

Environment, Housing and Infrastructure Scrutiny Panel

Minister for the Environment

Public Review Hearing
Government Plan 2023 -26

Follow-up / additional questions

Climate Emergency Fund

- 1. Minister, please could you advise whether any interest that accrues stays in the Climate Emergency Fund for further reinvestment into climate initiatives?**
 - *The focus of the Climate Emergency Fund's strategy is to ensure preservation of capital value and ensure liquidity is available when required rather than to generate returns, this reflects the expectation that the Fund will be utilised in the short term for its stated purpose, rather than retained over the long term as a source of investment returns.*
 - *Accordingly, the Fund holds its assets through the Consolidated Fund as an intercompany balance which is the most financially efficient way of ensuring that the monies are available to spend when they are needed. Funding for the Climate Emergency Fund comes from fuel duties which are slowly received over the course of the year, however through the allocation of an intercompany balance underwritten by the Consolidated Fund the full awarded value can be accessed immediately at the start of a financial year, irrespective of the level of receipts. As the intercompany balance is an allocation from the Consolidated Fund and not in itself a cash balance it does not therefore generate any interest.*
- 2. The Government Plan 2023-26 proposes a freeze on fuel duty in 2023 whilst still maintaining the commitment to pay 9p per litre into the Climate Emergency Fund. It is stated in the plan that this will be "partly offset by specific targeted measures" to increase Vehicle Emissions Duty, increase the minimum annual contribution for High Value Residents and by introducing a higher rate of stamp duty for buy-to-let investments and second homes. Noting that these measures will only partly offset the reduction in income from the freezing of road fuel duty, what is the remaining estimated shortfall?**
 - *The 9p per litre contribution from fuel duty agreed in previous years' government plans is retained and continues to go into the Climate Emergency Fund.*
 - *The freeze on fuel duty for 2023 means that there is no RPI increase, however this is being backfilled from other sources.*

- *The 2p per litre above RPI increase that was due to go into the Climate Emergency Fund in 2023 is also being lost. This above RPI increase isn't being backfilled. The net effect of that is that the Climate Emergency Fund will be approximately £1m down in 2023.*

Countryside, Biodiversity, Water and Air Quality – New Revenue Programme

- 3. The 'Countryside, Biodiversity, Water and Air Quality' proposed additional revenue programme states that the proposed investment will enable *"the delivery of commitments agreed by the previous States Assembly and those currently funded through other sources."* Please could you elaborate in further detail on what these commitments are, as well as what 'other sources' they are funded by currently?**

Prior to the adoption of the Wildlife Law, the Scrutiny Panel carried out a review of the draft law and on 29th January 2021 made recommendations concerning the delivery of the new law. One of these recommendations was that a review should take place as to whether Land Resource Management (part of the Natural Environment directorate at IHE) is functioning with a sufficient level of expertise and that a report should be submitted to the Panel with the findings and next steps. A further recommendation was for consideration to be given to different methods to publicise and educate the public on the new Law if adopted. This recommendation needs to be met through the publication of guidance notes.

The company 20 Degrees Consulting was contracted to carry out the review, and its final report was forwarded to the Minister and Panel in February 2022. The review identified the need for additional staffing resources to enable the implementation, public education and regulation of the wildlife law. The review also identified the need for one-off investment in an online licensing scheme and supporting database.

The Government Plan bid is to enable the resourcing and funding required to meet the recommendations of the Scrutiny Panel.

Currently, one senior officer (at Grade 10) is funded through the climate emergency fund, at a total of £240,000 until the end of 2024 only. Of this, £51,245 covers the staffing costs, leaving insufficient funds to progress the guidance notes.

In the PFAS workstream, Natural Environment is required to deliver a Hydrogeological Survey to establish current status of the St Ouen's and Pont Marquet aquifers and produce recommendations on the way forward. GP plan commitment and work driven by the PFAS technical officer group has underpinned this workstream to date.

In our Pesticides workstream, we undertake pesticide monitoring of streams in the Island. The GP plan commitment to addressing water quality risk and diffuse pollution concerns underpins this.

In our Water Strategy workstream, we have put funding towards a revised Water Plan; this has become a wider piece of work to incorporate and scope the requirements of the Bridging Island Plan/Carbon Neutral Water Strategy. We have existing GP plan commitment, Carbon Neutral commitment and Bridging Island Plan commitment underpinning this workstream.

We employ a Catchment Officer with dedicated GP funds to undertake Catchment management work in the agricultural and water quality sector; this fills a longstanding resource gap. GP plan commitment and Water Plan commitment underpin this.

We undertake an Air Quality workstream by appropriately sampling and monitoring air quality. This is currently funded through the Climate Emergency Fund but recognising this fund is finite we require an alternative funding mechanism. This workstream is necessitated by a commitment to the last Scrutiny Panel which secured funding and a longstanding commitment with the Air Quality Strategy which is now over ten years old.

Previous / ongoing additional revenue programmes

4. For the following previous/ongoing additional revenue growth programmes please can you provide a) actual spend to date for 2022; b) a breakdown of how this spend to date has been allocated; and c) a summarised progress update for each programme:

i) Countryside access

The Countryside Access Strategy for Jersey 2017 was written following extensive public consultation and approved by the previous States assembly. Funding was approved in the 2020-23 Government Plan to allow some of the key objectives of the access strategy to be met.

Gov. Plan 2020-23 objectives CT1	Projects 2022	Progress
Identifying how people use the current countryside access network and how best to adapt it to future leisure activities	Undertake Visitor survey projects	All field work completed and final report in draft
	Respect Campaign	Summer 'Leave No Trace' campaign delivered
Implementing an interpretation and signage strategy, to provide clear route marking and health and safety messaging	Design and develop new branding and toolkit for countryside signs and way making with stakeholders based on visitor survey outcomes.	Toolkit agreed with JASP stakeholder group and signoff ready for implementation.

Identifying, for implementation during the period of the Government Plan, a network of multi-user paths	Identify land ownership on all GoJ-managed paths	Conveyancer engaged and research underway ongoing
Maintaining the current and predicted future growth of the access network	Footpath improvement works. Necessary as current revenue budget is only sufficient for cutting vegetation growth and does not allow for, upgrades, infrastructure replacements or addressing health and safety improvements	Priority sections of access network upgraded. Tree health and safety works New multi-user path

In 2022, the spend was £55,100 for a temporary staff member at grade 9 and £113,800 for projects (Total £169,000).

ii) Natural Environment – Water

PFAS - a) £40,727

b) Manpower, Analytical costs, Consultancy spend

c) Nearing completion of Phase one of the project – Desk Study and Gap Analysis complete – Planning monitoring survey for 2023

Pesticides - a) £139,780

b) Manpower and Analytical costs

c) Undertaken targeted pesticide water quality monitoring across the year at key sites.

Water Strategy – a) nothing to date, but will be invoiced shortly

b) Consultancy costs

c) Commencing the development of a scope for an Island Water Strategy

Catchment Officer – a) Costs to be evaluated as member of staff currently phasing into new role while carrying out existing role

b) Manpower costs

c) This is a Job role rather than a programme

Air Quality – a) £0 from CEF fund – Trial work expenditure from Base budget £5,148

b) Trial-related work – consultancy and hiring of sensor

c) Trialling of sensor equipment has commenced. CPMO/project start up work being undertaken and will be moving to delivery in 2023

iii) Marine Resources Management

The GP resources for Marine Resources Management was £126,073 to appoint one Marine Resources Officer and one Assistant Marine Resources Officer. The roles augment the existing Marine Resources team to deliver the increasing complex and diverse MR portfolio. Officers have been in post since the beginning of 2022 and to date (end of October) £105,023 has been spent.

iv) Housing & Food Licensing Schemes

This business case could be interpreted as an additional revenue growth programme, however, this is not the case. This programme has been used to replace the income expectation from rented dwelling licensing and food licensing which has yet to gain agreement from the States Assembly in order to run the Environmental Health team, predominately being staff costs.

By way of background, in 2015 a user pays scheme was proposed to generate income from rented dwelling licensing scheme under the Medium-Term Financial Plan 2016-2019. This scheme was not accepted by the States Assembly and therefore the budgeted income was unachievable, resulting in a shortfall for the service. In the Government Plan 2021-2024 funding was proposed to offset requirements to achieve a £1 million income from rented dwelling and food licensing.

The breakdown for figures of the Housing & Nuisance team and the Food & Public Health teams for 2022 under IEH001 and IHE002 are listed in the table below.

Cumulative 12 Total Budget 2022	Cumulative 12 Forecast Ledger 2022	Cumulative 12 Open Orders 2022	Cumulative 10 Total Budget 2022	Cumulative 10 Actual Spend 2022	Cumulative 10 Variance 2022
Total IEH001 - Housing & Nuisance					
426,916.53	426,917.00	0.00	355,080.53	338,017.02	-17,063.51
Total IEH002 - Food & Public Health					
224,983.78	224,984.00	4,878.85	183,165.78	154,326.38	-28,839.40

v) Regulatory Improvement

a) The breakdown for figures of the Regulatory Improvement Government Plan funding under IBG030 RI GPI, are listed in the table below.

Cumulative 12 Total Budget 2022	Cumulative 12 Forecast Ledger 2022	Cumulative 12 Open Orders 2022	Cumulative 10 Total Budget 2022	Cumulative 10 Actual Spend 2022	Cumulative 10 Variance 2022
1,523,000.00	1,000,000.00	75,925.91	1,000,700.00	582,314.16	-418,385.84

b) Following the drafting of this Regulatory Improvement bid in April 2021, in the first review by the Council of Ministers in June 2021, the overall budget was reduced from £1,522,650 for 2022 to £750,000 per year, in order to balance overall funding pressures across Government. This reduced bid was lodged in PROPOSED GOVERNMENT PLAN 2022–2025 (P.90/2021). However in November 2021, a FOURTH AMENDMENT lodged by Senator Vallois titled ‘Regulatory Sustainability Fund’, proposed to reinstate the full £1,522,650 in order to provide dedicated reoccurring resources in the areas of listed buildings, places and trees, housing, food, nuisance, public health, planning services and the culture of the enforcement and compliance. The report explains that a modern, fit-for-purpose Regulator needs to be anticipatory, dynamic and responsive. In practice this is complex and addresses difficult problems involving complicated interactions of multiple people and organisations, and often the creation and implementation of many rules and reporting requirements. The report outlines the breakdown of how the overall funds would be allocated if the full business case had been adopted. A report identifies a manpower need of 23 FTE.

Following the approval of the FOURTH AMENDMENT and the reinstatement of the full bid, the Regulation Directorate has been considering the most efficient organisational structure in which to deliver and implement these resources. The Directorate will be introducing team structure changes which means that the expenditure will be distributed differently as defined above but will achieve the same objectives.

Environmental and Consumer Protection

The original bid proposed x12 FTE additional resources in the Environment and Consumer Protection team and x12 FTE are being retained in the new proposal.

The organisational structure changes within Environmental and Consumer Protection is to form 5 teams being, Trading Standards, Housing and Nuisance; Food and Public Health; Food and Plant Security; and Pollution Control. The objectives, roles and responsibilities within the larger team of Environmental and Consumer Protection remain the same, and the objectives within the business case of supporting housing, nuisance, public health and single use plastics legislation also remain the same.

In the original bid housing and nuisance were defined separately with an allocation of x7 FTE, and whilst we'll deliver the same objectives, we're creating a single team, Housing and Nuisance, and allocating x5 FTE to this team. This allows the team to be more resilient, being cross skilled and enable direction of resources to cover peak periods of demand. However, some aspects of environmental nuisance work listed in

the business case will be undertaken by the Pollution Control team, so x2 FTE will be allocated to this team. This x7 FTE will still fulfil the original intention of housing and nuisance.

In the original bid x4 FTE was allocated to Public Health, Community and Licencing, and x1 FTE to single use plastics. The single use plastics officer will be allocated to Trading Standards team and will fulfil the original objective of the business case as the authorised officers to enforce this new legislation. However, another organisational change we're making is to merge the Food Safety and Public Health and Community teams to a single Food and Public Health team. This will create closer links between Food Officers who carry out hygiene inspections at food premises with Public Health Officers investigating food borne infectious diseases, to enable quicker detection and elimination at the route cause. This team will still fulfil the objectives of proactive public health campaign work, infectious disease investigations and emergency planning. These Environmental Health Officers are appointed 'Public Health Inspectors' and will be dedicated to Health related pro-active and reactive and evidenced workstreams will bring about better outcomes for individuals and a substantial reduction in costs to Health Services and CLS with individuals not well enough to work.

Overall, for Environmental and Consumer Protection, the FOURTH AMENDMENT of PROPOSED GOVERNMENT PLAN 2022–2025 (P.90/2021) allocated £783,390 per annum. With the above team changes and some adjustments in proposed grades, this updated proposal allocates £769,670 per annum plus £26,500 (non-staff costs) for single use plastics to Environmental and Consumer Protection.

Development and Land

The original bid proposed x6 FTE additional resources in the Development and Land team and x5 FTE are being retained in the new proposal and x1 FTE being reallocated to Regulatory Improvement and Licencing team.

The organisational structure changes include the retention of 3 teams in Development and Land, being the Planning Applications, Building Standards, and Appeals and Compliance. The roles and responsibilities of the Development and Land team remain the same, being the determination of planning and building applications, and the defence and pursuance of non-compliance with the Laws. The planning process is the key step in publicly debating and permitting important building projects, which supply the construction industry, keep people in jobs and provide for many of the needs of islanders (for example, housing, schools, hospital).

In the original bid x4 FTE was allocated to provide additional planning and compliance officers in order to cope with the high levels of planning applications, resulting from and supporting economic recovery, to provide the service required by the construction industry, as an economic catalyst. Resources in this area also support the Government's capital programme, including strategically important development, most of which requires planning and building permission. These resources are being retained in this proposal.

In the original bid x2 FTE was allocated for Technical Support Officers to support the current team in validating and registering applications, manging submissions of public comments and consultation responses, ensuring compliance with data protection laws

by redacting all documentation prior to publication of the gov.je registers. Through this organisational change, the proposal is to move the Technical Support team from Development and Land and join it with the Licencing function from the change made to the Public Health, Community and Licencing team under Environmental and Consumer Protection. These joined licencing and applications support function would merge into a new Regulatory Improvement and Licencing team (described below) however the x2 FTE allocated to this objective would remain within the new team.

In the original bid x1 FTE was allocated to Regulatory Improvement for the support of new tree legislation at an officer level. The objective of this post will still be met but will move into the Development and Land team under the Planning Applications Manager following the organisational changes.

Overall, for Development and Land, the FOURTH AMENDMENT of PROPOSED GOVERNMENT PLAN 2022–2025 (P.90/2021) allocated £395,690 per annum. With the above team changes and some adjustments in proposed grades, this updated proposal allocates £338,670 per annum to Development and Land.

Regulatory Improvement and Licencing

The original bid proposed x5 FTE additional resources in the Regulatory Improvement team. Through the merging of licencing and application functions to the new Regulatory Improvement and Licencing team, this proposal retains the x5 FTE of the original bid and reallocates x1 FTE from Development Land as mentioned above, thereby changing the allocation to x6 FTE in this team.

The organisational change proposed to Regulatory Improvement moves the Technical Support team from Development and Land and the Licencing function from the change made to the Public Health, Community and Licencing team under Environmental and Consumer Protection. By moving all licencing and application functions out of the two subject matter teams of Environmental and Consumer Protection and Development and Land, it enables those teams to focus on the proactive community work, statutory obligations of inspections, investigations, and determinations under the various Laws they regulate and administer. The licencing function would move to a merged team of Regulatory Improvement and Licencing, thereby creating a dedicated team to efficient and effective processing of all licences and applications, focusing on customer engagement and improvement of customer experience, and supporting the subject matter teams of Environmental and Consumer Protection and Development and Land.

In the original bid x3 FTE additional resources in the Regulatory Improvement and Licencing team will provide much needed support in the processing of Listing both historic and natural Sites of Special Interest, Protected trees and other important protected sites. The new Tree Strategy as part of the Carbon Neutral Strategy will also bring about new regulatory regime to protect and manage the Island Tree stock, and this requires resourcing for ongoing regulation. x2 FTE are being retained in this proposal however due to the organisation changes, the landscape officer dedicated to the new tree regime will transfer to the Development and Land team.

The original bid also provided x1 FTE funding for a dedicated post to statutory reforms and charges review, which could bring about new income streams and help realise a cost-neutral Regulation Directorate. Further, the Comptroller and Auditor General

report of 2020 highlights the need to substantive cultural, legal and procedural changes to the compliance and use of enforcement powers of Regulatory functions, which also required x1 FTE in resourcing to enable true transformational change across the Directorate. Both of these posts are retained in this proposal.

Overall, for Regulatory Improvement and Licencing, the FOURTH AMENDMENT of PROPOSED GOVERNMENT PLAN 2022–2025 (P.90/2021) allocated £316,770 per annum. With the above team changes and some adjustments in proposed grades, this updated proposal allocates £387,810 per annum to Regulatory Improvement and Licencing.

c)Potential Re-allocation of staff costs for training

The Directorate has several baseline vacancies currently and despite attempted recruitments on and off Island, we're struggling to fill qualified officer roles. With the number of posts to fill as part of this Government Plan proposal, we will not be restricting recruitment to individuals with the essential qualifications, but opening opportunities to graduates and school leavers through the Government's apprenticeship programme. This means we could potentially offer posts at a lower grade in order to support individuals through the formal education qualifications required to become a qualified officer. In order for us to achieve this support with formal education, we are proposing to transfer any staff cost underspends, due to a lower grade, into a training budget, which would then be transferred back to staff costs upon the completion of the formal qualification and the achievement of the full grade.

Allocation in 2022

Expenditure on the above resources will not be achievable in 2022 due to the time taken to develop and introduce the organisational changes listed, the time to run recruitment and selection processes needed to appoint officers into the roles listed above. However, the pressures on the key objectives remain an urgent priority. The proposal is to therefore use the underspend in 2022 due to the resourcing profiling to employ external consultants or external services to remove backlog of planning applications, compliance cases and building bye-law plan checks through hiring of external consultants and remove backlog of food premise inspections through hiring of a consultant company.

The delivery of the above is key to restoring manageable workloads for officers to enable them to undertake the proactive work required as explained in this business case. The removal of backlogs would release much needed economic stimulus in the construction industry and would bring up to date required standards for community safeguarding and the protection of the environment.

The expenditure on external consultants and the profiling of permanent resources will not exceed the total allocation of £1,522,650 for 2022 as defined in the FOURTH AMENDMENT of PROPOSED GOVERNMENT PLAN 2022–2025 (P.90/2021).

vi) Future Fisheries & Marine Resources Management

The GP resources for Future Fisheries and Marine Resources Management was £150,000 with a further £90,000 brought forward from 2021. To date (end of October), £91,625.50 had been spent with a further £126,109 planned before year end. Projects in this resource fall into several categories, namely Industry, Science, Operation and Policy.

Under Industry, JFA members were supported in a fact-finding trip to IOM to discuss TCA implications. The continuing Marine Stewardship Council Accreditation, held jointly with Normandy, for the lobster fishery was also funded. The industry also worked with external consultants on two Fisheries Improvement Plans focusing on spider crab and whelks.

The TCA places significant responsibilities upon GoJ to manage our marine resources with science and data. To do this, Marine Resources has increased its involvement in ICES, the international body that gives stock assessment advice, with active participation in the scallop and crab working groups. Officers also convened a conference of inshore fisheries managers to consider critical stocks and management approaches.

Changes to the operational and compliance regime under the TCA required a significant update. Monitoring obligations necessitate updates to several systems including the UK-wide reporting system that allows officers to see fishing vessels at sea. Additional monitoring equipment is also required on smaller Jersey vessels. The collection, analysis and management of data is a key requirement of the TCA and appropriate IT systems are needed to achieve this. The new obligations of the TCA meant that a review was also needed to ensure the replacement vessel programme for MR was still appropriate for the task required.

The TCA was an entirely new regime for the management of marine resources, and aspects of its implementation are ongoing. Resources have been allocated to providing external consultant support to MR in the delivery of the portfolio and the wider relationship with the UK, France and the EU.

5 How has increasing inflation impacted on the spend to date and delivery of each of these programmes in 2022 and how has inflation been factored into future cost and delivery in 2023?

Analytical costs have increased significantly in Q3/4 going up 10% in some circumstances. Other support costs for equipment replacement and maintenance have also gone up significantly. The 2023-2026 GP plan bid accounts for increasing analytical costs.

6. What was the rationale for not including a breakdown of previous/ongoing revenue growth in the Proposed Government Plan 2023-26 given that this has been provided in previous Government Plans?

Council of Ministers considered previously agreed investments in Government Plan 2022 and agree that the baseline for expenditure should reflect those previous decisions.

In most cases, these investments are being spent as part of departmental operating budgets and so removing these would in effect constitute a reduction in funding for services. The ongoing inclusion details of these investments that were included in previous plans would be an unnecessary duplication that would make the plan more complicated and harder to understand.

7. Minister, do you consider that previous and new revenue growth, as well as any capital projects, should be clearly mapped to each Minister in each proposed Government Plan so that there are clear lines of political accountability, as well as to demonstrate how the key priorities laid out in the Ministerial Plans will be funded?

Ministers have set out their key priorities in their Ministerial Plans, which were developed alongside the Government Plan. Some items in these plans directly link to growth expenditure, whilst others will be funded from existing resources.

In line with the requirements of the Public Finances law, financial allocations are assigned to departments, and hence Accountable Officers. Ministerial responsibilities have now been more closely aligned to departments, and so the political accountability for growth is in almost all cases obvious. Whilst IHE as a department serves two Ministers, the Annex to the Government Plan includes a more detailed service analysis that allows the split of financial allocations between areas of Ministerial Responsibility to be easily seen. A mapping of departmental budgets to Ministers has now been shared with Scrutiny.