The procurement of that client partner was delayed because of COVID in actual fact, so the terms of reference did reflect that significantly changed context. We recruited in the summer of last year and subsequently have completed the first effectively work package that is associated with the future economy programme, which tees us up quite nicely for producing an economic framework at the end of this year. I can provide as much detail or as little as you wish on that.

**The Deputy of St. Martin:**

That is very helpful, thank you. I am sure we will get back to you on that. Before we move on to Licensing Law, Deputy Johnson has a question.

**The Deputy of St. Mary:**

Thanks for that. Sorry, my hand up signals are not working. Yes, Minister, you referred to business support measures being in place and, as you are aware, the panel is currently reviewing some of

those. I do not want to go down that line too far, but is there anything else in the offing immediately we should know about which might be useful?

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

We have launched the Fixed Costs Support Scheme, which has been very well distributed currently. There has been a lot of applications, so money is going out there. As the panel will know, it pays up to 80 per cent of a business's fixed costs, subject to conditions of course. We are currently reviewing the Visitor Attraction and Events Scheme. That was launched in January and that was a scheme to support the key visitor attractions and key events infrastructure. The original entry criteria I feel has proven to be rather a high bar and has resulted only, I think, in 3 applications being successful to the scheme. It is a scheme with £3.5 million to distribute, but so far approximately only £38,000 has been committed. I have just submitted a paper to the Council of Ministers for their consideration, requesting their support to extend the scheme slightly, so that is work ongoing. There are also some further requests from the health and fitness sector, for example, gyms, who remain closed. We are waiting for Public Health and S.T.A.C. guidance. Competent authority Ministers are meeting next week I believe to consider that. Once we know what their reopening timeline is and what conditions they are likely to have to work to, that will guide us on whether further support may be necessary for that sector. But I think the best economic support we can give to any sector right now is to get them open and operating as quickly and as safely as possible. I do hope that will be the case with the sectors that remain challenged to avoid having to provide further financial assistance. I am sure they would all prefer to be open and trading. I just want to underline the fact that I think the support measures currently in place, whilst some businesses would still wish to see more, have played a vital part in keeping the vast majority of our businesses safe and operational throughout the whole pandemic.

**The Deputy of St. Mary:**

Thank you for that reply, Minister, on both counts. I appreciate on the opening of gyms and so on you are waiting for S.T.A.C. On the entertainment providers - if we can call them that - you are looking into that. Can you give any indication of time, when we might have any announcement, if there is one to be made?

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

A paper went to the Council of Ministers yesterday. I am waiting for the response from some Ministers. We might have to have a separate Council of Ministers meeting on that in the early part of next week. I am very keen to get back. I had promised to get back to the industry by the end of this week, so I will update them accordingly, but I think it is likely to be the early part of next week before we have a Council of Ministers decision, but we are treating it as a priority.



**The Deputy of St. Mary:**

That is useful clarification, thank you. I will now hand you over to Senator Pallett.

[11:30]

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

Chair, before you hand over, can I just say I have agreed to attend meetings with the health and fitness sector next week to discuss with them their concerns? I am in constant communication with the visitor attraction and events group as well. Can I just also confirm that easyJet, Jet2 and Loganair have provision for new links and Jersey as a destination is now on sale with them for later in the summer? Currently the Ports of Jersey are in discussion with 4 other providers.

**The Deputy of St. Mary:**

Thank you for that. I see that Daniel Houseago kindly put that in the chat. Thank you, that is useful for you to clarify publicly. Over to Senator Pallett now, please. Thank you.

**Senator S.W. Pallett:**

Thank you, Chair. Just before I joined the panel in last December, there was a quarterly hearing earlier in December. At that meeting, the panel was informed - this is regarding liquor licensing - that liquor licensing had not moved very far. Can you give us an update of what progression has been made since then?

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

Sorry, Senator, I just lost you there. Was that liquor licensing?

**Senator S.W. Pallett:**

It was, yes. Really just after the last panel meeting, could you give us an update of where we are with it?

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

Absolutely. I will hand over to Deputy Morel, who has been given the ...

**Senator S.W. Pallett:**

Sorry, I cannot hear you. I do not know why.

**The Deputy of St. Mary:**

Nor I.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I think he is going to hand over to me.

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

Yes, I am going to hand over to Deputy Morel, who has taken on responsibility for that area from yourself, Senator.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Thank you, Senator. Obviously at the end of last year we also had the proposition from Deputy Ash, which at the end of the day the parts that passed included an element which was to bring in changes to the Licensing Law to enable policy to be held by the States Assembly as opposed to the judiciary. The focus since that States Assembly has been on working and trying to find a route to deliver on that proposition. With that in mind, I have been in correspondence with the Bailiff and the Attorney General through the beginnings of trying to work out the best way forward. It is going to be challenging to achieve that proposition, but it was the will of the States, and so that is where our focus is at the moment, trying to find out the best way to bring policymaking on liquor licensing into the States Assembly to be held by politicians rather than the judiciary.

**Senator S.W. Pallett:**

To be clear, are we looking at progressing this through the working party that had been suggested through the Council of Ministers with Ministers that had been appointed, for example, the Minister for Health and Social Services, or is this going to be a working party working with the jurats and the Bailiff?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It has not been decided. With regard to meeting the timeline, which gives us until the end of this year, my own personal feeling - happy to change if it seems the way forward - is that we have been given a clear task by the Assembly just to bring in the policy aspect. So from my perspective, doing that work probably is not so easy with a very large working party from many different departments because it would be about changing the Law to just bring that policy aspect to the Assembly. Going further, those changes may include the creation or the use of a working party to decide on what that policy should be. This piece of work that we are doing at the moment is not about making the policy, it is about providing a legal framework to enable the policy.

**Senator S.W. Pallett:**

You might say I am wrong, but that sounds to me as if we are abandoning any potential changes to the Licensing Law and concentrating on, for example, how we could produce a statement of licensing policy which would allow the States Assembly to set policy on licensing. Is that the direction that

you are currently looking at, that we are not going to look to amend any of the Law or bring a new Law in?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Of course to bring the policy into the States Assembly means changes to the Law, so in that sense we have to change the Law, but if you are talking about a wider change to how licensing is done, as you said, in a previous hearing it was heard that nothing had really moved in the previous 3 years, so we have been given a deadline of the end of December. To achieve that deadline, I personally believe that it is going to be very difficult to have wholesale wide-ranging changes, particularly with the amount of consultation that would need to be brought in in that time. From my perspective, I feel it is far better to focus on the proposition that the States Assembly adopted last year.

**Senator S.W. Pallett:**

I am sure you did not mean to say, Deputy, that no progress had been made in the last 3 years, because I am sure you have seen some of the background work that has gone on within both the last term and this term. Moving on from that, the actual decision on Deputy Ash's amendment around drinks promotions, you will be aware, I am sure, of a letter that was received in October around what the Assembly's view was on that and what they were attempting to do. Can you give me an update on how they are intending to carry out the wishes of that proposition in regards to levelling the playing field on drinks promotions on on and off-licences?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

With regard to the drinks promotions, that is very much currently the way the Law is framed. The way the Law speaks is very much in the hands of the judiciary and it is up to them through, as we know, the licensing panel, who has previously - going back to the 1980s, in fact - had policy with regard to drinks promotions and currently that stays with them. That is not something that I can influence.

**Senator S.W. Pallett:**

I do not think that is correct, Deputy. I think the drinks promotions is as the Attorney General's guidelines and it is quite easy, in my view, for the Attorney General to put out new guidelines which cover both on and off-licences. Has the department put any pressure or made it clear that that proposition needs to be addressed and that can be done through Attorney General's guidelines, which is not policy, it is merely the Attorney General levelling the playing field, which he has unlevelled by his guidelines?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It is interesting. I clearly said that is with the judiciary, the Attorney General being a part of the judiciary.

**Senator S.W. Pallett:**

Correct.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

It is, in my view, the Attorney General's realm to deal with that aspect. That is with him. It would be improper, in my view, to bring pressure to bear on the judiciary. That is, I believe, one of the basic tenets of government, that there is a separation between the legislature and the judiciary. In correspondence I have made it clear that that rests with the Attorney General and it is up to the Attorney General to interpret the Assembly's decision.

**Senator S.W. Pallett:**

It is, but do you not agree though that the States Assembly has made its decision and that the judiciary are quite aware of that decision? Do you not think it is appropriate for the judiciary to act expediently around such a decision made by the States Assembly, by elected Members?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I feel that my opinion on how the judiciary should act is not pertinent. You should, to be honest, be asking the Attorney General these questions.

**Senator S.W. Pallett:**

We will beg to differ on that. In terms of timeframe with a working group, what timeframe are you working to to move the work forward?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

We have the deadline of 31st December this year, so that is the timeframe that I am working to.

**Senator S.W. Pallett:**

But that will be within the working group of the Bailiff's chambers with the jurats?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Sorry, there may be some confusion. With regard to 31st December, I am talking about the part of the proposition, Deputy Ash's proposition, which referred to the changes that will enable policy to be driven by the Assembly as opposed to the judiciary. So that is the bit that I am working to on the 31st December deadline.

**Senator S.W. Pallett:**

Have you had any detailed discussions around what that might look like yet?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

No, that is the correspondence we have been entering into. I will be speaking with the Bailiff and/or the Attorney General about how best to move that forward because I believe there are issues with regard to the judiciary and how they react in terms of policy from the States and so we need to make sure that there is no uncompromising position, so to speak, that we place the judiciary in. It needs to be handled in a way that the judiciary is quite clearly able to maintain its own independence as well. It is an interesting situation. It is something of a conundrum that the Assembly has placed the Government and the judiciary in.

**Senator S.W. Pallett:**

Some of that I agree with, some of that I do not, but maybe that is for the next quarterly hearing, when maybe you can provide us with a more detailed update as to progress that has been made.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Thank you.

**The Deputy of St. Mary:**

As the Assistant Minister probably knows, I was involved in the previous Assembly on behalf of this panel in a draft Licensing Law when Senator Pallett was on the other side. It is very frustrating to me that we got so near to completing it. Your reference to a statement of licensing policy, that was to be incorporated in that new legislation, and really the only area of disagreement was who should be involved in making that licensing policy. The panel of the day put forward ideas for wider consultation. My basic question is has the Assistant Minister had regard to what the previous draft Law was? Because I think that if it could be reincarnated in some form, it might go a long way towards assisting us all in bringing the Law up-to-date.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Which I understand. It is interesting, because we are working on this timeline of 31st December, in my mind it is about what is achievable within that timeframe. If it is the case that that Law seems still eminently suitable, then perhaps we can bring that through expediently. I am yet to be convinced that that is the case, but if we feel we can, then that may well be the way forward. In the meantime, while we try to understand that, I am focused on trying to ensure that at least that statement of licensing policy is brought in in order to meet the Assembly's wishes.

**The Deputy of St. Mary:**

Thank you for that. I think again it is something we might pick up separately on this because it is a subject matter in itself. I think the panel may well get back to you on that, but thank you for your help on that one. Senator Pallett, have you finished on your area now?

**Senator S.W. Pallett:**

I have, Chair, yes. I think it is moving on to you next.

**The Deputy of St. Mary:**

Thank you for that. I think it is probably moving on to Deputy Morel as well regarding the J.C.R.A. (Jersey Competition Regulatory Authority) and competition policy. Is that your area of responsibility, Deputy?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Disappointingly not, Deputy. I will have to hand you back to the Minister for that.

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

Thank you. Regrettably that is still my responsibility, but that has just given me an idea.

**The Deputy of St. Mary:**

Can you speak again? You are a bit muffled to me.

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

Yes, I might have to change laptops in a minute. It could be that my microphone is not working properly, but yes, J.C.R.A. competition policy sits with me. How can I help?

**The Deputy of St. Mary:**

As you are aware, Minister, this panel conducted a review starting from the time that C.I.C.R.A. (Channel Islands Competition and Regulatory Authorities) divided between Jersey and Guernsey again. We paused that and we looked at the history and how this happened. We are now more concerned about going forward. Can you advise us of the status of continued development of the Government of Jersey and the J.C.R.A. in its own format now rather than as part of C.I.C.R.A.?

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

Yes, absolutely. I am pleased you touched upon the panel's report, because I was going to ask when we could expect that, because that could help to guide us going forward. Could I just ask, is it on permanent pause or are you planning to complete your review at some stage?

**The Deputy of St. Mary:**

It perhaps depends on the answer to your questions. No, it is not a permanent pause. I think again we were duty bound to look into that. I personally am anxious to move forward because it seems to me that certain aspects which are raised at the minute have been outstanding since I first joined the States some 6 years ago. No, I think it is important for everyone's sake that we do move forward quite quickly.

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

Yes, understood. I am pleased to report some excellent progress with the new J.C.R.A., having confirmed now the appointments of the board and the new chief executive. If I may, I will hand over to Richard Corrigan and Colin Gibaut, who can provide some further detail.

**The Deputy of St. Mary:**

Hopefully on a better microphone than the last one. Thank you.

**Acting Director General, Economy:**

Thank you, Minister. To answer your points, Chair, the J.C.R.A. has now been fully formed in terms of the appointment of a chair, members of the authority as directors and also with the appointment of a chief executive. We are pleased to see that there is continuity in that chief executive post, with the permanent appointment of Tim Ringsdore into that role, who you may recall was acting in an interim capacity from the date of the split from C.I.C.R.A. Good progress has been made on that front. In terms of the business plan, we have the business plan for the J.C.R.A. for 2021 and we are in the process of releasing the increased funding that is part of the Government Plan for an extended programme of work that the J.C.R.A. will undertake around competition and market studies. Within the department we have made substantial progress with a vertical arrangement block exemption order, which will help to reduce some of the administration burden that the authority currently carries for businesses operating in the Island and will create a safe harbour for certain types of co-operation and therefore efficiencies of operation. There is also work ongoing to prepare a package of amendments to our competition framework, including some proposals to amend the current mergers and acquisitions regime and the framework for market studies, among other things. The officer group, with the Minister, would be very happy to come and brief the panel privately in terms of any more information that you might wish to explore around the work programme with the J.C.R.A. That addresses the competition aspects of it. You will also be aware that the J.C.R.A. has some economic regulation responsibilities and a particularly busy work programme at the moment on telecoms-related matters, so that is also a very substantial component of the work programme in normal times, but in particular they have a number of investigations that are live at the moment and at various stages of progression.

**The Deputy of St. Mary:**

Thank you for that. The first thing I would say is we welcome your offer to come and see us. So this subject does not dominate the rest of this hearing, we might well take advantage of that. A couple of things, if I may, here. From the beginning there has been concern expressed deriving from Oxera recommendations back in 2015, I think it was. How in particular are those progressing?

[11:45]

**Acting Director General, Economy:**

Some of the work underway in the department at the moment is helping to provide a contemporary Competition Law framework within which the J.C.R.A. can work and therefore ensure that markets are operating in the interests of consumers, so that work is ongoing from the Oxera 2015 report. I think it is also fair to say that one of the reasons that the Minister wished to separate it into an insular authority was he felt that sufficient progress had not been made on matters relating to competition and markets working in the interests of consumers. I think we have had a fast-track period since the formation of the new insular authority to really redress some of that I suppose lapsed or delayed work from the earlier Oxera report.

**The Deputy of St. Mary:**

Again, it probably emphasises my earlier comment that we probably need a separate meeting on this. But again, just to pursue my Oxera point, questions were then raised - certainly in my own mind - about the independence of the authority and that continues to concern me. Is that being properly addressed at the moment?

**Acting Director General, Economy:**

The independence of the authority is enshrined in Law in terms of its decision-making, the cases that they choose to take forward on matters relating to competition and in terms of the market studies that they may wish to undertake. Clearly the authority will gather information from a range of sources. That may be Ministers and officers and States Assembly Members, it may be from organisations such as the Consumer Council or other forms of intelligence they have around whether markets are working and functioning properly or not. They will synthesise all of that and then independently determine the work programme that they wish to embark upon. Certainly any decisions relating to enforcement of the Competition Law are entirely a matter for the competition authority and then ultimately stand to be challenged in the courts should there be an objection from the other parties that are involved.

**The Deputy of St. Mary:**



Two final points before we move on. The question of costs: how much does it cost per annum to run J.C.R.A. and how are these costs measured against cost-saving through regulating competition? Are you confident the authority has enough funding to do what it is meant to do?

**Group Director, Financial Services and Digital Economy:**

We have had the funding request from the board of the authority for £727,000. I think the figure is for this year. That funding request the Minister has already indicated will be met in full and indeed has signed a ministerial decision to that effect. In terms of the funding the authority has asked for from Government for the competition components of their work, that has been fully met by the Government. That grant will be released for the authority then to discharge in line with their statutory responsibilities.

**The Deputy of St. Mary:**

I go back to the point in your kind offer to give us a presentation sometime, which especially as you have now got a new C.E.O. (chief executive officer) in place, we will hopefully take advantage of that. Unless my colleagues have got any further questions on that area, perhaps we could move on to Senator Pallett's next area.

**Senator S.W. Pallett:**

I have got nothing further, happy to move on.

**The Deputy of St. Mary:**

Yes, please.

**Senator S.W. Pallett:**

Minister, I think this will be a good news story. I have just seen the press release that has gone out and obviously some discussions that we had early in the week, but I just wondered if you could give me an update on where we currently are with the skate park and how near we are to a planning application for one or both sites.

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

Yes, thank you, Senator. Can I start by thanking you and Deputy Raymond not least for the work you have done over the last 2 to 3 years, but also for the extensive work that has happened over the last 2 weeks by our officers? I think we have some positive news to report today following the previous States debate and I am pleased to hand over to Deputy Raymond, if I may.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Yes, I am very pleased to be here, bearing in mind the last meeting of the Scrutiny Panel, especially as to what has gone on over the last couple of weeks. I am very happy to confirm that the application for Les Quennevais will be submitted today. We have Ollie Brewster here and he will go into a lot more detail about what was going on. I gather also that you have now received the slides and everything that we discussed yesterday, so you have got some idea of the design and the makeup. I have got to say a big thank you, and I think that is down to you, Senator Pallett, that the other sports that could have had problems have all been very helpful with regards to making us put this together up at Les Quennevais. Subject to planning, if we can get moving, we will be happy to see that we can start building this towards the latter part of the summer and therefore get it ready, as you said, for January 2022. I must admit I am very pleased, and I mean this sincerely, with your support, because I think that - as I said - I was coming from the wrong side probably last time, but I think that we have to move forward and we have got to keep everybody on board. If I could hand over probably to Ollie just to really bring everybody up-to-date as to where we are with this. Can I just mention the fact that we are hoping to get South Hill planning in next week? Ollie, would you like to come in on this, please?

**Project Manager, Growth, Housing and Environment:**

Yes, I can do. It is good news today. The Les Quennevais skate park application has been submitted already, so that is a huge milestone for the project and I am sure everybody is really pleased that we have got there. We have also made good progress on the South Hill Gardens application and that will follow, with the aim of that going in by the end of next week. The application of course has been submitted today, but will take some time to be validated by Planning and Building Services, at which point the application will become public. It is a milestone in the project today that I think we should all be pleased with.

**Senator S.W. Pallett:**

Ollie, I wonder if you could give us an idea of the nature of both those applications. Are they both detailed applications or is one detailed, the other outline?

**Project Manager, Growth, Housing and Environment:**

That is correct, Senator Pallett. The application for Les Quennevais is a detailed application. As everybody is aware, we have been progressing the design of that facility through last year, so that enabled us to make a detailed application. With South Hill Gardens, it will be an outline application initially, giving us the opportunity to work with Planning and Building Control and other stakeholders to develop the design of the development such that it meets with policy and other stakeholder requirements.

**Senator S.W. Pallett:**

I am looking at the funding that has been available throughout the project. There is still clearly funding available for a main skate park and obviously the planning application is going ahead at Les Quennevais. In terms of funding a second park at South Hill and any work on other sites, what is the process going to be for providing extra funding? Because clearly it is not going to be achievable within the current budget available. It might be more of a ministerial question than for you, Ollie, but I am just interested about how we can achieve the funding.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Can I just take that one step further? We have had discussions within the department and, as Senator Farnham knows, I have been pushing him, in the sense that - as you well said - there is money in the Government Plan at the present time. I am looking to put something together for further funding and we are looking at different avenues within our budget to see how we can deal with this because, to be totally honest, we do not have all the funding to be able to do 2 huge parks at the present time. I think it is important that we try and get this into let us say the Government Plan for 2022-24 so that we are moving forward. I have heard encouraging noises, but as of yet ... and I would be delighted to keep you up-to-date on this as to how well we are going, but you are exactly right in the comments that you have made.

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

Could I just follow Deputy Raymond, if I may? If we think back to the debate on Senator Pallett's proposition and the talks we had at the time around that, we all agreed in principle that we are going to not just deliver a single skate park, but we are going to invest in Island-wide facilities, not least in St. Helier and in the east of the Island. I think it is hugely important we invest in the east of the Island as well. Constable Norman and the other Constables of the eastern parishes have been very clear that they would be fully supportive of that. We identified that an additional investment of about £1 million would be required to deliver everything that we all want to deliver. That is 2 key skate parks, reinvestment in the current facilities at St. Ouen and St. John, a facility in the east of the Island and a further strategy that delivers some further satellite areas in and around St. Helier. I just wanted to make that clear. As Deputy Raymond has said, we are going to look. There are a number of options we have to deliver the financing short term and for the longer term project that of course will have to be in next year's Government Plan. Having listened to Members, the support that States Members gave us and the momentum they put behind us just to get on and do it, I am sure we would get healthy support in the Assembly for additional funding.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Minister, can I just add to that that we are in discussions now with the Constable of Grouville and the Connétable of St. Clement as well? We will be meeting up with them to discuss their views and

let us see what they feel is the lack of facilities at their end of the Island. We shall try and get a positive view from them as well.

**Senator S.W. Pallett:**

I was just about to say, how quickly will those discussions take place? Because clearly to meet the Government Plan for this year, business cases will have to be put together based on potentially finding a site. I presume you will do your best to try to get these discussions and meetings taking place as a matter of urgency.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I just had confirmation this morning that it has been sorted for myself and Barclay to meet up with the 2 Connétables to discuss the eastern end of the Island.

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

Could we perhaps ask Andy Scate to come in and just outline the process for funding?

[12:00]

**Acting Director General, , Infrastructure, Housing and Environment:**

Thank you, Minister, and thank you, Assistant Minister. As everyone knows, we have got money in the capital programme this year within the Government Plan for one project. As the Minister has outlined, we would need to put work together over the summer to inform the next iteration of the capital programme, which will find its way into the next iteration of the Government Plan. We have a healthy capital programme. It is about prioritising that capital programme and then carving out further funds from that fund to enable a second site or further facilities to come forward.

**Senator S.W. Pallett:**

That is very reassuring, Andy. I have got no more questions, but I just want to add my thanks as well to the project team. I know sometimes we have our differences, but I have got to say that I have been so impressed with the work put in all the way through this project, but specifically over the last few weeks to get to where we are, so well done. It is not just about criticising you, it is about saying when things have been well done. As far as I am concerned, we are going down the right route, so thank you.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Thank you, Senator. Thank you very much indeed.

**The Deputy of St. Mary:**

Thank you, Senator, for that. Moving quickly on, if I may, still on the sports theme and it is probably then for Deputy Raymond. Can you please update us on the Sports Facilities Strategy and when it is likely to be published?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I have put it back a couple of weeks because I just felt that we needed a lot more detail, not only for yourselves, but for the general public. I think people have got to know where we are going with the sports facilities. I have to say, like quite a few of the facilities or infrastructure that we have on the Island, it has probably not been looked after as best it should have been. We have got to make sure that what we are providing for our youngsters coming through, as well as our retired people with bowls and things like that, we are providing the facilities which they will enjoy taking part in and enjoying their sport in. It is an ongoing situation. I will have a lot more to report over the next couple of weeks, which we are just trying to finalise and put together. We are also working with Public Health and I have got to thank them as well, because some of the suggestions coming out from them with regards to the facilities is vitally important. It is a changing world, we have got to change with it and we have got to make sure our sports facilities change as well. Really that is an up-to-date situation. I cannot be totally positive in the route we are going, but the facilities plan is due out in the next couple of weeks and we will make sure that you are fully aware and so is the Island.

**The Deputy of St. Mary:**

Thank you for that, but linking in with that, we are aware that you were in touch or consulting with sports organisations at Fort Regent, asking to find alternative facilities, and that obviously is a relevant aspect. Can you again update as to how you are progressing with that dialogue?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

There are quite a few people in the Fort at the present time being interviewed as I speak now by K.K.P. (Knight, Kavanagh & Page) with regards to what their comments are, what their thoughts are. I will radically say over my dead body almost that I am not letting anybody out of that Fort unless they have got somewhere to go to. I have to confirm that some of this does depend on fiscal elements of money being put into the programme. Andy, perhaps would you like to just carry on on that point to just clarify that.

**Acting Director General, Growth, Housing and Environment:**

Yes, thank you, Assistant Minister. We are at a position in this project whereby we are quite close to releasing the details and the plans that we are expecting, so just to confirm this is about our public sport facilities, those facilities that we run as Government for the public. There are obviously many other sport facilities within the Island as well in private ownership. We are resolving some funding issues at the moment. We would like to be able to go out obviously with a project with funding, so

we are quite hopeful that that will be a positive decision later this month and going into early March. The other thing, as you rightly point out, is that sport and the Fort are very correlated. We are having conversations with users within the Fort at the moment to make sure that, first, we engage those people before the public debate so that we take on board their needs and comments, but also it enables us to talk to our staff in the Fort as well. We have got staff based there as well. We are getting those packages lined up. I think what the Assistant Minister has also highlighted is that we want to get some of the messaging around COVID and operation of sport out of the way before we then engage with sport users about the future of sport. As you can probably understand, many of our sports group clubs and association participants, they just want to get back to action at the moment, so once we have got that messaging clear and a path clear for them, we can then talk to them about the next decade of sport facilities.

**The Deputy of St. Mary:**

Thank you. Before we leave this general area, we cannot talk about sports facilities without looking also at your strategy for Inspiring Active Places. Again, what you have just said about transferring items or activities from Fort Regent, that transfer is also relevant to what happens at Fort Regent. Can you very briefly, if you can, touch on both those strategies, the Fort Regent one and the Inspiring Active Places one?

**Acting Director General, Infrastructure, Housing and Environment:**

I can, Hugh, if you want me to, otherwise I will leave it to you.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

I will certainly hand over to you, Andy, but I will say, Chairman, that unfortunately I have ended up with both Fort Regent, as to what is going to happen to Fort Regent after the sports have left, and I am also dealing with the sports that are in Fort Regent. I think that Andy will explain the situation that we have at the present time.

**Acting Director General, , Infrastructure, Housing and Environment:**

Thank you, Hugh. If I start with Fort Regent, it is a Georgian fort and therefore it is quite a difficult building to have for a variety of uses. We have sport as an existing tenant, along with a number of other uses for the Fort as well. What is pretty clear from a property perspective is that we need to do some work on the building. To do that work, we need a clear building, effectively, to be able to go in and do some work, whether it be on water systems, electrical systems, asbestos and so on. There are a number of issues that we have from a building perspective. The other issue that we are debating around this sports project, the sports project is called Inspiring Active Places because that is the brand that we have placed on it. It ties in with our Inspiring an Active Jersey and this is about investing in these facilities to get people active and to get people invested in their health. We want

sport to be in facilities that suit sport. At the moment, I would say that sport has to probably compromise by being in the Fort and we want it the other way round. We need to get rid of the sitting tenants, so to speak, and put those into different locations. We cannot move the Fort Regent project forward until we have a solution to those tenants and those uses and then once we have a blank canvas, so to speak, we can move forward with the Fort Regent project. So the 2 are interrelated, but what we are trying to do for sport specifically is to give them modern, up-to-date facilities, which they currently do not have where they are located at the moment.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (2):**

Chairman, can I just clarify one other point, which is ably said by Andy, and that is I am very much of the view that if you move somebody to somewhere it is not a temporary situation? We are looking at some of the sites outside of Fort Regent at the present time that will become a permanent place for the sports ongoing. So it will not be ... I do not like the words "wasted money". In other words, if we do get the money it will be spent for permanent places for sport.

**The Deputy of St. Mary:**

Thanks for that and we will watch further progress with interest and we will obviously keep in touch with you on that. Moving on quickly, as they say, can I hand you on to Deputy Luce, please, for the next area?

**The Deputy of St. Martin:**

Thank you, Chairman. Minister, time is tramping on so I am going to just ask a couple of questions, quickly, if I may, about Locate Jersey. We are hearing that there has been some restructuring of Locate in the last weeks and months and I wonder if you could just outline exactly what has been happening there, please.

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

Thank you, Deputy. Locate Jersey is part of the internal workings of our department and focus on the development of inward investment from business and our high net worth programme. There has been very little change internally and the performance of Locate Jersey continues to be strong. But I will hand over to Richard, I think, if I may, just to elaborate somewhat.

**Acting Director General, Economy:**

Thank you, Minister. Locate Jersey is essentially a brand name operated by the Government of Jersey to promote the Island for inward investment. It is not an arm's length organisation or a separate department of government nor has it ever been. It has been an integral part of the Economic Development, Tourism, Sport and Culture area. The target operating model that was briefed to the Economic and International Affairs Scrutiny Panel in late summer, early autumn of

2020 indicated that there would be the creation of new posts as a head of high net worth residency, a sector lead for growth and trade and a sector officer for growth and trade. I am pleased to say that the 3 previous employees that worked towards promoting Jersey's inward investment proposition have all been appointed into those 3 posts, which has also resulted in promotion within the civil service for 2 of those candidates. We remain absolutely committed to the Locate Jersey brand and to continued investment in Jersey as a place for inward investment and to help local businesses that wish to aspire to increased international trade to help with the right connections for them through the growth in trade team.

**The Deputy of St. Martin:**

Thank you very much. I am assuming then that the rules governing the acceptance of 2(1)(e)s have not changed, but could the Minister just remind us what those are, please?

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

The requirement for high net worth entry into the States is to have a level of income sustainable to a minimum tax payment of £145,000 per annum. Of course the other criteria revolve around background, of course, and good reference and I think that really covers it, unless ...

**The Deputy of St. Martin:**

No, that is fine. Can I ask you, Minister, whether you think that is a high enough bar?

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

It is a discussion we have regularly and we look at the criteria for high net worth. We have high net worth that come in with ... some come in with a few million, some come in with hundreds of millions, some come in with billions. It is a very broad field, but the numbers are relatively low. We are looking at approximately an average of about 20 a year and I can say confidently that they all contribute to our economy, our society, our community, especially the charitable sectors. When you look at the numbers of high net worth coming in compared to our overall immigration, I think we must keep that in context. Having said that, we need to ensure we keep the criteria under review. Jersey is by no means the lowest or the cheapest destination. People choose to come here for a number of other reasons and I think that is important. We must not lose sight of really the reasons we are developing the high net worth programme. That is currently under review and I cannot report anything further at this stage, but it is a work in progress and we will be happy to brief you at the appropriate time.

**The Deputy of St. Martin:**

Thank you, Minister. Could you just remind us, please, what the rules are around high net worths purchasing second homes?



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

Yes. Is it Dan or Richard that would cover that, the conditions around that?

**The Deputy of St. Martin:**

I think we have Kevin on the line, Minister.

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

Sorry, Kevin. I did not realise Kevin was with us.

**Director of High Value Residency, Locate Jersey:**

Good morning, Mr. Chairman, and members of the panel. With regards to the first time property, the minimum purchase price is £900,000 for an apartment and £1.75 million for a home. That is under review and will climb in accordance with cost of living increases over the last 10 years. For those purchasing a second property, if it is a development property it has to be set up in a development structure and sold upon the completion of the development and that should also meet the minimum criteria in excess of £900,000 for an apartment and £1.75 million for a home. The third option is that were they to buy a property that they wanted to hold and rent, that property should have been on the market for at least 2 years so that any local resident has had ample opportunity to make an offer for that purchase. If it has not sold in those 2 years then they are free to purchase it and rent it out, on which of course they will pay 20 per cent on the income thus derived.

[12:15]

**The Deputy of St. Martin:**

Thank you, Kevin. Could I just ask one final question on this subject? Can I just ask the Minister if any high net worths have had their permits revoked in the last 10 years?

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

Not that I am aware of.

**Director of High Value Residency, Locate Jersey:**

No, I am not aware of anybody who has had a permit revoked. There are conditions that they have to keep and since January 2018 if somebody was not to meet the minimum income criteria the permit could be revoked.

**The Deputy of St. Martin:**

I am grateful for those. I am handing over to Senator Pallett to talk about Jersey Reds. Thank you.

**Senator S.W. Pallett:**

Can I just have one brief question? I suppose it is one for Kevin. You might say it is too early, Kevin. Has COVID or Brexit had any sort of positive or negative effect on number of applicants or the ability ... well, not maybe the ability to move to the Island, but how is business looking?

**Director of High Value Residency, Locate Jersey:**

COVID and Brexit both have had both a positive and a negative effect. In certain cases they have acted to accelerate the process where people have seen that they can now very successfully work remotely and Jersey's digital infrastructure of course is a shining light for how one can do business from the Island in addition to our professional service providers. We have seen some people though who have gone the other way and who have delayed their process and are just waiting to see, in particular with Brexit, what the outcome is. We had a very, very good 2020, and I will send you the statistics, which are just about to be published, but our figures for 2020 were exactly on par with the 5-year averages. Our year to date has been extremely busy for high value residents. We have had the busiest January in terms of first-time enquiries and applications ever. We have had the busiest February in first-time applications as well. We expect that with the budget from the Chancellor of the Exchequer in the U.K. next week that there are probably going to be increases in particular in capital gains and that could lead to yet more interest. But a very strong start and really the only thing at the moment that is holding us back is that people are unable to visit the Island to check out properties and things like that. But COVID for us has been in some ways an accelerator and we have been able to work extremely efficiently throughout.

**Senator S.W. Pallett:**

Thanks, Kevin. That is really useful information. We need to move on, obviously with time, and I am just going to move on to Jersey Reds. I know funding was available within the Government Plan for Jersey Reds moving forward over the next 2 to 3 years. I wonder if you could tell us what financial assistance they have received for 2021 and whether they have requested any further assistance. Clearly there has been issues with the championship in the U.K., but I wonder if you could just update us on their assistance. If they have had any this year - I do not know whether they have - what has that looked like?

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

Thank you, Steve. I will hand that to Richard Corrigan to address.

**Acting Director General, Economy:**

As you rightly said in the question, Senator, there is funding in the Government Plan for Jersey Reds; £250,000 was granted in 2020. There has been no grant of funds as yet for 2021. As you

might be aware, the Reds have only just really confirmed their championship participation for the season and are working through the implications of how that means their season needs to be structured between away fixtures and home fixtures. Then they will come back to Government to enquire of the possibility of grant support for 2021 as well as the fundraising they would need to do from other supporters and sponsors of the club.

**Senator S.W. Pallett:**

That answers that. Nothing to date, but you are going to wait and see. The other area I suppose is one that I have a little bit of knowledge of and I do not know whether anybody can update us. Obviously fiscal stimulus bids are currently being looked at at the moment, being prepared and assessed. Is there any intention to look at a fiscal stimulus bid around the rugby club in St. Peter and, if so, what sort of level of funding are they looking at and what would it be for?

**Group Director, Financial Services and Digital Economy:**

From an officer perspective, I defer to Andy Scate on that in the context that I am presuming the question would relate to sports facilities as revenue expenditure does not qualify on fiscal stimulus. I will hand over to Andy, if I may.

**Senator S.W. Pallett:**

Yes, thanks, Richard.

**Acting Director General, Infrastructure, Housing and Environment:**

Thanks, Richard. Thanks, Senator. There have been various fiscal stimulus bids submitted to Treasury. Unfortunately they are not in the public domain so I think it is probably better to cover off those in a private session. In terms of decisions on timing for any bids that have been submitted, we are expecting by this time next month we would have clarity on those first-stage bids that have been submitted. There is 2 stages to fiscal stimulus. The first round will be later in March, we are hearing. Some of those bids are our own bids as well for sports facilities. That is a bit of an update on timescales, but in terms of making those bids public, they are not public at this stage.

**Senator S.W. Pallett:**

Thanks. That again is appreciated. Can you give us an idea of when the panel might be able to be updated in regards to what they might look like?

**Acting Director General, , Infrastructure, Housing and Environment:**

I am understanding that a decision will be made next week by the Minister for Treasury, which will then go into sharing those bids which are being supported with Scrutiny. I think that is a fiscal

stimulus scrutiny process, but I would hope pretty soon after next week we would be able to get a private briefing for Scrutiny so that we are ready, I guess, for public announcements later in March.

**Senator S.W. Pallett:**

That is really useful. I will hand on to ... I am not sure whether it is the Chair or Deputy Luce around shipping registry and aircraft registry.

**The Deputy of St. Mary:**

Before we move on, can I just have one question of my own on Jersey Reds, if I may? I see the chief executive's business plan has the statement: "Securing the longer-term future of professional rugby in Jersey will help to promote Jersey." Certainly in previous years when we were in the championship with fairly large and well supported clubs coming over, I am sure the income generated by the supporters helped to offset any financial assistance which the States gave to the rugby club. Are the 2 linked? Do you see if the status of the second tier rugby goes down it must follow that the support from visiting teams might also go down and therefore you will not quite get the benefit as before? Is that in your equation?

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

As you know, there is huge changes within the R.F.U. (Rugby Football Union) currently and there are lots of different ideas and negotiations currently underway. I am not sure if Richard is in a position to provide a bit more detail around that.

**Acting Director General, Economy:**

I think the championship clubs have been hit quite hard with changes to the funding structure of the championship and arrangements that favour the premiership clubs. That of course has a knock-on effect to Jersey Reds and separately they have of course suffered from the pandemic through a lack of gate receipts during their 2020 period and again are likely to do so at least for the early part of 2021. So they are synthesising all of that at the moment in terms of the impact on the club's finances to then come back to Government with a net ask in terms of grant funding that would be placed before the Ministers. Whether it is any more or less attractive to go to watch Jersey Reds in the championship or national 1 I could not comment. I think a better standard of rugby of course is played in the championship but in terms of the pure financial impact, which is the one that Government would have a concern about in a grant arrangement, I do not know what effect that would have on both the numbers and the ability of the club to charge visitors to St. Peter.

**The Deputy of St. Mary:**

I do appreciate your point about the R.F.U.'s support, or maybe lack of it, is crucial. Moving on, if I may, to the shipping registry and aircraft registry which I will put together. Could you clarify, first of

all, has the shipping registry been transferred to Ports of Jersey with the aircraft registry or are they within your department direct?

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

The fiscal responsibility has been delegated to Deputy Morel, but is also joined by Ian Clarkson, I believe. Perhaps we could go to Ian in the first instance, if that is okay with Deputy Morel.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

No problem.

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

Is Ian with us? If not, Dan.

**Group Director, Economy:**

I do not think he is. The straight answer, Chairman, is that the aircraft registry is transferred to Ports under an M.O.U. (memorandum of understanding) between Ports and the Government, but the shipping registry sits within Government.

**The Deputy of St. Mary:**

Thanks for that. On the M.O.U., is that a public document or, if not, can we have sight of it under confidentiality?

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

Yes, absolutely. I do not see why not.

**The Deputy of St. Mary:**

Going back to the aircraft registry, which perhaps has not been the success story we always wanted, we are aware it was relaunched in some form. How many aircraft do we now have on the registry?

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

Deputy Morel?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I was going to say I am confused as to whether we are still hearing from Dan or myself or the Senator. I understand that we have 3 aircraft on the registry.

**The Deputy of St. Mary:**

Three. A slight improvement, if I am allowed to say that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

In percentage terms.

**The Deputy of St. Mary:**

Can you outline the plans? Are there any plans afoot? We have previously had presentations where they were under confidentiality so we are not able to go much beyond that, but there are ways of relaunching or reconfiguring the whole aircraft registry. Are you able to give us any information on that?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Yes. The registry has been delegated to Ports and Ports undertook a tender process to find an operator for the registry. The development of the registry from a technical perspective is ongoing with the operator, but as I understand it at the moment - and obviously because it has been delegated to Ports I have a watching brief - Ports are currently in discussions with the operator as to the best way forward.

**Senator S.W. Pallett:**

David, can I come in there?

**The Deputy of St. Mary:**

Please do, yes.

**Senator S.W. Pallett:**

TrustFlight, the operator, the model that they are basing their provision of services on is a blockchain type of service. Could you update us on whether that model is now operating? I believed it was due to be operating by the end of last year. Can you give us some idea of when the new registry will be running, because I think it is running on the existing paper type forms that we were using previously?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

As far as I understand, it is still operating on those forms. I ask Dan to come in if he thinks otherwise. I do not have a date, as you suggest. As I just said, TrustFlight and the Ports of Jersey are in discussions as to how they progress and so those discussions are obviously commercial so I cannot say what is going on in those discussions, unfortunately.

**Senator S.W. Pallett:**

I wonder if Dan could update us in terms of the progress of the new model.

**Group Director, Economy:**

Yes, I am happy to do so, Senator. So at the moment we had decided previously to undertake a pre-audit of the registry with a new interim director of civil aviation and development of blockchain is in abeyance until the outcome of that audit is assessed and acted upon. As it stands, it is as the Assistant Minister suggests.

**Senator S.W. Pallett:**

I know it has been an issue with progressing the new aircraft registry. Has there been sufficient capacity within the Office of the D.C.A. (Director of Civil Aviation) to allow that progress to continue unhindered?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I do not quite understand the question. From the Office of the D.C.A.'s perspective, what are you trying to understand?

**Senator S.W. Pallett:**

Has there been the level of co-operation required to move on some of the technical aspects of the aircraft registry? Has there been sufficient capacity within the D.C.A.'s office to allow that to take place? I think Dan will understand where I am coming from with that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I will hand over to Dan but, as I understand it, the Office of the D.C.A. have been working on their audit so I believe they have appropriate capacity, but again the responsibility for the Office of the D.C.A. sits with the Minister for External Relations, so they are probably in a better position to answer that.

[12:30]

**Group Director, Economy:**

Just by way of punctuating that, Senator, I think we are now in a much better position in the context of the Interim D.C.A., who I think is providing an excellent service to us at the moment and has taken over from the previous D.C.A. in a very proactive and positive way. I have got much more faith in her in that role.

**Senator S.W. Pallett:**

Thanks, that is reassuring. Could you just be clear, again I do not doubt it is a matter for the Minister for External Relations, but I think that there has to be a proactive working relationship with the

Minister for External Relations when it comes to the D.C.A. News reports yesterday mentioned the D.C.A. in regard to the airport building. Is this actually the Interim D.C.A. or have we now got a permanent Channel Island D.C.A.?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

That is a very good question. I will pass to Dan because I do not know whether she is still interim or has been made permanent, I must admit.

**Group Director, Economy:**

At this stage, as far as I am aware, bearing in mind it is not our area of responsibility, it is still interim.

**Senator S.W. Pallett:**

I suppose the other question, from past experience and interest is there have at times been issues around ensuring that we could get the necessary support from the D.C.A. in regards to the registry. Is there any intention at the moment to look for an independent D.C.A. for Jersey? Is that still a discussion point or something that we might be exploring?

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

I wonder if I might come in at this point.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

You may, because I do not know. It sits with External Relations, I am afraid, and I do not have responsibility and I do not know the answer.

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

I think in fairness to Deputy Morel, he has come in recently and is probably not aware of the discussions.

**Senator S.W. Pallett:**

Yes, I accept that.

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

Senator Pallett and I have been part of this for some time. I think we need to have discussions with External Relations because I think that ... my current view is that it could well be better to have independent D.C.A.s. There have been, I think, potential conflicts of interest in the past. Having said that, as Dan said, we now have a new interim D.C.A. who has approached it in a completely different way, which is producing much more positive results, but that is a conversation that needs to be had politically.



**Senator S.W. Pallett:**

I appreciate the response. Thank you.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Can I just add I have met with the interim D.C.A. and been very impressed by her work? From my perspective, if she was to be made permanent I think that would be an asset to Jersey.

**Senator S.W. Pallett:**

Thanks, Deputy. That is very much appreciated. Thank you.

**The Deputy of St. Mary:**

Thanks for all that. We did have some questions on D.C.A, which we have gone into, but I also appreciate the interaction with External Relations. I appreciate that we are at the end of our allotted time. If I can just squeeze one more in on the shipping registry side, I have for some time rather hoped that we might expand our category base. I think again in the chief executive's business case he did say, if I interpret it correctly, that is something you will be looking at over the next few years. Are you able to confirm that?

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I am going to have to ask Senator Farnham to answer that question because the shipping registry has not been delegated to me. I have responsibility for the aircraft registry.

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

The delegation has not been officially signed yet, but the intention is to pass it over. We will be asking Deputy Morel to review the current situation. We have in the past had looks at the shipping registry from time to time and the opportunities for it. There is for and against us developing a shipping registry. It could require some quite high levels of investment and we need to produce a business case and understand how that might benefit us moving forward. I think that is a workstream that Deputy Morel will lead once the delegation has been signed. We are playing a bit of tennis here, I know, but unless Dan would like to come in and add anything.

**Group Director, Economy:**

Not particularly, Minister, other than just to clarify that the ships registry sits within the Ports of Jersey, as we discussed earlier, but I certainly endorse what Ministers have said in the context of officers reviewing both the aircraft registry and the ships registry and what type of structure internally we would require to service that.

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

There are definitely some rewards to be had from expanding the ships registry but there are also some risks that we need to fully understand.

**The Deputy of St. Mary:**

I had occasion to visit the registry in the Isle of Man at one stage and they are well ahead of us, but a lot of it can be done, I think, by appointing out as well. But that is not for now, I appreciate that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

May I jump in? I do apologise. I just wanted to briefly go back to the aircraft registry. It was just really for the public's benefit to understand the reason the D.C.A. sits with External Relations and not with Economic Development is because the D.C.A. is the regulatory function and therefore should not be mixed up with the department that is operating the aircraft registry or has responsibility for that as well. So it is just an important distinction. It was not just a case of saying: "Not my department, I do not know about that." There is a reason that the D.C.A. sits in a separate department.

**The Deputy of St. Mary:**

We are about to wind up, but I think Deputy Luce has one final thing to ask, so over to you, Deputy.

**The Deputy of St. Martin:**

Thank you, Chairman, and I am grateful for the last minute additional time, but I think this is important and it concerns retail. Minister, we know you are working on a retail strategy but a bit like many of the other strategies, it is massively affected by COVID and the effects of downturn in the high street, the move to online purchasing and things like that. Retail is going to need all the help it can get when we come out of this pandemic. Could you just outline very briefly where you are with retail, please? Thank you.

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

Thank you. I can categorically say that Deputy Morel has been delegated this and has, I am pleased to say, hit the ground running and can provide a useful update.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

Thank you. Yes, I am very pleased to answer that question. Deputy of St. Martin, you are absolutely right with regard to the effect of the pandemic on retail. It has been shocking. The work for the retail strategy had been ongoing before the pandemic and I know from my time in Scrutiny we had already been advised that it was going to be an interim retail strategy. I think following the pandemic that is an even better position to be in because the physical reality of the world that retail is operating in

has changed. With that, when I took this role I worked through the interim retail strategy shortly before it going to the Council of Ministers. I asked for a few changes to be made with the use of my own ministerial view on policy. Those amendments have been made and recently the interim strategy went back to the Executive Leadership Team for noting before then going to the Council of Ministers. So it will shortly be going to the Council of Ministers and I am really pleased about that. It is very much putting the foundations in place for a full and proper retail strategy, which will better be able to take in the conditions that now exist. As you mentioned, Deputy, the massive move to online shopping has been accelerated hugely. We have seen some stores close in the U.K., which has had a knock-on effect here to a few stores in King Street, although there was a media article recently that talked about an accelerating closure of stores and I am really pleased to say that the actual closed spaces in premises in King Street and the surrounding areas ... we have still got a low rate of closure of shops. We can walk down King Street now and see that most shops are trading and I am particularly pleased to see that Islanders, 3 weeks into the reopening of retail, have been supporting their local businesses, which is absolutely superb. I think we have seen pretty much a doubling in the last 3 weeks of footfall in King Street, which is superb, although it is still below levels that we would have had before the pandemic. There is no doubt Islanders are supporting their local retailers and that is absolutely fantastic. As people go back to work more normally in St. Helier over the coming months, I expect we will see that grow as well. But the interim retail strategy will be moving to Council of Ministers shortly and from that will be going to Scrutiny as well afterwards.

**The Deputy of St. Mary:**

Thank you, first of all, Deputy Luce, for getting that important question in, which might otherwise not have been raised. Thank you, Deputy Morel, for replying and finishing on a positive note. We are obviously well aware from your previous position within this panel that it is a matter dear to your heart and I am pleased that you are getting some points over. From what you say we might expect to hear fairly shortly with a draft of the new strategy and we look forward to receiving that.

**Assistant Minister for Economic Development, Tourism, Sport and Culture (1):**

I look forward to bringing it.

**The Deputy of St. Mary:**

Unless there are any other final comments to be made by my colleagues, may I thank you, Minister, your Assistant Ministers and officers for your time today? We have not quite got to the end of our questions, as was perhaps always anticipated, but if we may we will perhaps send them in by email so you might reply to them maybe more leisurely.

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

Thank you, and I return the thanks on behalf of my team. I think we have had a positive hearing and we look forward to working closely with you moving forward.

**The Deputy of St. Mary:**

Thank you for that. Again, thank you all and enjoy your weekend.

[12:41]