



Economic and International Affairs Scrutiny Panel

Quarterly Hearing

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

Friday, 28th May 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 H.C. Raymond of Trinity, Assistant Minister for Economic Development, Tourism, Sport and Culture (1)

Deputy K.F. Morel of St. Lawrence, Assistant Minister for Economic Development, Tourism, Sport and Culture (2)

Mr. K. Lemasney, Head of High Value Residency Engagement

Mr. P. McGinnety, Director, Local Services

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

Ms. R. Millar, Head of Local Economy

Mr. J. Vautier, Agricultural and Business Adviser

Ms. C. McCallister, Chief Executive Officer, Jersey Sport

[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 begin by introducing the panel members. I am Deputy David Johnson, Deputy of St. Mary.

Deputy S.G. Luce of St. Martin:

Deputy Steve Luce of St. Martin.

Senator S.W. Pallett:

Senator Steve Pallett.

The Deputy of St. Mary:

Minister, if you would like to introduce your team.

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

Good morning. Senator Lyndon Farnham, Minister for Economic Development, Tourism, Sport and Culture.

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

Deputy Hugh Raymond, responsibility for sport.

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

Deputy Kirsten Morel, responsibility for culture, licensing and charity.

Head of High Value Residency Engagement:

Kevin Lemasney, head of high value residency engagement.

Director, Local Services:

Paul McGinnety, director of Local Services.

The Deputy of St. Mary:

Can I begin with the reconnection roadmap? As the Island moves through its reconnection roadmap what upcoming changes do you anticipate making to the range of business support measures currently available?

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

Currently there are no changes planned to the business support schemes, which are due to finish at the end of June. The situation is under constant review and is reliant upon the situation with COVID. Particularly interesting right now is the spread of the new variant B.1.17.2, which originated

in India. That could cause some concern so I think they are being monitored very closely. But as we said, and I work very closely with other Ministers on business support schemes, everything is under review. In the unlikely - and I say "unlikely" because we have good controls on our border-event of another surge in positive cases, which did cause any restriction of business, we would certainly make sure the relevant and appropriate business measures would be extended. But there are no plans to do so presently.

The Deputy of St. Mary:

But am I right in thinking, as you just said, all the measures are due to finish at the end of June?

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

At the end of June, yes.

The Deputy of St. Mary:

At the last public hearing you talked about the fact that certain payments, G.S.T. (goods and service tax) and social security, have been deferred for the relevant businesses and you had not yet fully addressed the question of repayment. Any further moves on that?

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

That is really a question the Minister for Social Security and the Minister for Treasury and Resources will have to answer but the understanding or our understanding in the Economy Department is that the timescale that has been proposed for repayment is up to 3 years, so the proposal is that businesses who have had to defer payments will have ample time to repay that. They will have time to get their businesses back on their feet, as it were.

The Deputy of St. Mary:

If I remember rightly, you also mentioned the possibility of some businesses having their payments written off; has that been given further consideration?

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

Not presently and I think before we can start having those discussions we need to get through the pandemic and we need to assess the impact it has had on the economy, especially certain sectors of the economy. So I think that is a discussion when we have further information.

The Deputy of St. Martin:

As we start to come to the end of this pandemic - I very much hope we are coming to the end - what is your assessment of the economy with COVID? I am not asking you to go back in time but, as we sit here today, how do you think the economy generally has coped?

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

I think the pandemic has demonstrated just what a robust and resilient economy Jersey has of course. The mainstay of the economy throughout the pandemic has been our financial services sector who have been able, in most circumstances, to operate. I would not say in a business-as-usual manner because we have seen some extraordinary financial reactions to the pandemic on financial markets but that of course has certainly kept the Island's economy in a very good state. We have seen the economy shrunk by very little last year. The predictions are for a very small reduction this year.

The Deputy of St. Martin:

Do you have any idea on the number of small businesses we might have lost or the number of jobs we might have lost?

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

At this stage I was going to say, moving on to the business sector that have been hardest hit, we do not have those figures yet. We look at the actively seeking work numbers and we see they are operating at about 600 to 700 higher than they would do under normal circumstances so that would indicate that businesses have had to restructure causing that sort of figure to be displaced. Of course we are also facing extreme staff shortages now as the economy starts to reopen. Not just as a result of the pandemic but as a result of Brexit because for our traditional industries - tourism, agriculture - it is much harder to import the labour that those sectors need.

The Deputy of St. Martin:

Does that indicate to you, Minister, that maybe people left the Island only last year and have not returned?

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

Yes, that is definitely the case.

The Deputy of St. Martin:

The most significant industry is hospitality?

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

I do not think there is really any industry sector that is more significant than the other right now outside of our financial services.

[11:15]

We look at general commerce, and that is tourism and agriculture, retail, light industry, there has been significant restructure with much more embracing of technology caused by the pandemic. I know a number of businesses who have resized and restructured. Some have reinvented themselves completely. Some have decided to close down and some new businesses are emerging. But we are not going to know the exact detail until later this year when our economic advisers have had a chance to assess the situation.

The Deputy of St. Martin:

For example in tourism for this side, it will be down to employers to try their best to get people back on to the Island to help with our hospitality, catering, that type of industry?

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

Yes.

Senator S.W. Pallett:

I bumped into a major player in the hospitality industry yesterday who is struggling to find enough staff to be able to fully open his operations in the hotel. What is Government and the department doing specifically to help those businesses? You highlighted that many people have not returned back to the Island but what are we doing to attract people here? I know travel is difficult.

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

There is not a lot Government can do right now because our hands are somewhat tied by the Brexit arrangements. For example, something that has come to light is potential workers from the E.U. (European Union) have to apply for a U.K. (United Kingdom) visa before they can be based in Jersey as part of the Common Travel Area. A requirement of the new U.K. visa is for the applicant to provide biometrics for security reasons. To provide biometrics they have to visit a U.K. visa centre, which are dotted around Europe. The logistics of that are tremendously difficult to do, so the industries are wrestling with that right now. Of course there are still sensitivities and cautions required around who can come and go from the Island at the moment, just while we are in the final stages of the implementation of the vaccination programme and the increase in variants. There are a number of challenges at the moment that are impacting on the ability for businesses to bring staff in.

Senator S.W. Pallett:

Have you had any feedback around the new costs and whether they are an issue within the industry at the current time?

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

Yes, they are an issue but I think the hospitality sector and other sectors have accepted that. They realise the situation and they are prepared to accept those charges, albeit somewhat reluctantly. What concerns me is often it will be the employee that ends up paying the charges or the consumer because businesses cannot just absorb some of these charges. They are passed on in various ways so we need to monitor that.

Senator S.W. Pallett:

So the view is that any new charges, any new costs now, potentially are going to be inflationary?

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

I would not go as far as to say that without a bit more information. I think the costs are, in the context of the industry, quite small. But certainly we have tremendous inflationary pressures coming down the track towards us. If we look back to the Inflation Strategy Group report in January 2020, that highlights some actions Government can do to help minimise the impact of inflation, including keeping its charges for services to a minimum.

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

One of the things that I think we are seeing that is likely to hit Jersey as well is a much tighter labour market, wage inflation. If not wage inflation then on another angle is more flexible working conditions so employers are able to provide benefits outside of wages, if they can. But the truth is if you are coming from the E.U. to Britain to work it is not an attractive proposition anymore and that is a reality that Brexit has created. But when you talk about inflation, I expect over the next few years to see wage inflation because I imagine we will have a much tighter labour market.

Senator S.W. Pallett:

Just a quick question on the logistics and across the logistics getting in and out of the Island; is that becoming an issue for all sectors in terms of costs of getting materials on and off the Island? Have you had any feedback on that yet?

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

It is not so much the cost of transportation but the cost of raw materials is increasing given the impact and the disruption to supply chains that the pandemic has caused globally. It is actual cost of the material rather than the cost of shipping currently, in our situation.

Senator S.W. Pallett:

But in terms of logistics, ferry companies, transport companies, there are no issues around getting goods in and out of the Island?

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

Not currently. Everything is secure.

The Deputy of St. Mary:

Is there a possibility or probability of a COVID-19 vaccine passport scheme? Could you advise what plans there are regarding that?

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

That has been announced, a COVID certification scheme. All Islanders who have received full vaccination from 7th June will be receiving a secure document by post, which will be accepted on the border as proof of full vaccination.

The Deputy of St. Mary:

That will happen automatically? You do not need to apply for it?

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

No, you do not need to apply. That will automatically go to everybody who has received a full vaccination. The Island has been working with the other Crown Dependencies and England, Ireland, Scotland and Wales, who are all producing similar documents.

The Deputy of St. Martin:

In line with working with the other Crown Dependencies, Minister, we see that Guernsey have announced a date whereby people will be able to come in if they are vaccinated. Do we envisage making sure that we here are on the same rules as Guernsey, so Channel Islanders can move backwards and forwards between the Islands seamlessly?

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

I would like to see that and we have approached Guernsey on one or 2 occasions in the recent past to ask if that is possible but Guernsey have not been too enthusiastic about that. Although we worked a very similar plan throughout the pandemic but they have not wanted to participate in that just yet. Interestingly enough they have announced that they are going to allow travellers to arrive in Guernsey from 1st July without requiring a test or isolation.

The Deputy of St. Martin:

That was the reason for my question because at the moment obviously we in Jersey have not made any such announcement, which could mean on 1st July Jersey people could travel to Guernsey but

when they came back to Jersey they may be required to self-isolate. Do you envisage by 1st July that we will have similar arrangements so the Channel Islanders can just move around?

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

A couple of weeks ago I would have said yes but now we are watching the new variant very closely. The Guernsey announcement is heavily caveated and will depend upon the risk and the prevalence of any new variants and especially the case numbers in the U.K. I would think if Jersey does not feel confident enough to align with Guernsey in the situation, I think Guernsey would probably be in that same position. What we have undertaken to do is we are monitoring the situation on a weekly basis and we will be making another announcement, we think, towards the middle of June, which will signal Jersey's indications of what the next phase of the roadmap will be for borders. Of course the key is the continuation of solid process of the vaccination programme because as soon as we reach that critical stage where the majority or all Islanders who want to be vaccinated have been vaccinated, then that is a time we can, I think, relax all restrictions on the borders.

The Deputy of St. Martin:

I think that is a point of view that the Jersey public might have to do a very short stock. I mean the ability to pop in and out of France is becoming increasingly difficult. At the moment the ability to go to Sark or Herm or Guernsey for the day and come back or overnight would be greatly appreciated if we can find that situation.

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

I wholeheartedly agree with you and would be very pleased to make some arrangements with the other Channel Islands that would allow that sooner rather than later.

The Deputy of St. Mary:

Moving on to a somewhat different topic, the bridging Island Plan. As you are aware, a number of Island Plan public events have taken place in this last month, including thematic webinars on each of the themes of the plan. From your perspective, Minister, have these been well-received by the public?

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

It is still early in the consultation phase but what I would do, if I can, is just ... in fact we discussed this in our ministerial meeting this morning. The fact that we as a ministerial team need to spend a lot more time on analysis of the draft Island Plan as a department just to make sure we understand all of the ramifications and implications for our whole portfolio, which is quite significant. Then we will decide if and what amendments we bring forward. I am not sure if Deputy Morel would like to add to that.

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

Just to add that, as part of the interim retail strategy, we said that we would making a submission to the Island Plan. We still intend to do that. There are also other areas of culture that are very relevant in the Island Plan, exactly as the Minister has said, his department will be discussing and making any relevant submissions or possibly amendments if we feel that is necessary.

The Deputy of St. Mary:

You anticipated my next question which was the extent of input you had. Members had a session with Planning the other day where we were advised of the process for amendments. I was wondering whether you envisaged making amendments of your own or the extent that the Island Plan had been bounced off you, if I can use that word, before its published aspect; not too much.

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

It is a huge document. I feel comfortable with the level of consultation we had. We could have had a lot more time but you have to draw a line at some stage but I think there is enough time for further consideration so we received a number of briefings and now I think it is up to us to analyse the draft Island Plan in a lot more detail as a ministerial team.

The Deputy of St. Mary:

12th July, is it?

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

12th July, I think.

The Deputy of St. Mary:

So you reckon you will have enough time to consider amendments before then? Will you be announcing any amendments you are thinking of making, which might help the public and the panel?

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

I think once we have had a chance to discuss it we will make the relevant announcements. Happy to discuss with Scrutiny of course.

The Deputy of St. Martin:

Could I just ask maybe Deputy Morel might have input here; in the proposed Island Plan there is a contraction in the retail part of St. Helier that has been spoken about before. I guess it was not a surprise but were you consulted on that before it went into the plan?

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

No, I was briefed on that beforehand but not consulted.

The Deputy of St. Martin:

Your views on it?

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

In many ways the changing nature of the retail sector does need more flexibility and so I can understand the reasoning behind it. Then again, as the Minister has said, it is getting to the detail of that. There was not a consultation it was a briefing.

The Deputy of St. Mary:

Minister, specifically there was an economic webinar on 5th May. Have you had much feedback on that as to how that went?

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

Sorry, I am trying to recall it. I think the answer is no, I have not had a lot of feedback.

The Deputy of St. Mary:

I appreciate you are busy, Minister.

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

It is not just that. We all have to do so many meetings but there has not been a lot of feedback. The department is working with trade bodies and industry as well. There has not been a huge amount of feedback as yet from the relevant sectors.

The Deputy of St. Mary:

You said you might bring some amendments. Could you alert the panel to those you might be submitting because they might be relevant to those that we are thinking of as well?

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

It is difficult to say without going into detail.

The Deputy of St. Mary:

You will not know them now, I know, but as you go along will you be able to do that?

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

Yes, I believe the Minister just said a couple of minutes ago the amendments we would be happy to share with Scrutiny in advance.

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

Once we have had a chance to get together we will share our ideas with you.

The Deputy of St. Mary:

Thank you. I will hand over to Senator Pallett for another area.

Senator S.W. Pallett:

Without trying to sound like a broken record, but it is an issue that I think is of real importance to the young people and that is the skatepark. We know that additional information has been requested on both applications. Could you advise us whether the clarifications and information have now been provided in full to the Planning Department?

[11:30]

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

Before I hand over to Deputy Raymond, I just wanted be clear that the completion date for the Les Quennevais skatepark, as originally planned, is still on schedule despite the requirement for additional information on the planning application. I will hand over to Hugh.

Senator S.W. Pallett:

Before you do that, Minister - I am sure the Assistant Minister will add some detail - it is still the intention to build skateparks on both sites?

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

Yes. In actual fact we have been making a capital bid not only to build the ... we have the funds for Les Quennevais. It is not only to build the second skatepark but refurbish existing facilities and create new satellite facilities. We discussed, from your time as Assistant Minister and those conversations we had subsequent to that, and around the debate in the Assembly on the amendment we brought.

Senator S.W. Pallett:

So those funding proposals all go forward into the next iteration of the Government Plan?

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

Yes.

Senator S.W. Pallett:

I have probably taken away the Assistant Minister's thunder away.

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

Do not get me wrong, I share the same frustration, Senator, that we have had problems in making sure that we had the right information given to Planning but I can confirm now today that everything with regards to Les Quennevais will be submitted by the end of this week. We were hoping to get it in today but everything will be in there. We had slight problems with South Hill because of floodlighting and goodness knows what else. I would confess to one thing, is that not too many people have made many applications for a skatepark so it is a learning curve for all of us. I just want to see what you set up many years ago to soon reach fulfilment and that is to get Les Quennevais up and running. Following on from what the Minister has said, I would also confirm that as far as I am concerned we are planning for April 2022 being the opening of Les Quennevais and hopefully the money, as the Minister has just said, will be available for South Hill as well. One has to say there are slightly more planning problems with South Hill than there is with Quennevais.

The Deputy of St. Martin:

Can I just ask before we move away from the planning issues? Surely it is unusual for a planning application to be accepted if it is not complete?

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

It would be very difficult for me to answer that. Do not get me wrong, I have been involved with the team with regards to planning. They were coming back with questions which I really would not have thought of but I do not have the wherewithal and the knowledge of planning applications which you may have. As I say, right at the beginning, it is frustration for me and it has been a complete eye-opener with regards to doing something like this on such a thing. The trouble is with something like this we have got so much support we just want to get on with it, as you know. The planning has been a sort of a hold up but they have been very busy, as you know. The Planning Department is extremely busy at the present time.

Senator S.W. Pallett:

Just in regards to the date that is mentioned there, April 2022. Again that has gone from March 2022 to April 2022. Is there a risk that this is not going to be delivered within this political term?

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

I am aiming to get this in the political term but the only implication is that ... it is fortunate, we have the money. If we get the planning permission, and they have been talking to the appropriate

developers that can do that sort of thing at Les Quennevais, unless there is a hold up in planning I cannot foresee why there should be now a hold up in making sure that that the skatepark will be opened in April 2022. But I do accept we have had to go back a month.

Senator S.W. Pallett:

Have Planning confirmed when the applications will be underway? I think the public are ...

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

Again, I appreciate that completely, Senator, and as far as I am concerned I am going to say that the applications with regards to Les Quennevais will be on the website by the end of next week. I will say, I completely had an up to date this morning, that it looks like the South Hill one will not be until the end of June.

Senator S.W. Pallett:

One more question from me because I think it is relevant in terms of ... well, I think facilities generally on the east of the Island, when are you going to start consulting with Constables, Parishes on the east of the Island in regards to potential sites for skateparks on the east of the Island? We know there is a dearth of facilities on that side of the Island and just wonder what the process will be for that. It was a commitment I think the Minister made.

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

We have been talking around the Island Plan in certain areas, that there are certain developments, without mentioning sporting facilities, which we could add certain things like skateparks and that sort of thing. As you know, we are taking a full development of FB Fields and we are looking at what we can do there because it involves so many sports and we want to make sure that they remain there. We are looking very much heavily that way. There is even further going east, a situation which has come up with regards to a discussion taking place to see if we can do something right at the other end of the Island because I think it is essential that we make sure that we provide these facilities. I can confirm one thing, which was concerning me and probably was concerning you, we are not going to ... Harbours have agreed that we can keep the park open in St. Helier until we at least get some of these parks open. We are in discussions with St. John and we are also in discussion with St. Ouen with regard to the other parks as well.

Senator S.W. Pallett:

I will move on to the next subject and that is sports facilities. It was announced on 18th March that the Inspiring Active Places strategy had been lodged, outlining new plans for the future of public sport and well-being facilities in the Island. Following the survey, which closed on 30th April 2021, what feedback did you receive from the public about the Inspiring Active Places strategy?

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

Can I pass that over to Catriona because she has the right up-to-date situation with regards to the strategy?

Senator S.W. Pallett:

Happy to, yes.

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

Did you get that question, Catriona?

Chief Executive Officer, Jersey Sport:

Sorry, I did not hear the question.

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

The Senator will just ask the question again, if you could assist us by bringing us up to date with the particular issue he has just raised.

Senator S.W. Pallett:

I will summarise it, Catriona. The Inspire Active Jersey Places strategy, there has been a survey; what feedback have you received from the public about the strategy?

Chief Executive Officer, Jersey Sport:

In terms of the survey there were over 1,000 respondents, which I am told is a really good level of public engagement for such a survey. There was categoric and overwhelming support that the public believes sport and well-being hubs are the right way to go in terms of supporting to make better health choices, particularly around physical activity. 88 per cent of the respondents said that they believe inspiring active places should be an investment priority of Government.

Senator S.W. Pallett:

Have the responses been summarised into a document? You mentioned percentages and various things then, do you have something that the panel could have a look at in terms of what the responses were?

Chief Executive Officer, Jersey Sport:

Certainly, Senator, that document is due to go in front of the political oversight group the week of 11th June. Within that is the request from that political oversight group to publish the outcomes and

to share that report. I will defer to the Ministers whether they are happy for that to be shared in advance of the meeting or if they want to wait until we have had that political oversight group.

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

More than happy for that to happen.

Senator S.W. Pallett:

I think it will be interesting to see what the public had to say about that. Within that document there was a proposal for an Island stadium with a capacity for 2,500 people, however it also notes that no specific location has been identified to host the stadium and that a site option appraisal will be undertaken to identify where to locate it. Can you give us any idea when you anticipate that a site option appraisal will be undertaken? It is a key element, I think, of the strategy as a whole. It could be a trigger point.

Chief Executive Officer, Jersey Sport:

Definitely. There are a number of factors that need to be revisited in terms of the concept of an Island stadium and site is obviously a key one. We are in the process at the moment of expressions of interest for the procurement of sport and leisure consultants. We will be moving into I.T.T. (invitation to tender) process this week or probably next week, in fairness. One of the projects that has been suggested to go in to the capital plan is to have a review of the Island's stadium to the point of some early designs, to revisit the concept of do people want an Island stadium. So to revisit whether it should remain or whether that is revisited. That piece of work will be undertaken in early 2022 subject to the funding for that being included in the Government Plan.

Senator S.W. Pallett:

We are going to go into this a little bit later but we know the fiscal stimulus bid is in to start some of the work around decanting Fort Regent, which also fits in with the active places strategy. In regard to that, when will you be able to provide the public with a timeline for how the active places strategy will be rolled out in terms of what will happen first? There are various things in that plan. Will it be Le Rocquier first? Do you have any idea of where and what will happen first?

Chief Executive Officer, Jersey Sport:

Yes, we certainly do. Obviously, as you know, Oakfield and Springfield are accelerated through their securement of fiscal spend funding and they will come onstream in 2022; early 2022 and the middle of 2022. Then we will design and execute Le Rocquier as the first full execution of one of the new sport and well-being hubs from ground to opening. That, of course, is subject to the capital being made available in the 2022-2025 Capital Plan. At the moment the programme would see that fall, subject to all the usual caveats of procurement and planning, quarter 4 2024.

Senator S.W. Pallett:

This does not really apply, I would not expect it to apply for a site such as Le Rocquier, but there is opportunity, I think - and I hope we would all think it is possible - around private funding and where it could be used. How will you ensure that future Island stadium - coming back to the Island stadium - remains affordable and accessible to the general public? Do you see a role in a public private partnership for that type of development?

Chief Executive Officer, Jersey Sport:

It is not really for me to give a strong opinion on that because my job is to programme direct it and bring it forward. It is for the Government to decide whether they feel that the right investment model for an Island stadium would be public private partnerships. I have seen that model work well and with the right contractual arrangements it is possible to ensure that the pricing of entering that facility and using that facility can be kept in line with any other sports division site. I think it is very important in the negotiation that it is recognised that it is all very well building them but the public have to be able to access them in an equitable way.

Senator S.W. Pallett:

A political view on private funding?

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

Yes, it can play an important part. Some of the discussions - and I go back to what the Deputy was saying earlier on - that have been going on around the Island Plan visiting different Parishes, it has shown that there are people out there that are prepared to put money into projects that normally would be done by the States. We have to make sure that it is still affordable because one of the most important things that we all worry about is that everybody can afford to go to these private organisations and we have to make sure that that is clear.

[11:45]

It has been a help to me, but also a difficulty to me, that by being Assistant Minister for Health I tend to sit on the other side when we are talking about COVID and every time we try to move forward on sport we suddenly get back to the incidence with regard to Fort Regent. As you know, Senator, now they are saying that the Fort is going to stay there until the end of December so the decant situation does not have to be rushed so quickly, which gives us more time. Some of the issues that we were discussing this morning in our ministerial is that the P.O.G. (political oversight group) meeting, some of the issues that you have just asked are going to be discussed at length at the beginning of the June and we would be more than happy to involve you in those discussions because I think it is

important ... I think we are all singing from the same hymn sheet, sorry to use that phrase. You know I am passionate about it and sport does help the health, well-being and also the education of children. It is vitally important that we keep those very much in line with everything that we do.

The Deputy of St. Martin:

I have to say it is news to me so I am surprised and a little bit disappointed that we are going to consultation for a site for our national stadium. Surely it is no brainer and the site needs to be identified and put in this Island Plan. Do we need to spend money on a consultation to identify the best site in the Island, close to transport facilities, close to a whole load of sport, that is the best place to put the national stadium?

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

I am not sure there is full political alignment on the national stadium currently, there are a number of views and opinions.

The Deputy of St. Martin:

You are the Minister driving this forward, are you sure you should be persuading others?

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

From my point of view the jury is still out in terms of, you know, I think our rugby, professional rugby is incredibly important to the Island and all that brings and I am incredibly impressed with, for example, the Jersey Bulls who are making great gains in the football league. Not to forget all of our other sports where just about everything Jersey participates in we punch above our weight. I am not sure of the logistics of a national stadium to share football and rugby, as those sports, especially football, continue to develop. I am not quite sure how that is going to work. There are also challenges about where the stadium is placed, which is a big train of thought. From other politicians I have spoken with, it should be in St. Helier. There are trains of thought it should be at St. Peter. I know we have different views as Assistant Ministers. I would like to see a national stadium for Jersey but something that is sustainable and something that ticks all the boxes for as many sports that need to use it. It might be - with how we are seeing other sports progressing, including netball and hockey - there are some options that need considering. That is why this work needs to be done.

The Deputy of St. Martin:

Surely, Minister, you are talking about a potential for national stadiums. We know the challenges with building anything in St. Helier, finding sites for schools, the ambulance service, hospital we can go on. The opportunities to build a national stadium in St. Helier are minute. Let us be quite honest about that. Surely we should dismiss option that very quickly and move it out of town.

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

I am not saying I disagree with you but there are others that think differently. For example, the football community are very keen to stay at Springfield. With the Jersey Bulls and how that is developing, that is something we have to consider.

Senator S.W. Pallett:

We have a section on fiscal stimulus in a second but could I ask who advised the rugby club in regards to their fiscal stimulus bid, which when I departed from the department was a relatively small bid and that ended up being put into the fiscal stimulus 4 or 5 times that? Anybody assessing it may have found that difficult to swallow. Who provided that advice?

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

I do not know.

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

I would be delighted to find out. I do not know because the size of the bid, as you probably know, is much bigger than everybody had anticipated, especially compared to the other organisations that were doing it, not only culture but also some of the other sporting bids that we put in. I have to confess I was very surprised at the size of the application, bearing in mind ...

Senator S.W. Pallett:

Sorry, was E.D.T.S.C, (Economic Development, Tourism, Sport and Culture) the sponsoring department for that bid? Because if they were surely it must have been consulted?

Acting Director General, Infrastructure, Housing and Environment:

Minister, I can answer that if it helps. The first bit that was submitted by the ... it was a joint bid between the Bulls and the Reds, it was sponsored by the I.H.E. (Infrastructure, Housing and Environment) Department. At that stage we advised on process and not content and so the content itself was formulated by the parties to the bid. So in terms of the facilities that were being requested and the enhancements to the facilities, that came from both clubs in conversation with each other. We advised certainly on the process as to how to get through the system at that early stage. That was a fairly limited amount of advice. The second phase, there has been a bid into tranche 2 of the fiscal stimulus which is an amended bid by the rugby club and now that is sponsored by the Office of the Chief Executive.

Senator S.W. Pallett:

Okay, who has provided advice on those bids?

Acting Director General, Infrastructure, Housing and Environment:

As I said, in terms of process, the original bid was ... we advised on process, how to put the bid in, what information was required to be put in but in terms of the content as to what the clubs wanted in their bid, that came from the clubs.

Senator S.W. Pallett:

So no advice was given by Government as to the size of the bid and whether it is reasonable?

Acting Director General, Infrastructure, Housing and Environment:

We certainly advised on the rules of the fiscal stimulus, so bids up to £5 million, those sort of things, but we certainly did not advise in terms of what was required. Certainly the original concept was around a sharing of the pitch. If this was going to be a pilot for a future joint stadium then obviously there needed to be a pitch that needed to be shared. But some of the associated facilities and enhancement to the facilities around the club came from both clubs themselves.

The Deputy of St. Mary:

Before we go on to the fiscal stimulus generally, can I go back to Deputy Luce's point about the national stadium. I dug out the Island Plan, policy C15 says that developments will only be considered in 5 areas and it lists them; Les Quennevais, Le Rocquier, Springfield rugby club site or other sites in the south-west. Are you saying either that you are going to go beyond those possible sites or is there some doubt now as to whether a single stadium is required? Can you tell me where we are with that?

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

I have addressed those questions but if the Island Plan is approved unamended on those assumptions then the new stadium would have to be on one of those sites. As I said, from a political perspective, it is not cut and dried, there are some that want an Island stadium and some that do not see it necessary. I am not sure if Deputy Morel has a view and would like to share that just to give an alternative perspective.

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

Yes, in my view I think the need has not yet been proven and there is an enormous programme at the moment for our Government. I question whether an Island stadium needs to be at the top of our priority list in quite the same way. So as an individual politician I would like to see personally a lot more information about the need for an Island stadium before pushing forward. That is my position and I have not yet seen and do not believe there has been wider consultation on it. I think this has been driven from within sports clubs and that is not the same as the Island agreeing it is what it wants. It is a big project, it is a large amount of money, it is disruptive in terms of land use. There

is a lot more work to be done yet in discerning whether we should go ahead with an Island stadium. I worry that it pushes other priorities, which are much more important, to the side.

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

I would just like to add to that. There was this other discussion which the Senator alluded to and that was where did private funding come and where did the investment by the States come into a stadium like this. The discussions concerning the stadium have not been put to one side, there are a lot of discussions going on but some of the questions that are being asked have made me pull back a bit to say we ought to have a lot more information before deciding to go down that route. I do think the investment by private parties does become an important factor in discussing this going forward. There are - and I will say this - certain politicians in the present Government that do not believe that we should be going down that route so we have ... it has worried me a bit and we have discussed also some of the discussions, dare I say it, with regards Guernsey. We were looking at that a couple of years ago for football and rugby as well. But this word "sustainable" keeps coming up all the time. Is it sustainable with a population of 100,000 or 60,000 and this is one of the things that has been discussed? It is definitely going on, a proper discussion, as well with regards to the Island stadium and, as I said, we will obviously keep you totally involved. I do accept the point I think that areas in an Island of this size ... there are very few areas that you can put a stadium that would be beneficial to all.

The Deputy of St. Martin:

The only reason I raise the point about the Island Plan is that we knew that the Les Quennevais School was not identified in the Island Plan that we currently have and gave us a lot of challenges because it had not been identified, the site. I know we have another one in the Island Plan coming around after this one is agreed but it is a piece of infrastructure that needs to be identified in an Island Plan to make the building of it that much easier when we get to do it.

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

Completely agree with you. I would think it is probably more realistic that if we go ahead with an Island stadium then it would be a feature of the plan following the draft Island Plan.

The Deputy of St. Mary:

Just to finish off this chapter, as it were, do you really need to get consultants to decide where we should site a stadium if we are going to have one. If there is political divergence on this ...

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

I totally agree with you. As I say, there are very few places you could put a stadium that we would want to do for the benefit of the Island. As to do we need outside consultants to come along and

say where we are going to put the stadium, I think that comes down to everybody that lives on the Island and to the sporting organisations that will be using it. I do not really think that we need necessarily an outside body to tell us where we put the Island stadium.

The Deputy of St. Mary:

Deputy Luce, do you want to go on to your fiscal stimulus question?

The Deputy of St. Martin:

Minister, it was recently reported by local media that we are in discussion with the fishing industry in relation to a potential public private partnership to process locally caught fish on Island. Can you advise us where they are with this, please?

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

Very early stages as a result of the challenges faced by our fishing industry in Jersey and the vulnerability demonstrated by the French action to prevent Jersey fishermen landing their catch has led to us accelerating our thoughts on how we might be able to consume more of our own caught fish. Approximately 90 per cent of fishery consumed on Island is imported seafood and a similar amount is exported. That seems quite an odd situation given the current situation. Of course we consume species of seafood that we cannot catch in local waters so we will always have to import some but one of the reasons we are not consuming a lot of the seafood that we catch in local waters is because especially the larger retailers require certain processing and standards to be adopted before they can sell products in their stores. We do not have facilities for that in Jersey. The idea is loosely based around working with the private sector to find a solution that would encourage local fishermen and perhaps French fishermen to land their catch in Jersey and for us to process that for retail, for wholesale and for export as well in a facility that was built on-Island.

[12:00]

The word "fiscal stimulus" was used. That was probably misleading. I should have perhaps replaced that with financial support, because this is not a late fiscal stimulus bid - and I use fiscal stimulus in the generic term. We need to do a feasibility study, we need to make sure that some facility like this is sustainable and could work then I would perhaps propose that Government funding could help establish the facility, if indeed it is feasible. We have since been approached by a number of private firms who also have been planning. Some have some facilities already and some have been planning some. It is quite an interesting discussion.

The Deputy of St. Martin:

We have in the past seen help for a centralised vegetable packing facility, which allows farmers to access multiples, as you have said. Do you think that is something we should be looking at in the fishing industry as well? The other thing, of course, is the possibility of a co-operative. We have a dairy industry that is very co-operative and work together for the greater good. Do you think that is something the fishing industry should be pursuing?

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

I do. I think these are all conversations that need to be had to make sure we can provide some greater security and certainty for our industries. I have John Vautier in the Teams conversation, he is working on this and with your permission I can bring him in to comment.

Agricultural and Business Adviser:

Thank you, Minister. We have initiated these conversations with industry, with J.F.A. (Jersey Fishermen's Association), the merchants and with some agricultural representatives. These conversations have been ongoing now for some number of weeks. We have been slightly diverted from the conversations in terms of ongoing and week by week changes to the situation with our exports, as you will be aware of, but really the focus has been on the longer-term plan for the industry and just to highlight some elements of progress which we have already made. I have just come from a meeting this morning with J.F.A. representatives and John Garton who runs Genuine Jersey, so we have just completed a month's survey of local consumers, which is run independently for us by 4insight. That has now given us some data on which to base our plans going forward and we will be, in the next couple of weeks, implementing a local marketing campaign to promote the use of local shellfish and fish products within our community. That is an important strand. Then working off that, actually sitting down with the industry and our hope is to bring all members of the industry together while we have been meeting them individually up until now. We want to bring them together in a collective forum to engender a spirit of co-operation between the whole industry and work on that long-term plan so that we have something that is robust, backed up by data and evidence that we have been collecting, and have actively been doing that, as I say, for the last few weeks. We have come up with a long-term game plan and government support could be part of the package of that long-term plan.

The Deputy of St. Martin:

You are talking medium and long term especially there. Where are we in the short term with the ability of fishermen to process fish, to fillet individual quotas and facilities like that which are going to cost a lot of money and will be required if we are going to get some of this local fish into our hospitality and multiple industries?

Agricultural and Business Adviser:

Currently there are some facilities on Island. As the Minister said, we have had approaches from a number of businesses, organisations, individuals who have come forward in the last week or so and expressed an interest in either being involved in using existing facilities and repurposing them or there is a new build facility which is not yet operational, which I am aware of and visited, which has just been put in place and that could be operational within a couple of weeks. Then there are the existing facilities generally within the wider sector in terms of some of the crab meat products, which are already quite well established in the local market. It is a blend. We need to make sure we are maximising the use of existing facilities as well as then planning for longer term.

The Deputy of St. Martin:

Thank you. My last question would be this. Minister, if we need a small amount of money, tens of thousands of pounds maybe, potentially for machines to help get sorted out in the short term, is that money available through any existing scheme and, if not, will money be made available?

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

I would like to think it would be. I am just trying to think of rural initiative schemes and so forth. I will hand back to John who can articulate that a little better.

Agricultural and Business Adviser:

In fact we have just awarded, from round one of this year's Rural Initiative Scheme, a sum of money through the J.F.A. to Genuine Jersey to instigate that local marketing campaign. That has already happened. In terms of other funding, the Economic Department are about to launch a productivity support scheme and that is imminent next week. The industry will be able to apply to that particular scheme. That is 2 that are already in progress.

The Deputy of St. Mary:

Thank you very much. We did, as a panel, ask if you could let us have a note of the actual applications on a confidential basis for what we now face. Is that possible to give us a flavour of what is happening out there?

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

The responsible officer is the Minister for Treasury and Resources so all applications go through the Treasury. That request would have to be made to the Treasury. I certainly would have no objection to that being made available on a confidential basis.

Senator S.W. Pallett:

I have some general questions around fiscal stimulus. The bids that have been accepted in tranche 1, many of them are clearly beneficial to both the culture element of the department and the sport

side of the department. Has the department any role to play or any oversight in the monitoring or the assessment or the oversight of these bids moving forward?

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

The bids go to a panel of Ministers, on which I sit. They go in ... I am trying to remember the process. Perhaps Andy could remind me of that. The officers shortlist the bids and then they go into the panel process.

Senator S.W. Pallett:

What I am trying to understand is what role the department will play moving forward in regard to the delivery of those bids?

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

I am still not quite sure I understand, you mean once the bids have been made?

Senator S.W. Pallett:

It is supposed to be timely and I am just conscious that we are 5 months into 2021 and some of these bids are massive big construction bids needing planning permission and even within the ministerial report on this fund, it was quite clear around the risk of delivery that - and I am reading from it - "Economic advice suggests that slippage of projects into quarter 1/2022 would remain consistent with the aims of delivering stimulus into the economy but it is important that they are delivered as soon as possible and they are reliant on planning permission", so I am keen to understand the department's role in making sure they are delivered on time.

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

So the criteria, as we know ... I will hand over to ... not all of them, depending on planning permission.

Senator S.W. Pallett:

I am not trying to catch you out, I am just trying to find out how they work.

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

The scheme is very clear on how the money and when the money needs to be spent. So all of the applicants that have been approved on the scheme will have to qualify for that criteria, and the timescales can be quite tight but those are the rules that have been applied. They have to be stuck to for this stimulus to be ...

Senator S.W. Pallett:

I am pleased you said that because that was going to be a question. They are going to be stuck to?

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

They have to be stuck to, otherwise we would be in breach of the criteria. I am sure, though, in the real world there could be some delays for some and we will have to deal with those as they crop up. But I know Deputy Morel and Deputy Raymond might want to talk about some of the approved bits that relate to their portfolios which would be helpful. And Rebecca, perhaps, would like to ... she is waving at me so ...

Head of Local Economy:

Thank you, Minister. Yes, I was just going to comment that obviously a number of the bids in the Economy Department sit within the local economy area and we will be effectively project managing those bids. So some of the larger construction ones we are in the process of doing a procurement strategy for a project manager to take some of that work on, but in terms of the process of granting the funds to the organisation, they will be subject to a separate partnership agreement, which will have the same sort of schedules in place in terms of funding and we will be managing that within the department within the portfolio areas, whether that be arts, culture and heritage, sport, retail and visitor, or the rural and marine side.

Senator S.W. Pallett:

Rebecca, just to be clear, these projects will be managed within the Economy Department?

Head of Local Economy:

They will. They will be managed within the department. There will be for 2 projects I can think of a procurement strategy for a project manager. We will still manage the project manager, if that makes sense, but the project manager will deal with the larger construction elements.

Senator S.W. Pallett:

That makes sense, thank you.

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

As you just heard, we are looking for a project manager. Procurement is still ongoing. So, Senator, when you say bids are meant to be completed or the works are meant to be completed by Q1/2022, I just say I think there has to be ... realistically, knowing how in demand the construction sector is at the moment in Jersey, that I think some of these bids will be difficult to deliver by Q1/2022. That is my own concern.

Senator S.W. Pallett:

Well, the next question to that would be if they cannot be delivered in that period of time is there a possibility that they will be withdrawn?

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

Not that I can think of, no.

Senator S.W. Pallett:

Because if they are not meeting the criteria why should they be approved in the first place?

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

Well, you would have to ask the Minister for Treasury and Resources.

Senator S.W. Pallett:

We are.

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

One of the questions I would say is by focusing so much of this stimulus on construction, of course, one of the ramifications of that is that in an already very tight construction market you have just thrown a whole load of very big projects into it. So I would ask how did they arrive at the thinking that some of these could be completed by Q1/2022?

Senator S.W. Pallett:

That is a good point there.

The Deputy of St. Mary:

You could come back to Scrutiny.

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

Can I just follow on from that? As you know, Senator, the Springfield situation does not need planning, so all the work that we are doing on Springfield will be dealt through without going to planning. Oakfield does need planning because we are building. If you look at the other sports bodies that had grants or had fiscal support, the Jersey Race Club is being dealt with by themselves, which we keep a close eye on. The Spartan Athletics Club is exactly the same in the sense that they are doing their own application, but we will be keeping an eye on it. They will need a certain amount of planning permission. Then Grainville, we are in very big discussions at the moment with regards to cricket and how they deal with that there because we want to make sure that we are looking after the other Jersey club that is next door to them. That is going through the process now.

So, a lot of that in cricket is internal, not external. The final one is Jersey Paddle, which they are making their own application on as well.

Senator S.W. Pallett:

My question was really around how it was going to be managed, but I think even ... I do not want to go into detail, but Springfield, for me it is still changing elements of the stadium outside and it almost certainly will need planning permission. Changes to car parking, changes to children's areas, they are ...

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

That is being dealt with ... I am sorry but at the moment that is being in discussions with the Constable and they were doing that. The money available for Springfield is basically internal. That fiscal money that we have for Springfield is internal.

Senator S.W. Pallett:

But the whole project is reliant on other changes to Springfield, parking changes. Let us not go into it now but ...

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

But we literally have been in discussions with the Constable of St. Helier, with Jersey Bulls. What they are doing, they will need planning permission, but they have had no fiscal support from us with regards to Springfield. Virtually all the stuff with Active and everything else is going to be internal. But do come back to me if ...

Senator S.W. Pallett:

There is a discussion to be had around that.

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

Okay.

Senator S.W. Pallett:

I am finished on that section.

The Deputy of St. Mary:

Thank you. For the fiscal stimulus, just picking up a point from Deputy Morel, I will take the point that construction seems to have been unduly favoured, if I can put it that way.

[12:15]

What ministerial oversight is there on the allocations as between sectors?

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

I am sorry, I missed the first part.

The Deputy of St. Mary:

I am concerned that Deputy Morel volunteered the fact that various projects are not going to meet their targets because most of them or many of them are geared towards the construction sector and basically resources are not available there. That seems to be quite an obvious comment.

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

We are concerned about the availability of resources in the construction sector, but can I hand over to Andy just to articulate on those points?

Acting Director General, Infrastructure, Housing and Environment:

Thank you, Minister. If it helps the panel, just to confirm for every fiscal stimulus bid that we have we are effectively supervising the money flow. The money comes into the department ... so we have 12 within I.H.E. as tranche 1 projects. The money comes through the department. I think it is yet to arrive but it is due to arrive very shortly. We are in constant communication then with the bidding party, whether it be a sports club or a care home or whatever they may be, to ensure that the money flows from us to the contractors for the work. So we will be expecting to supervise those works to make sure the works are taking place and have been delivered before public funds are used. So there is a supervisory role. There is also a process role in the sense that we have to keep the Fiscal Stimulus Oversight Group updated on the progress for each of these, and if there is any slippage in time ... and sometimes we cannot foresee slippage. Either materials are delayed or not or labour is delayed or not. We have to keep these bids as keen as possible to time. I cannot guarantee that everyone will stick to time because there are some vagaries in the market, certainly around supply lines, et cetera, sometimes, but we will keep the Fiscal Stimulus Oversight Group up to date with all developments. I envisage most of these projects will pretty much get on site and start delivering. I think the debating point will be when their completion is going to be. So I do not think there is a debate that these projects will get there but again we just need to see where we go with labour and supply sometimes.

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

Do we have any sort of red flags at the moment, Andy, in relation to projects that could run over and how will that be dealt with?

Acting Director General, Infrastructure, Housing and Environment:

Yes, I think the panel has raised a relevant point around capacity in the construction industry. That is a relevant point. Construction is very fiscally stimulating if we can spend it on time, so the advice we have had is that it is right that they have been granted. I think we are keeping an eye on materials and things such as that. While the supply lines coming into the Island are strong, I think sometimes certainly there has been reported lack of construction materials worldwide at the moment, certainly around plastics and wood, because of various issues that we have had around COVID and wider global pressures. So, those sort of things are out of our control but we have to keep an eye on that and just keep the fiscal stimulus process updated.

Senator S.W. Pallett:

Could I just quickly ask: what advice have you had from Treasury around the importance of adhering to the timely criteria and not overrunning to ensure that it is fiscal stimulus and it is not, in essence, just doing business as usual, using fiscal stimulus as business as usual?

Acting Director General, Infrastructure, Housing and Environment:

Yes, I can assure the panel there are very regular communications from the fiscal fund staff back to sponsoring departments to make sure that we are hitting timescales. So, that is a very regular, if not weekly, conversation.

Senator S.W. Pallett:

Thanks.

The Deputy of St. Martin:

Minister, could I just jump in there? Fiscal stimulus was announced last year and lauded as a great scheme, but is it not a surprise to you that money is still to arrive on officers' desks in order to start to have this work?

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

No, it is not a surprise. We were ...

The Deputy of St. Martin:

Okay, if it is not a surprise, is it acceptable that money is still to arrive on your officers' desks?

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

I do have confidence in the fiscal stimulus process. There are large sums of money being distributed. There has had to be a lot of diligence, a lot of thought going into the application and

approval process. But as Senator Pallett said, we are keen to make sure that money is spent in line with the terms of the scheme. We know ...

The Deputy of St. Martin:

One of the terms of the scheme is that it should be spent in 2021. We are now 6 months through 2021 and the money is not available to be spent. Is that something to lay on the desk of the Minister for Treasury and Resources?

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

That possibly is but I believed that ... I think the most support the economy will need will be in the second half of this year as we start to come out, but do not forget we still are operating, many businesses are still operating with restrictions, and those restrictions are due to end in the middle of June, pretty much. So that is when we are going to start to see a bit more capacity appear in the economy. I am comfortable with money being spent in the second half of the year as long as it is spent within the prescribed time. As we have already heard, the vast majority of the schemes approved are still predicted to operate within the timescale allowed. As Deputy Morel said, there are, I am sure, going to be pressures that were unforeseen, such as the availability of construction resource. But we can just hear from Andy again. I am not sure there are any red flags at the moment and we are monitoring that very closely.

Acting Director General, Infrastructure, Housing and Environment:

I think that is right, Minister and panel. In terms of the process that Treasury has had to go through, there has been a very big application process to go through. A lot of people have applied for fiscal stimulus, so there is a function of time and assessment of those applications because of the oversubscription, if you like. So, I guess there will be a wider debate and we can take some advice through the Fiscal Stimulus Oversight Group process whether it is still fiscally stimulating to spend in February/March next year or April/May next year. I think it will ultimately still be stimulating to the economy but, again, we just need to keep as keen as we can to these timescales that have been requested.

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

If I could just add when the fiscal stimulus funding was conceived and approved by the States and the timescale set, the thinking was then that the pandemic would have been over by now or before now. The pandemic has gone on longer than anticipated, so I would subscribe that if we do run over into the first quarter of next year this fiscal stimulus will still be as helpful to the economy as it would have been if we had stuck strictly to it all being spent in 2021.

The Deputy of St. Mary:

Can I ask one very general question? I see we wrote to you back in April. You may say this is Treasury so I want to establish the relationship: "Can you please advise the panel as to the current position on the allocation of the tranche 2 bids and as to whether the successful bids are due to be publicly announced?" We went on to say: "Is it possible, please, for the panel to be provided with details of such bids to enable us to comment in advance of allocation?" Going back to that second point, is that a possibility or do you not see them? Did bids go to the Treasury? At what stage do ...?

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

I will hand back to Andy, but basically the bids come in, they are shortlisted by the officer group, then the shortlist comes to the Fiscal Stimulus Oversight Group, then they go to the Treasury. I think I have that right but, Andy, do you want to just ...?

Acting Director General, Infrastructure, Housing and Environment:

That is right, Minister, yes. So the tranche 2 bids have not formally been announced yet, so they are still in the process of going through the Fiscal Stimulus Oversight Group back to Treasury, and I believe they are now with Treasury ready for a Treasury Ministerial Decision, effectively.

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

Could we ask Andy, please, that those be shared with the Scrutiny Panel? I think we might need clearance from the Minister for Treasury and Resources.

Acting Director General, Infrastructure, Housing and Environment:

Of course, yes.

The Deputy of St. Mary:

Thank you for that.

The Deputy of St. Martin:

Would it be your hope, Minister, that the decisions on the second tranche will have taken on board the comments about the construction industry?

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

Yes, I very much hope so. I understand there are bids that still involve construction but we are concerned as to the availability of resource.

The Deputy of St. Mary:

Right, let us move on to a new topic. Locate Jersey, I suspect it is going to be directed towards ...

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

Yes, Kevin has been waiting patiently.

The Deputy of St. Mary:

Yes, they are very basic ones. At the last quarterly hearing ... we have had a presentation by Kevin as well, for which thanks. At the last quarterly hearing on 26th February you advised that development of the H.N.W. (high net worth) programme was “currently under review.” Could you give us an update as to where we are in that review?

Head of High Value Residency Engagement:

Yes, thank you, Mr Chairman. So, when we met in February we were right in the middle of a very busy quarter 1. I am pleased to report that as of yesterday the results have been very, very encouraging with regards to first time enquiries, up from 34 in 2020 to 67 year to date, applications up from 7 to 16, approvals up from 5 year to date last year to 15 this year, and relocations, in spite of COVID, 16 families have relocated to the Island, of which 15 started their stay on the Island with a 10-day quarantine and were very happy once that was completed to be able to move freely on the Island. The changes that we spoke about, the first of the changes was in relation to an asset test, and that has now been agreed by H.A.W.A.G. (Housing and Work Advisory Group) and there is a Ministerial Decision about to be signed by the Minister where we would require incoming applicants to have assets in excess of £10 million and worldwide income comfortably and sustainably in excess of £725,000. That, you will remember from our last discussion, will be revalorised every 5 years, next time on 1st January 2023. The second thing that H.A.W.A.G. agreed last week was the minimum purchase price for properties would move, in the case of apartments from £900,000 to £1.25 million, and in the case of private residences from a minimum of £1.75 million to £2.5 million, and those changes to be enacted against a Ministerial Decision from 1st September 2021.

The Deputy of St. Mary:

Thank you for that. You have answered other questions in a way, but given the encouraging uptake, as you say, is thought being given to increasing the tax threshold so we get a more regular income rather than just from the initial capital payments?

Head of High Value Residency Engagement:

At the minute, no, and if one researches on the other jurisdictions and what they are asking, you will remember me saying that Jersey is the most difficult local jurisdiction for people to come to. Certainly, we have a very onerous and almost intrusive application process to obtain details from the clients. If you were to compare with our nearest neighbour, somebody with a British passport, of which 85 per cent of our clients have, could go to Guernsey tomorrow, purchase a property at

£1.25 million and have their tax capped at a maximum of £50,000 per annum for the next 4 years. So if you were to look at it in a purely competitive case, we are not competitive. Our product, if you like, our proposition most certainly is. You will remember me saying that I refer to Jersey as the Patek Philippe in the jewellery shop. Everything about the Island, the combination of all of the attributes of the Island, are certainly what people are seeking. If we were to seek another £10,000 in tax one way or the other, that is not going to change things.

The Deputy of St. Mary:

So we could, therefore, seek another £10,000?

Head of High Value Residency Engagement:

You could, but the tax is but one of the things that we obtain from the clients. We, as part of our aftercare, are working very closely with the clients to get them to invest both economically in the Island in terms of creating employment, investing in businesses, mentoring, et cetera, but also in a social perspective and through their philanthropic efforts and charitable giving and C.S.R. (corporate social responsibility), et cetera, that they would continue to contribute as well in many other ways, which I would fully accept are sometimes unseen and not always captured but nonetheless are there and very, very valuable. As we discussed last time, we raised in 6 weeks £1.25 million for the Bailiff's fund from high-value residents. Quite recently we had £125,000 raised to help with the digital divide, and what I have brought for you today is something that was sponsored by one of our high-value residents, the *Give2* magazine, which promotes to all residents, but in particular incoming residents, philanthropy on the Island.

The Deputy of St. Mary:

Thank you for that. I do appreciate the additional advantages they bring. It is just that your initial presentation showed that despite what you say about competitors, there is demand here and probably one could increase the incoming figure without jeopardising that too much.

Head of High Value Residency Engagement:

One could and then you start to look at price elasticity and in increasing the price at what stage do you lose one. So you could get £10,000 from another 20 clients but lose 2 or 3 that were really looking. I think for us the clients that we are specifically looking at and encouraging to come to the Island are very much the ones who add the economic value and the social value as well rather than a retiree, for example, who is not going to have those same business type investments in the Island economy.

[12:30]

The Deputy of St. Mary:

Okay, thanks for that. So I took down a few figures, but the present cap we have, when is that due to be reassessed, beginning of next year?

Head of High Value Residency Engagement:

1st January 2023, so 18 months away, and from the States decision that will be no more than cost of living increase for the previous 5 years.

The Deputy of St. Mary:

You say that now. That could be looked at by a future Government or whatever?

Head of High Value Residency Engagement:

Absolutely, that is in your gift.

The Deputy of St. Mary:

Okay, thanks for that. Of course, we are committed, people who are coming have that guarantee that that is what it is. It cannot be changed before then, I appreciate that, yes. Sorry, I am just ... so the next change, there is no way it can be ...

Head of High Value Residency Engagement:

Absolutely, yes.

The Deputy of St. Mary:

That would be unfair, of course, yes. Just one other small question. With those who seek to come, are there any difficulties or anomalies which they come across in respect of Jersey law and things like inheritance? Does that put them off at all?

Head of High Value Residency Engagement:

Certainly, *légitime* has been for some clients. That has been something that they have not been aware of in coming to the Island and they are surprised to see that it is still in place. That is something that we are constantly holding under review with our colleagues in the financial services area. I do not see anything changing there in this current Government but who knows, next time around it may come. What we are advising those coming in is to make sure that as they come to the Island that they have taken care of all of their affairs and, in particular, when people are looking at inheritance tax, et cetera, that they take whatever measures are required for their personal circumstances.

The Deputy of St. Mary:

They take their own advice on that?

Head of High Value Residency Engagement:

Absolutely, and that is not provided by us, of course, that is by ...

The Deputy of St. Mary:

No, of course not. I am aware of *légitime*. Has that been a deterrent to some, do you know?

Head of High Value Residency Engagement:

Not a deterrent, but certainly there are 4 residents I would say where it occupies some thought for them, but there are other ways that they can structure their ...

The Deputy of St. Mary:

Instruct Guernsey lawyers, possibly, yes. Okay, all right. So the final point again is as you know we are undertaking a review into production of cannabis. We are not going there today, but is your department involved in promoting that at all?

Head of High Value Residency Engagement:

Rebecca Millar, who is on the call, is there, and fortunately one of our clients who arrived during the month of April has invested considerably in that product in the U.S. (United States) so he is somebody we introduced to the working group and provides some external advice, as it were, coming into the Island, somebody who has put their money in. One of our 2010 high-value residents has invested locally as well in that, so that is quite good to see that we have expertise and investment from some new clients coming to the Island. But Rebecca might like to shed some more detail on the actual developments.

Head of Local Economy:

Not really much to add, Kevin, to your point, but as you say, it is something that we would work within the whole proposition to consider. I think you have explained it very clearly.

The Deputy of St. Mary:

Okay, we will leave it at that.

The Deputy of St. Martin:

Can I just ask one question? Minister, we have seen the numbers. There is supply and there is demand. Your Government has a limit on the number of 2(1)(e)s that we take into the Island every year. It is clear the demand exceeds that. Do you have any view on whether we should be taking more, taking less? Are we in the right place? Should we capitalise on the demand while it is there?

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

Well, I think there has to be a balance in everything we do and we have to manage the figures appropriately. But in the scheme and the context of the Island and the context of immigration, these are very small numbers of people coming to the Island. I am not sure, Kevin, what our total number of the high-net-worth community is; it is approaching 300, I think.

Head of High Value Residency Engagement:

Well, at the moment we talk about 155 active high net worths, and by active I mean people who are within 10 years. So after 10 years, like any other arrival to the Island, they could look for qualification. So we talk about the active ones and they are about 155, and as the Minister said, there is probably another 100 of those who have come then under the old (k) regime or whatever. Just on a point of clarification, there is no limit. There is a target of 15 but there is no upper limit. The instruction from the Council of Ministers is somewhere between 15 and 20 is the desirable figure. Anything greater than that, if we felt it was heating up, that is something that I would certainly make the Council of Ministers aware of, that unseen demand coming from the U.K. or ...

The Deputy of St. Martin:

So is the number 15 or is there a specific ...

Head of High Value Residency Engagement:

Sorry, in terms of target 15 is the published target in the business case.

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

But we have already made 15 approvals and we are only halfway through the year so ...

The Deputy of St. Martin:

Yes, I appreciate that. That is the reason for the question, really.

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

Just going back, the high-net-worth community, about 250 in a population of 105,000, it is a very small number of people. Of course, I would think there is no plan to do it in this Government, but perhaps I foresee the next Government might want to do another piece of work just to analyse the benefits outside of the tax take. We know we see the last year raised somewhere in the region of £6 million or £6.5 million in stamp duty. There is the philanthropic contribution, the unseen contribution, the investment in business, the number of people employed. So the trickle-down effect is very, very useful but the last piece of work ... we have had some pieces of work done on that. I think it was Ernst & Young that did the last piece, Kevin?

Head of High Value Residency Engagement:

Yes, in 2016.

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

In 2016, which was very positive and it might be timely to carry out another piece of work in the next year or 2.

Senator S.W. Pallett:

A quick question for Kevin. I think Jersey has been known for its excellent onboarding and support for those coming to invest here and those coming to live here. Obviously, you have had to suspend that during 2021 for obvious reasons. You have had some restructuring in the department. Is that something you are going to pick up and carry on moving forward? Obviously, there is a cost to that but ...

Head of High Value Residency Engagement:

I think in many ways we have conducted our business in the same way in terms of engaging with the clients, albeit we have used different vehicles and, as we are doing today, a mixture of being present in the room and digitally remote. But to see the figures we have had shows we have been able to engage with them. We have not done as many events as we would have so those soft skills and those soft engagement pieces certainly have moved more to a one-on-one basis. Things like you will have read the well-publicised visit of the Lions coming. That is due in huge part to Ben Harvey and what he has done with Strive. But the principal investment into Strive has come from high-value residents who have moved to the Island who believe in infrastructure projects like that, both in a philanthropic way but also in a good business way because there will be a return on it. So I think we have engaged with the clients very much so during COVID, and that is one of the things those who have made the move during the year to date have found, that they have made a very wise decision coming to a very safe and tranquil environment and the 10-day isolation is a very small price.

Senator S.W. Pallett:

So you will remain being flexible in how you engage with these people?

Head of High Value Residency Engagement:

Absolutely.

Senator S.W. Pallett:

Okay. Can I move on to the next one?

The Deputy of St. Mary:

Are you okay for time, gentlemen? We are coming to an end.

Senator S.W. Pallett:

A couple of quickies?

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

Yes.

Senator S.W. Pallett:

At the last quarterly hearing on 26th February you advised that you were working towards a timeframe of 31st December in relation to the changes ... well, it is around the Licensing Law. I have lost the question. I know it is an old chestnut, but could you give us any idea or an update on what your current proposals are and what you intend to do moving forward?

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

I am going to pass the ball sideways.

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

I thought you might; quite rightly, too. Thank you. The proposals at the moment are quite simple and have not changed since February when I last spoke to you. We have been asked by the States Assembly to undertake and deliver part (c) of Deputy Ash's proposition, which is to insert or to essentially give the States Assembly the power to deliver a statement of licensing policy. That is to be done by the end of the year and that is absolutely where my concentration is.

Senator S.W. Pallett:

So no other intention in regards to amending law or anything like that, you are just going to concentrate on that specific area?

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

At the moment that is my main area of focus. That is the requirement, I think. I come in with a little over a year in which to deliver so I want to be focused and sure that I can deliver it.

Senator S.W. Pallett:

So it is around timeframe and resource to some degree?

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

Yes, it is, absolutely. I have spoken to stakeholders and I have indicated there may be a couple of other areas such as the categorisations that I may be able to look at, but that is less certain than delivering a statement, Senator.

Senator S.W. Pallett:

Like a minefield.

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

That is part of it. There are lots of competing views and so to do that work properly, a wider piece of work I think would take longer.

Senator S.W. Pallett:

Okay.

The Deputy of St. Mary:

Okay, thanks. The other subject goes to Assistants again, the Channel Island lottery proceeds, which you are involved in. We have sent a ... not the best way of dealing with it, but we have sent a detailed letter, I think, as to things we want clarification on. I have the papers here, but basically what has been presented to us now is almost a rerun of the 2019 one, which had a couple of things wrong with it. It did not in the proposition itself give the sectors in the report. You might recall that, possibly.

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

I do not think we have ever given the sectors in any proposition.

The Deputy of St. Mary:

Well, I think Deputy Guida's amendment did and it turned out to be right, of course. Within the sectors, what we are looking for is especially on the ... well, more than one sector, the scientific sector, which is the one which Deputy Guida introduced. The charities reckon they do not have the expertise to determine on that, notwithstanding that his amendment was passed. So what we are looking for is information as to how it was dealt with and what they think now. It is all in the letter, by the way.

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

Thank you.

The Deputy of St. Mary:

Come back to us if you need more information.

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

With regard to the proposition, yes, no doubt I will be asking Paul to join us. Sorry, I thought I had seen Paul stand forward so that is why I thought you were already there. But before passing to Paul, I do not quite understand the issue with the propositions and the reports so I would be happy to discuss that outside, but I have looked through historic propositions and the current propositions and they are very, very similar. So I do not understand why ...

The Deputy of St. Mary:

I do not think anyone takes into account the amendment. Anyway, perhaps the detail ...

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

But it does pass it to the J.C.F. (Jersey Community Foundation) and then the J.C.F. added ... so it is covered in the report, yes.

The Deputy of St. Mary:

I think we will ... sorry, go on.

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

Secondly, with regard to the science and having the expertise to deal with that, the Jersey Community Foundation have been working to overcome that issue, and Paul will be able to give you details on how that is the case.

Director, Local Services:

Yes, indeed. The S.L.A. (service level agreement) actually covers the Deputy's amendment in full to the letter for both organisations. Talking to the J.C.F., they have to have a lecturer and a professor with biological chemistry who is onboarded to help them make decisions around grants so they have that level of expertise.

The Deputy of St. Mary:

Okay. The panel do not know that at the moment officially so that is why ...

Director, Local Services:

I will write back, yes. They have that level, the same with sport, the same with arts. They have reached out and they have expertise to help them make decisions.

Senator S.W. Pallett:

Are these updated S.L.A.s?

Director, Local Services:

These are the updated S.L.A.s which were signed ...

Senator S.W. Pallett:

Have we had sight of them?

Director, Local Services:

You have, certainly.

The Deputy of St. Mary:

We had sight of them back in December. I am not sure since.

Director, Local Services:

These were signed, they were co-produced. It took a lot of to-ing and fro-ing as you can imagine and they were signed on 30th March this year.

Senator S.W. Pallett:

I wonder if you could resend them just so ...

The Deputy of St. Mary:

We have them, I have seen them.

Director, Local Services:

No problem at all.

The Deputy of St. Mary:

Okay, we will perhaps follow that up by correspondence. A letter went out this week. Is that the one you are referring to? Have you seen that?

Director, Local Services:

I have seen the email around allocation, yes.

The Deputy of St. Mary:

All right. It is all in there, I think, what we are asking. I do not think the rate is until July so we have time. If it was ignored ... well, it would not be ignored, we would bring an amendment, so we need to sort it out.

Director, Local Services:

The discussions that I have had with both organisations is that we would use the work that we put into the S.L.A.s, which was weeks' worth of work, to almost replicate and carry over for 2020's proceeds based on the amendment and the agreement of Members.

Senator S.W. Pallett:

In terms of detail, I presume it does not, but does it go into any detail how each of the applications are made in each particular sector, how they are dealt with, how they are assessed and how they are approved? Because that is something we have an interest in and we would like to know how that works, even if it is confidential.

Director, Local Services:

I can certainly circulate these documents. Two different processes, 2 different organisations, as you can imagine, but again they will be reporting quarterly. They will be made available. They will meet with Deputy Morel on a 6-monthly basis to look at strategic issues and also how we can market the lottery and promote the good work that it does. It has been really good that 2 organisations have come together, they have a common purpose. A.J.C. (Association of Jersey Charities) is celebrating their 50 years this year and J.C.F. is a new organisation. It is looking good but, yes, I can certainly circulate these documents.

Senator S.W. Pallett:

It is not about trying to be negative, it is just about trying to understand how the allocations are made. It is as simple as that. But if we have them, I think we can put questions ...

[12:45]

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

If I could say as well, I think it is also very important to understand one of the reasons we asked the J.C.F. and the A.J.C. to undertake this work is to give them the autonomy to work out the best application process for themselves and to find the most efficient way to do so and to make those decisions as to where the funding goes in an autonomous and independent manner. They then report to us so that we can see that they are doing it appropriately. The whole reason for that is obviously to remove political influence from the application process. So when you asked how specifically in the S.L.A. the application process is defined, it is not specifically defined. It is referred to in a number of areas but it is reporting, which is the issue from our perspective, to see what they have done with that money in terms of what they are spending.

Senator S.W. Pallett:

All we need is to have an understanding of how that process works because I think it is a phrase that you probably used in Scrutiny before. It is public money. We need to understand how that money is allocated.

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

Exactly.

The Deputy of St. Mary:

It is worth saying, of course, that the 2019 proceeds were not approved until December last year, so we are in the dark as to how they are used. We know at that stage and the time that has passed the foundation was saying: "We do not want it, please." So we just want to be really sure.

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

No, of course, yes.

The Deputy of St. Mary:

Okay. Well, on that basis, thank you for your ...

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

Mr Chairman, can I just say one thing to clarify something that Senator Pallett brought up? Can I confirm - and I am learning this now - that most of the work at Springfield does not need planning permission but "will require building bylaws consent", which I must admit I did not realise? The only other area at Springfield is the car park, which does need planning permission.

Senator S.W. Pallett:

I will not say I was right.

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

But it brings it then right up to date so far.

Senator S.W. Pallett:

I appreciate that, thank you.

The Deputy of St. Mary:

Thank you, Minister. Thank you, Assistant Ministers and everyone else.

[12:47]