

STATES OF JERSEY



SCRUTINY REVIEW OF THE GOVERNMENT PLAN: 2021-2024 (S.R.14/2020) – RESPONSE OF THE MINISTER FOR ECONOMIC DEVELOPMENT, TOURISM, SPORT AND CULTURE

**Presented to the States on 27th January 2021
by the Minister for Economic Development, Tourism, Sport and Culture**

STATES GREFFE

**SCRUTINY REVIEW OF THE GOVERNMENT PLAN: 2021-2024
(S.R.14/2020) – RESPONSE OF THE MINISTER FOR ECONOMIC
DEVELOPMENT, TOURISM, SPORT AND CULTURE**

Ministerial Response to:	S.R.14/2020
Ministerial Response required by:	15th January 2021
Review title:	Scrutiny Review of the Government Plan: 2021-2024
Scrutiny Panel:	Economic and International Affairs Scrutiny Panel

FINDINGS

	Findings	Comments
1	There are significant differences in the figures allocated under the Minister for External Relations’ portfolio (£10.8 million) and the External Relations Department (£3 million). This is due to the Minister’s responsibility for Financial Services as well as External Relations.	Correct.
2	The project to deliver the Inspiring an Active Jersey Strategy, a long-term framework with the following vision: “Jersey will be a healthier, more productive and fairer society by being one of the most physically active populations in the world”, has been severely impacted by the pandemic. Although the project has been reduced, the longer term aims remain.	The activities delivered by Jersey Sport have again been significantly impacted by the second wave of COVID-19 restrictions. However, Jersey Sport have been able to continue all services provided within schools and to continue to provide detailed advice to sports on the Covid guidance and how this relates to sporting activities. Planning for restarting delivery is well advanced, with new initiatives coming online in 2021 particularly around disability and life-limiting conditions. Significant progress should be made in 2021 towards delivering the ambitions of the IAJ strategy.
3	The future of professional rugby in Jersey is unclear. Work is due to be undertaken by the Government of Jersey to assess the impact of the pandemic on spectator restrictions and what effect the reduction in funding has had on the Rugby Club’s finances. An assessment will also be made on the economic benefit to the Island. If professional rugby is to be maintained in Jersey, funding for 2021 – 2023 may need to be increased and extended.	The Group Director Economy met with the Chair and a member of the Jersey Reds Governance Panel in January 2021 at their request, regarding possible enhanced Government of Jersey financial support for Jersey Reds to enable the club to continue to participate in the Championship rugby competition, the second tier in England. The impact of COVID and the exclusion of spectators at matches has had a material impact on all professional sports teams. In order to complete the 20/21 season, the clubs in the Championship and Premiership are

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		benefitting from UK Government support from the Department of Culture Media and Sport to the tune of £9m, which equates to circa £900,000 per club. Despite consistent assurances that Jersey would qualify for these payments, Jersey Reds were informed recently that this would not be the case. Consequently, Jersey Reds have requested that, in the absence of DCMS funding, GOJ financially support the club to complete the 2020/21 season. Jersey Reds have agreed to provide revised cashflow forecasts and details of financial need for officials to consider.
4	The Government Plan does not include investment for Elizabeth Castle. The Minister for Economic Development, Tourism, Sport and Culture plans to submit a Fiscal Stimulus bid for £1.5 million in order to start the project, but there can be no guarantees that fiscal stimulus bids will be accepted.	The Government Plan was amended to provide funding for this project. The Heads of Expenditure for Financial Services and Digital will be increased by £750,000 in 2021 in order to fund the development of Elizabeth Castle, including the Hospital and Officers' Quarters and the revised business case for the Castle, with a commitment that funding shall be provided in subsequent years to complete the development, no later than the end of 2025, subject to agreeing the updated business case and after the Jersey Heritage Trust and Ministers have worked together to thoroughly investigate other potential funding mechanisms, and that any such funding shall be over and above the 1% allocation for Culture, Arts and Heritage of overall expenditure.
5	An interim Financial Stability Board was established in 2012 but faded away due to a lack of definition and funding. In the previous Government Plan (2020 – 2023) a project to establish a formal Financial Stability Board was approved which was due to be placed on a statutory footing in order to properly define its objectives. Progress in this area and the recruitment of Board members has been impacted by the pandemic and therefore the project still lacks definition.	On 26 July 2019 the Chief Minister approved the appointment of The Rt Hon Lord Andrew Tyrie as Shadow Chair of The Jersey Financial Stability (Shadow) Board ("JFSB"). On 8 January the Chief Minister approved the appointments of Dr Gunther Thumann and Bill Allen to the JFSB. It was intended that legislation be developed through 2020 to place the JFSB on to a statutory footing but that work and the development of JFSB has been severely impacted by the pandemic. The secretariat and support from Government of Jersey for the JFSB is located with the Economics Unit that has been focused on economic and fiscal forecasting through the crisis, the development of policy including fiscal stimulus and business support e.g. Co-Funded Payroll Scheme through 2020. In addition the Economics Unit has been committed to providing economic advice on a range of pressing policy issues including Brexit. The

	Findings	Comments
		background to the JFSB and definition around the project is outlined in the Ministerial Decision to appoint the Chair.
6	The Government Plan identifies that the early phase for redeveloping Fort Regent will be £4.8 million. It is unclear how all the funding arrangements identified for the project fit together, particularly in relation to the £2 million identified in 2019 as part of the Government Plan (2020 – 2023) pre-feasibility vote.	The £4.8m identified in GP21-24 is made up of two elements. £1.8m is feasibility funding carried forward from the 2020 allocation underspend and £3m is allocated to carry out initial enabling works, including asbestos removal and strip-out works.
7	The project “Island Sports facilities, Inspiring Places” aims to deliver modern sports, leisure and fitness facilities including the development of sport at Fort Regent. The Panel is concerned about the duplicative nature of the projects relating to Fort Regent and the other sport related projects. The Assistant Minister with responsibility for sport had previously sat on the Political Oversight Groups for these projects in order to manage any duplication, but political membership has recently changed.	Both projects are fully aligned and coordinated at political and officer level. The ‘Island Sports Facilities, Inspiring Places’ initiative will seek to provide alternative modern facilities and it will consequently provide an opportunity to redevelop the Fort Regent site. The Sport Facility Political Oversight Group is now chaired by the EDTSC Assistant Minister for Sport, Deputy Hugh Raymond, who also sits on the Fort Regent POG, providing a political link and alignment across both projects that was not previously in place. The programme directors for both projects are working closely together to align the various interdependences across the two projects.
8	The project for the new skate park has made good progress despite a slight delay in the design phase as a consequence of the pandemic. The project is still subject to planning approval and so the Panel maintains the Red-Amber-Green status of amber.	The demand for an urban sports facility is well recognised and the commitment to this project remains unchanged, despite the change of Assistant Minister. The target date for a planning application is the end of February 2021 with completion in the same calendar year.
9	The Panel is supportive of the project “COVID-19 Cofunded Payroll Scheme Phase III” which provides funding for businesses to enable them to adjust to the withdrawal of the scheme through 2021. If the funding is approved, it will provide businesses with much needed certainty over the scheme.	The necessary funding was approved. However, support for businesses remains under review as a result of the extended circuit breaker which resulted in the closure of hospitality venues and non-essential retail over the Christmas and New Year period and into 2021. There will be a significant effect resulting from the lack of trade during this financially important part of the year, which usually underpins the less active winter months and beyond.
10	The issue of Fort Regent has been an ongoing issue and has been the subject of much political discussion over many years. A capital project provides	Agreed. Note the further requirement of £26m identified is notional. The actual requirement will depend on the delivery strategy and potential use of private funding. The delivery strategy is due to

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	further central planning reserves for additional pre-feasibility work (£1.8 million) and an amount of £3 million for the early phases of work. To deliver the remaining phases, there is a need for additional funding, which has been identified in the Proposed Schemes with a further requirement of £26 million. This additional funding will require political support and there will need to be a certain level of political priority given to this project and its future.	be presented to the political oversight group for consideration in 2021.
11	The economy element of Growth, Housing and Environment has moved out of the Department (which has since been renamed Infrastructure, Housing and Environment (IHE)). The sports division has remained within IHE and will not be subject to any efficiency savings. The Panel is supportive of this move given the underinvestment in sports facilities in recent years.	The value of public sports facilities has been recognised at a political level. The pandemic has had a significant impact on the income generation capability of the Sports Division, which has had to close Les Quennevais Swimming Pool and sports venues. The budget shortfall has being met through the Covid funding.

RECOMMENDATIONS

	Recommendations	To	Accept/Reject	Comments	Target date of action/ completion
1	The title ‘Minister for External Relations’ should be revised to reflect the full ministerial responsibility of the role. This would avoid confusion over ministerial remits and allocated budgets. The Minister should explore the possibility of making this change before Q2 2021.	MER	Neither accept nor reject	The name by which an existing Minister is described is a competence of the Chief Minister under Article 29A(1)(b) of the States of Jersey Law 2005.	N/A
2	The future of professional rugby in Jersey is unclear with work due to be undertaken by the Government to assess	MED TSC	Accept	The delayed 2020/21 season commences on 6th March so decisions will need to be made in Q1 2021.	

	Recommendations	To	Accept/ Reject	Comments	Target date of action/ completion
	what impact the pandemic has had on the sport, and its economic benefit to the Island. The Minister for Economic Development, Tourism, Sport and Culture should ensure that the outcome for professional rugby in Jersey is determined before Q2 2021.				
3	Although the Government Plan does not include investment for Elizabeth Castle, the Minister for Economic Development, Tourism, Sport and Culture plans to submit a Fiscal Stimulus bid for £1.5 million. If the bid is not accepted, the Minister should consider whether funding to start the project could be met within existing budgets. The Panel should be kept abreast of these developments throughout 2021.	MED TSC	Reject	This has been resolved. A funding solution was identified as part of the Government Plan debate through an amended amendment.	
4	There are a number of projects within the Government Plan related to sports facilities and Fort Regent. Given the crossover with some workstreams related to Fort Regent, the Minister for Economic Development, Tourism, Sport and Culture should ensure that consistency of political oversight is maintained by ensuring that the Assistant Minister sits on each working group.	MED TSC	Accept	This is now in place. The new Assistant Minister sits on both Political Oversight Groups.	