

19-21 Broad Street | St Helier
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Senator Kristina Moore
Chair, Corporate Services Scrutiny Panel
By email

15th of June 2021

Dear Senator Moore,

Fiscal Stimulus Fund – Tranche 2 Allocation Recommendations

Thank you very much for your letter dated 28th May and I note the concerns that you raise about the allocations from the Fiscal Stimulus Fund. You have reiterated the concerns you raised in Tranche One and have also highlighted some additional observations.

In terms of the point you raise about strategy I note that the Panel have concerns about the balance of funding for construction projects which we discussed at the public and private hearings on the 26th May. FSOG have considered this matter closely and they have received economic advice which has acknowledged the issues that might arise from this concentration but has been supportive of the allocations that have been made in Tranche One and Tranche Two, to date. We briefed you as to our concerns that it may be that any further concentration of construction bids agreed would have a diminishing return and that we are conscious that we would prefer to have a wider diversity of stimulus across the economy.

Funding for projects that do not have planning permission will be released on condition of approval and confirmation that the remaining timescales can be met in line with the timing of projects. These matters will form part of the monthly and quarterly monitoring process which will be at a project, department, and fund level. I note the point you make about the Economic Council report and confirm that these matters will be further considered as part of the Government Plan 2022-2025.

As you are aware, the overall governance framework evolves over time and there is a balance to be struck between the level of detail required to make a recommendation and the need to keep the level of information proportionate. The administration of the Fund has been undertaken by a dedicated team who have worked with applicants on the documentation process and it is not accepted that the process is bureaucratic. The project

team and FSOG have followed the process that was set out in P.128/2020 and approved by the Assembly. The Panel has expressed surprise that there was no targeted advertising of the Fiscal Stimulus Fund given the large number of construction project applications. The advertising of the Fund was done through a dedicated website and press releases with good coverage and the level of applications would indicate that this did achieve the objective of advertising the Fund sufficiently.

Thank you for the point you make regarding the proposed Performance Management framework which will include the use of “Perform” to track and report progress.

FSOG have now made their recommendation to the Minister for Treasury and Resources which is in line with the documents you received on the 17th May with the exception of the addition of one project which has not materially altered the amount that will be funded and one project which needs further consideration. The final recommendations are set out in the Table below:

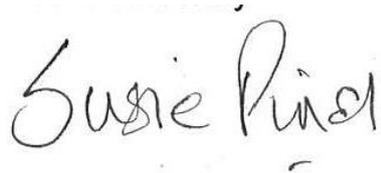
Organisation	Project Title	£
The Shelter Trust	Women Only Accommodation	189,500.00
Beaulieu Convent School	Beaulieu Convent School - Sports Centre	1,500,000.00
Every Child Our Future	Every Child Our Future Summer School	60,000.00
Jersey Scouts Association	Refurbishment of Les Creux Scout Hall	93,200.00
Jersey Scouts Association	Refurbishment of Jersey Scout Centre, St Ouen	244,100.00
Brighter Futures	Springboard - Digital Strategy	135,000.00
Health and Community Services	Domiciliary Care Market Stimulation	621,500.00
Jersey Action Against Rape	Refurbishment of JAAR premises	11,575.50
Jersey Action Against Rape	Counselling Hours	10,448.55
Jersey Action Against Rape	Develop and Ecommerce and Event Ticket Site	5,406.00
Jersey Hospice Care	Recruitment & Training of 5 Health Care Assistants	75,725.00
Durrell Wildlife Conservation Trust	Warty Pig enclosure and other works (part of Gorilla house project)	980,000.00
Healing Waves	Healing Waves - Adaptive Surf Centre	411,000.00
Jersey Association of Youth and Friendship	Essential maintenance grant for JAYF hostels	30,000.00
Jersey Biodiversity Centre	Engage Jersey with Nature 2021	56,070.24
Jersey Heritage	Jersey Heritage - membership, website, supporting system upgrades	226,641.00
National Trust	Morel Farm	2,166,425.00
		6,816,591.29

I am taking a further period to consider the final allocations from Fiscal Stimulus Fund and will inform you once I have had some time to consider all of the available information. The impact of the Fiscal Stimulus Fund projects on internal resources has been considerable and it is my concern that there is no further capacity to manage any projects internally given that we are about to enter the Government Plan workstream but I need to balance this with the requirements of the economy.

I acknowledge the points you raise on continued Scrutiny oversight and can confirm that we will be issuing the updates in line with P.128/2020. The FSOG Programme Manager or other relevant officers will be available to brief on the project progress and the amounts drawn down from the Fund. Please find attach the templates for the three grant agreements which are provided on a confidential basis. Any changes to delivery plans will be picked up as part of the normal monitoring and can be reported to the Panel as part of the process.

Thank you very much for the part you have played in the appraisal process. As I said at both the public and private hearing, your comments have been gratefully received and carefully considered. I hope you find my responses to the points you have raised in your letter helpful. I will be making my announcement on the 16th June 2021.

Yours sincerely

A handwritten signature in black ink that reads "Susie Pinel". The signature is written in a cursive, flowing style.

Deputy Susie Pinel
Minister for Treasury and Resources

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