

STATES OF JERSEY

Environment Scrutiny Panel

FRIDAY, 4th SEPTEMBER 2009

Panel:

Deputy P.J. Rondel of St. John (Chairman)
Deputy D.J.A. Wimberley of St. Mary
Connétable J.M. Refault of St. Peter

Witnesses:

Senator F.E. Cohen (The Minister for Planning and Environment)
Deputy R.C. Duhamel (Assistant Minister for Planning and Environment)
Mr. P. Thorne (Director of Planning)
Mr. A. Scate (Chief Executive Officer)
Dr. L. Magris (Assistant Director for Policy)

In attendance:

Mr. M. Orbell (Scrutiny Officer)
Mr. M. Haden (Scrutiny Officer)

Deputy P.J. Rondel of St. John (Chairman):

Yes, good morning, ladies and gentleman. For the record we will go around the table presently and give our names. Prior to that, Minister, we have 2 new members of our staff, Kelly and Mel, who are observers this morning. They work within the Scrutiny Department. In opening the meeting I will ask that each member gives their name and their title for the record, please. I am Deputy Phil Rondel, Chairman of the Environment Scrutiny Panel.

Deputy D.J.A. Wimberley of St. Mary:

Daniel Wimberley, Deputy for St. Mary. He has just been on holiday, so I do remember who he is.

Senator F.E. Cohen (The Minister for Planning and Environment):

Freddie Cohen, the Minister for Planning and Environment.

Mr. A. Scate (Chief Executive Officer):

Andrew Scate, Chief Officer for Planning and Environment.

Deputy R.C. Duhamel of St. Saviour:

Rob Duhamel, Assistant Minister for the Environment.

Dr. L. Magris (Assistant Director, Environmental Policy and Awareness):

Louise Magris, Assistant Director, Environmental Policy and Awareness.

Mr. P. Thorne (Director of Planning):
Peter Thorne, Director of Planning.

Mr. M. Orbell (Scrutiny Officer):
Malcolm Orbell, Scrutiny Officer.

Mr. M. Haden (Scrutiny Officer):
Mike Haden, Scrutiny Officer.

Connétable J.M. Refault of St. Peter:
Last but not least, John Refault, Constable of St. Peter.

The Deputy of St. John:
Good morning. Thank you very much. The purpose of this morning, obviously, is we have submitted a number of questions to you, 12 questions, to give you an idea of what we require this morning. On the agenda we have got (a) States Annual Business Plan and the impact and then, (b) the carbon intensity of imported electricity and the proposed way forward, and then (c) the briefing on the Island Plan, et cetera. Then we drop into a non-open discussion to do with the North of the Town Plan. So that nobody is rushed, at about 12.30 we will bring some sandwiches in, or thereabouts, so that people can have something to eat while we are talking to make it a bit more informal. Minister?

Mr. P. Thorne:
Could I just say there are 2 colleagues coming down at 12.00 p.m. for the Island Plan, Kevin Pilley and Ralph Buchholz, who are basically the project leaders.

The Deputy of St. John:
Okay, thank you.

Senator F.E. Cohen:
What time are we expected to finish?

The Deputy of St. John:
Officer, 1.00 p.m., was it? So, by having the food there, in case someone has to shoot off, but we will do the business first. Okay, right. We will start off with the Draft Annual Business Plan. Minister, do you expect that the proposed increase in planning and building fees will act as a disincentive to small developers, projects, et cetera?

Senator F.E. Cohen:
Well, any increase is something that would be best to avoid, but you know the financial pressures and, very clearly, we have got to do something. The proposals will result in a maximum fee increase of £30, which when you put that into context is very small. So, I think it would be best avoided, but I do not think it is going to have any significant impact at all. In fact, I would be amazed if it had any impact.

The Connétable of St. Peter:
How does that contribute towards your departmental savings?

Mr. A. Scate:

I think it is important just to outline the strategy we took as a department in looking at the savings targets. Certainly, income is a substantial part of our budget and so we have tried to maximise income coming in where we can. We have also tried to minimise, or reduce where we can, money that is paid out of the department. The other area we have looked at obviously is visitor centres, which we will come on to, which I know there are some reasons behind that. In round terms, the total savings for the department are around £360,000, of which the fee increases constitutes about half of that savings target.

The Connétable of St. Peter:

So the other savings are from closing down business centres and items like that?

Mr. A. Scate:

And grants, yes. So we have got 3 areas of savings: we have got certainly maximising income, which account for about half; grants, reducing grants being paid out by the department, around 45 per cent; and then there is quite a small amount in visitor centres.

The Connétable of St. Peter:

So what bottom-line savings can we see from within the department itself, excluding grants and application fees, et cetera?

Mr. A. Scate:

If we exclude grants and fees, it is the £20,000 saving in visitor centres.

The Connétable of St. Peter:

So within the department, the running cost of the department itself, there are no actual savings? It is all cuts made itself to the department?

Mr. A. Scate:

Yes, that is correct.

The Connétable of St. Peter:

You are hoping to make up some of your shortfall by increasing fees. Have you seen, with the current economic climate, a slowdown in the number of applications that are coming through the department?

Mr. A. Scate:

In terms of total numbers, our numbers are down slightly. We have seen a change in the type of applications that we have received. We are seeing less major, complex applications coming in and we are seeing far more smaller applications as applicants are choosing to improve homes, for instance, rather than to move house. You know, we often see that trend in planning and building whereby people will prefer to invest in their property and extend it and change it around rather than making a house move to buy that space in a different form. So, we have seen a ... the numbers have been fairly constant, but the type of applications, I would say they are the simpler type of application.

Senator F.E. Cohen:

Could I just add a bit there? I think that it is probably premature to ascribe the reduction in large applications with certainty to the downturn in the economy. The number of large applications is relatively small anyway. It may just be that it is just timing. We, Peter Thorne and I, had a meeting this morning with one large developer and this large developer is about to put in one very large application, which in fee terms skews things. So, I would not ascribe it with certainty to the downturn.

The Connétable of St. Peter:

All right. So, basically we are just saying that the downturn is not having an obvious effect?

Senator F.E. Cohen:

It may be, but I think it is very difficult to say that there have not been any larger, or have not been many large, applications only because of the downturn. It may just be a question of time.

The Connétable of St. Peter:

Cyclical, yes.

Senator F.E. Cohen:

If you have a look recently there have been some quite large applications which would indicate there is still some large development intended to be undertaken in the Island.

The Connétable of St. Peter:

In terms of process, more small applications, are they easier to process than substantial, major applications?

Senator F.E. Cohen:

I think that it is probably the opposite.

Mr. A. Scate:

In theory, yes; however, a very small application can be as contentious as some of the bigger applications. So, I think we have certainly seen a better churn through the department performance-wise, some of our performance, because it had gone up substantially with some of the other changes that we have made, which I know we will come on to later. So, I think in theory, yes, but there are always some small applications that can take an inordinate amount of time, mainly due to the comments that we get or the interest that they raise.

Mr. P. Thorne:

If I can add, as a general rule though, the smaller the application the easier or the faster it is to turnaround, simply because it generally is dealt with under the delegated powers in the department, rather than having to go and see the Planning Applications Panel or the Minister for a decision. That probably saves us 3 or 4 weeks, depending on when it comes forward in the cycle. I mean that, in the large part, I think explains the performance that Andy's just referred to.

The Connétable of St. Peter:

Okay. Thank you, gentlemen.

The Deputy of St. John:

Good. Going back on to what you said, Andrew, earlier; grants. The grants that have been cut, given that they were very low in the first place, by what percentage, or is it an equal amount on each grant?

Mr. A. Scate:

Yes, generally we try to be ... we have tried to have an equitable cut across both major grant areas we have, so the Historic Buildings Grants and the Countryside Renewal Scheme so, in fact, they are resulting in about a 30 per cent reduction.

The Deputy of St. John:

You say the Countryside Renewal Scheme. You might tell me I am wrong here, but I am given to understand that agriculture still receive something like £30 per vergée on land by way of a grant. Have these been cut?

Mr. A. Scate:

Those grants specifically sit within Economic Development as opposed to Planning and Environment; although we do have, obviously, a lot of cross-working because we have officers who are covering the agricultural advice, if you like, through livestock advice, agricultural advice. Obviously, the money, in effect, sits with E.D.D. (Economic Development Department). There have been also some cuts to those grants within E.D.D.

The Deputy of St. John:

Because I have concerns that we see ... in fact, certainly in the view of my own family who are very wealthy farmers and yet we are giving grants to people who really do not need it. I can understand if you have got land, farmers who are tenanted and do not make ends meet, but we have now large operations within this Island and some of these farmers are wealthy people and yet we are still giving them ... in fact, it was a farmer himself who raised it with me. He said: "This is crazy that we are giving ... I am receiving £30 a vergée and in real terms we do not need it."

Mr. A. Scate:

There is a distinction between the, if you like, agricultural supplements that are paid through Economic Development with the Countryside Renewal Scheme. The purpose of the Countryside Renewal Scheme is to buy things in the public interest, which would not happen in the natural market. The purpose of that scheme specifically is to enhance biodiversity, for instance. We pay to enhance the planting of field verges and field margins, for instance, which would not happen normally through the market. You may get some farmers doing that but invariably they will not. Certainly the grant schemes are designed for different purposes. So the one that we control, the Countryside Renewal Scheme, is ...

The Deputy of St. John:

So this one does not come under you?

Mr. A. Scate:

No, it does not, no.

Senator F.E. Cohen:

You make a very good point. For example, should the Historic Buildings Grant be means tested? We had been trying to implement an informal means-test policy, which is basically asking applicants if they can afford to do the work without a grant, but should there be a formal means-test policy? In my view, grants in most cases should be means tested because it enables you to direct more money to people who need it most, but there are alternative views as well.

The Deputy of St. John:

Absolutely. Thank you. I did not mean to digress too far on that, but it is useful to know that you were not responsible for that. All right, let us move on. Are the proposed increases in development control fees for 2010 targeted for particular types of applicants?

Senator F.E. Cohen:

We have not yet worked out precisely how they are going to be targeted, but it would be my intention to try and strike a fair balance. We need to be careful to ensure that we do not produce a disincentive for development and that we do not overburden the small applicant. The other side of it, of course, is that the last fee increases in our department were targeted at large, commercial developers. Particularly in the downturn, you cannot load it on too much, because it would be very easy to say: "All the burden should be borne by the large commercial developers because they can easily afford it." They have been hit in the last couple of years with a variety of different policies and additional fees.

The Connétable of St. Peter:

My mind is just deviating slightly while we are talking about that one, but we will come to this topic; it is Percentage for Art. If we think about application fees plus a Percentage for ... increasing application fees for large developers and Percentage for Art, is that not almost a double whammy there?

Senator F.E. Cohen:

Yes, it is. The concept of Percentage for Art is that you should be ... firstly, it is a voluntary policy, but it is a voluntary policy that is strongly encouraged. The concept is relatively simple and it is that the developer should be enthused to deliver the work of art. That is the concept behind the policy with an adviser helping the developer and enthusing the developer to show what they can do. It is unquestionably a burden and when you are encouraging Percentage for Art at 0.75 per cent and you are adding on top of that additional fees then there will certainly be a limit that will, at some point, result in developers questioning whether or not they want to carry on with a development, but we are not there yet. We do have to be cautious and mindful of the burden.

The Connétable of St. Peter:

Is there any opportunity for - I am waving my Parish hat now - Percentage for Art to be donated to a Parish or community project?

Senator F.E. Cohen:

We are working on a new S.P.G. (Supplementary Planning Guidance) at the moment.

The Connétable of St. Peter:
S.P.G.?

Senator F.E. Cohen:
Supplementary planning guidance.

The Connétable of St. Peter:
Thank you.

Senator F.E. Cohen:
We have got to be careful because what will happen is if you just allow a complete les affaires policy to be adopted in relation to what Percentage for Art can be used for, you will end up with no art being delivered because people will have their pet projects that they want to promote. Generally, if something in a Parish is art related then we should have some mechanism to enable developments in the area to have some mechanism of supporting those projects. One of the main concepts of Percentage for Art, remember, is that the work of art should be located on or very near to the development. So the idea is not that if you are building something on the Esplanade that you contribute to, let us say, a fountain at Queen's Road.

The Deputy of St. Mary:
A couple of points on this. You talk about works of art as if they are always fixed objects, or fountains that move but they are fixed objects. On my holiday I have just seen my son working - and his partner - on participative, very innovative art projects in a similar way to you were mentioning community-based art. So the first part of the question is how can one fit that kind of concept into Percentage for Art, or is it really, realistically only ever going to be fixed pieces of art on the door or wherever? That is the first question.

Senator F.E. Cohen:
It started off on the basis of producing individual, tangible works of art. The new S.P.G. is being written in consultation with the Department of Education, Sport and Culture. They are keen to shift very much in the direction that you are suggesting, so I think you will find that when the new S.P.G. comes out that Percentage for Art will also incorporate community art projects and a variety of other areas of art that do not constitute tangible, physical works being delivered on a site. So, I think it will go in the direction that you are suggesting.

The Deputy of St. Mary:
I am pleased to hear that because I think art now has a much wider definition in terms of engaging with the public in fixed works of art.

Senator F.E. Cohen:
The concept was to deliver something very quickly that worked and we have done that. We have got lots of works of art being delivered in the Island with a mixed response. They are not all loved, that is for sure. One particularly is quite controversial. That has been successful to move it on and to allow developers to engage in commissioning community works of art and to enable the other areas of art, perhaps even temporary art, to be brought into the Percentage for Art programme.

The Deputy of St. John:

Can I come in on this point? Your new S.P.G., is it only solely within the arts, or is it going to be arts and heritage? Given that heritage seems to be getting clobbered in a number of areas because in the beginning ... initially that was heritage. So, I just wondered if there is going to be an overlap in your new S.P.G.?

Senator F.E. Cohen:

It is an area that we need to consider. Perhaps in a closed session I could tell you more about something that is going on at the moment.

The Deputy of St. John:

Fair enough. I did have a second one on this art question, which I suppose is almost more complicated.

Senator F.E. Cohen:

I will make a note to tell you about that.

The Deputy of St. John:

Do you want to make your note?

Senator F.E. Cohen:

No, that is fine, thank you.

The Deputy of St. Mary:

It is almost more fundamental and I do have a slight problem in the back of my mind with the Percentage for Art principle because it seems to me that art is more important than inviting developers to contribute to the Island having enough art provision widely defined as I would define it. It slightly also bothers me that you have what you call: "A voluntary policy, which is strongly encouraged." That suggests to me that if developers then want to play ball they are less likely to get permission and then you get conditionality and then you get all this kind of very grey area. I am just worried that what effectively is happening is that we are taking out of the area where, in my view, it should be, which is public funding. We should accept the value of art in a wider definition. We shall accept the value of art, we should fund it, just as we should fund heritage, properly, because it is important. To leave it as this kind of developer game within P. and E. (Planning and Environment) ... I mean, I appreciate how it started and how valuable it was, but I just question the entire principle.

Senator F.E. Cohen:

You clearly have got to make sure that the Percentage for Art policy is not something that enables people to get permits that they specifically otherwise would not have got. That does not mean that out of planning applications that the public should not benefit through the delivery of high quality works of art. If you leave the concept of delivery of art, say, into public funding, I do not think you will deliver very much public art. Remember that Percentage for Art is not public art. Percentage for Art is effectively private art delivered by developers, usually located on private land but not always, but for the benefit of the public. As far as I can see technically, there is nothing in the policy that ensures that the developer cannot pick it up and sell it. Effectively, you, in the current policy, have no certainty of very long-term delivery, or you have no certainty, that the works of art will remain in the very long term. I think they will, but

it is not built into the policy and that is something that we need to change in the forthcoming S.P.G.

The Connétable of St. Peter:

Just staying on; just a final quick one from me. Just because I have been talking the last few weeks with 3 different developers within my own Parish and certainly 2 of them are still within the planning phase, or pre-planning phase, and they are talking to me ... one is talking to me specifically about could he donate his works of art of a Parish, community-type project, like, for example, a nice granite built bus shelter or something like that, for enhancing the feel of the centre of the Parish, something of that sort of nature. Another one who has sort of given me a wry smile about this piece of art that they have been compelled to put in, which they do not really want, but they are going to do it because there is a compulsion upon them to do it, but it does seem a bit of a waste in that respect. The third one, who is using his work of art to embellish his own structure, which is very, very nice, I have to admit, in the way he described it to me, but it is an embellishment, an enhancement of a feature, rather than something which was art. Art is a very subjective thing, it is very much in the eyes of the beholder, and the very controversial piece of art at St. Peter's Valley, it depends on which angle you are looking at it. It has raised quite a few eyebrows, I have to admit. It is a very subjective thing and if there was some way ... and, again, I apologise if I am banging the drum of the community project within the Parishes, but it would be nice if that could be looked as Percentage of Art or community involvement.

Senator F.E. Cohen:

I think you have to strike a balance. I am not sure that a bus shelter, unless it is something very special, is ever going to be a work of art. It could be, but the general definition should be that the work, whatever it is, is constructed or designed by an artist. You could probably extend that to a craftsperson, but I would say that my preference would be to start with the word "artist". I cannot see any problem with including something that embellishes the scheme. It could be that wonderful handmade wrought iron railings could be considered as Percentage for Art, if they are designed by an artist. We have had some discussions on railings before. It could be that a frieze, for example, is presented on the façade of a building. There is a whole variety of works of art that constitute something that is acceptable under Percentage for Art. Basically, because it is a voluntary policy, other than in very exceptional circumstances, we tend to let the developer do what they want. I am surprised to hear that you have got one developer who does not really want to do it. There are obviously ...

The Connétable of St. Peter:

No, sorry, he has proposed to make his contribution, but he said: "Can the Parish make better use of it in doing something within the Parish for that same financial amount of money?" I will not tell you the amount of money because you will know who I am talking about.

Senator F.E. Cohen:

I am sure there is a compromise where the Parish can benefit and that we can still have something that is regarded as a work of art within the general principles of Percentage for Art.

The Connétable of St. Peter

In the most general of terms, yes. Okay, thank you.

The Deputy of St. John:

Can I draw the meeting back as quick as we can to the agenda because we are going down one line here. What level of cost recovery will be achieved after the fee increases in 2012 in the 2 sections, please?

Senator F.E. Cohen:

The aggregate cost recovery between 2010 and 2012 rises from 78 per cent to 84 per cent, assuming no significant change in expenditure.

Mr. A. Scate:

That is correct.

The Deputy of St. John:

All right, okay. Has the department seen any evidence to date in 2009 of the upturn in commercial applications?

Senator F.E. Cohen:

I think I have already ...

The Deputy of St. John:

I think you mentioned that one with that one big developer, which would skew your figures then, would it?

Senator F.E. Cohen:

It would bring us back to a position where we would not be saying: "We are seeing no large commercial applications."

The Deputy of St. John:

Right, okay, yes. So, has the department anticipated an upturn in its plans for 2010? That is on the back of what you just told me, I presume? So you will be seeing an upturn because of ...

Mr. A. Scate:

For budgeting purposes we are not expecting a major upturn in income over and above 2009 levels, obviously notwithstanding fee increases that we are due to bring in. We have seen income down this year, but we have balanced that with the fact that we had a proposition agreed that we were going to employ more staff based on additional income, but we have traded one off against the other, so we have not employed more staff because we have not had the income to do it. So, no, we are expecting 2009 levels of income to continue, obviously with the supplement now of the increases that we are pushing ahead with.

The Deputy of St. John:

All right. So you have more or less answered number 10, but I will put it so that it is on the record. Does the department intend to continue a policy of limiting any additional posts in 2010 and, if so, what is the impact of this policy?

Mr. A. Scate:

Yes, we do. The impact across the department in terms of keeping steady our staffing levels mean that we are upping productivity levels with the existing staff base we have got, so that is the message, really. We are seeing quite substantial efficiency gains within the department. Certainly performance has increased substantially in planning and we are seeing the workload in other areas of the department, such as waste regulation and water regulation, substantially increase with the same staffing resource. So although we are not seeing a financial efficiency gain we are certainly seeing a major productivity efficiency gain.

The Deputy of St. John:

I have got a question later in the morning on the water, so I will come back on that one later on. What changes are being brought about for today through the implementation of the department's charter?

Senator F.E. Cohen:

The main is that planning decisions are now 80 per cent completed within 13 weeks. We have got a free pre-application advice system that has been reintroduced and there is now a duty planner available at all times to call at the reception.

The Deputy of St. John:

Can I take you back into the days of one of your predecessors, the late John Le Sueur, when he introduced charging into the States; I think his comments were that we would see a turnaround within 6 weeks. They may not be the exact words, but we are now talking about in excess of double that period of time.

Senator F.E. Cohen:

My view is that any tighter than 13 weeks is just undeliverable. There are problems with 13 weeks. If you get perfect applications you could deliver in a week, but the reality is most applications are far from perfect and require considerable effort on the part of the department. I am afraid if we are going to deliver high-quality buildings in the Island we have to go through that process. One of the ways of achieving the 13 weeks has been by being less prepared to negotiate with applicants. The result of that is that the figures have got better, but if you ask some applicants, some applicants will say: "Well, previously our scheme would have been negotiated, we would have been given the opportunity of revising it 2 or 3 times, and now we have just had it refused." So, you know, there are 2 sides to the figures. I think one needs to be very careful about measuring planning by how quickly things go out the door. It is very easy to make the figures look much better. You can simply refuse everything.

Mr. P. Thorne:

Can I add to that, please? I would just like to say that the introduction of the new planning law in 2006 has brought more onerous procedures into play. We abide by law now from determining the applications within 13 weeks and, you know, some very simple ones we just used to have a quick look on site and send them out again. We have to consult on all applications, publicly, publishing publicly with the site notices and so on. So, we cannot make the very quick turnaround decisions, which used to help the average. The other thing, of course, is that we now have public meetings of the Planning Applications Panel, which currently meets on a 4-weekly basis, or a monthly basis. We have to go through certain procedures, publishing

agendas, sending out notices and so on, which has the effect of extending the period anyway. We are no longer able, under the law, to deal with things as quickly as we did before, simply because of the front-end and back-end processes, which are all to do with the transparency in planning, which we believe is a benefit. It is probably better to wait longer and have a process which is less prone to criticism because things were done behind closed doors and so on. So, there are 2 very significant areas there in the new law, which have prevented us from ... well, we were trying to achieve an 8-week target, but it is simply impossible. You know, you have got to advertise for 3 weeks and potentially somebody who is having to wait up to 4 weeks to get to a meeting of the panel or the Minister's meeting.

The Deputy of St. John:

Thank you very much for clearing that out of my mind because at least it is now on record ...

Mr. P. Thorne:

You are not comparing like with like.

The Deputy of St. John:

That is correct. That is very useful, thank you.

Mr. A. Scate:

If it would help, Deputy, just to put into context the 2008 performance figures. The outset of 2008 was around 55 per cent of applications being decided within the performance target; now we are hitting 80 per cent. So we have made substantial changes and we have got really big improvements on performance. I think certainly the Minister is correct in terms of the quality of application we are getting; hence, we are introducing the pre-application advice service to make sure that when the application comes in the application is of a far better quality that we can deal with within the time, so that therefore we are putting the effort in with applicants prior to applications being submitted rather than negotiating and working on a application in our time. We are doing it on their time rather than ours.

The Deputy of St. John:

Good, thank you. Has the department been able to clear the pressure of applicants identified in last year's Annual Business Plan?

Senator F.E. Cohen:

Pretty much, is the answer to that.

The Deputy of St. John:

Percentage-wise there, Minister?

Mr. P. Thorne:

It was clearing a backlog really, which had built up. We were struggling. We have had a couple of blitzes in the department where we have said: "Well, we are not available for telephone calls, meetings and so on" and we have just cleared the backlog gradually. We have also taken on a temporary contract planner just to help us in clearing the backlog.

Senator F.E. Cohen:

It depends what you consider to be a backlog. If you consider applications that have been on the books for a long period of time as a backlog you are never going to clear all of those. There will always be some applications that literally take years to resolve.

The Deputy of St. John:

Can you give us an example?

Mr. A. Scate:

Numbers? Yes, we have generally got around 10 case-holding officers, each with a case of around 30 applications, there or thereabouts. There is always going to be a natural level of applications in the system, around 300 applications. That has been given a title of "backlog", but it is just the natural work in progress, if you like. The actual work in progress has been higher at 600, 700 or 800 applications, but we have been bringing that down. Probably it is currently around sort of 400 or 500 applications that are outstanding. Again, that does vary month to month, just depending on exactly what comes in that week. The last few weeks, for instance, we have had quite a few applications submitted. Early August there was literally only 10 or 20 a week. So, it does vary quite substantially throughout the year.

Senator F.E. Cohen:

There are applications that are always naturally going to take longer and, you know, we have introduced a fast-track system, but there are applications where we have said: "Look, we do not think your application is suitable for the fast-track system because very clearly there will be a lot of Island interest in the application and the consultation period must be longer than for a simple, less contentious application."

The Deputy of St. John:

Okay. What have been the main challenges in implementing the changes to date?

Senator F.E. Cohen:

Trying to provide a service that meets the needs of different groups. We have got such a wide range of different applications from the little applicant who wants to extend their house and has drawings they have produced by themselves or by a friend - and I have got some of those on my wall in my office for lighter moments - and right through to the most accomplished schemes that are drawn by the very best architects and trying to provide a service that enables, as a process, those 2 extremes is quite tricky.

Mr. A. Scate:

If I can add, I think the planning system as a whole has a range of customers; clearly those who are applying for permission, but also those who want to comment on the planning process and the proposal. So, we are trying to meet many ... our customers, in effect, are both applicants and objectors and supporters and the wider public and trying to meet all people all of the time is ... you just cannot do that. I think the biggest challenge we have had with applicants has been the tougher line the department has taken on the quality of applications being submitted. That certainly has resulted in some more full and frank conversations with applicants in terms of: "We are not accepting that as an application. It is not valid because we have not got

the information” and trying to get the applicants to work more with us at pre-application stage, that has been quite a change. We are getting there, but as with any ship, it takes a while for it to be turned around and to get that different mindset with our applicants. Our case officers are more than happy to do it. So that, I think, has been our biggest challenge.

The Deputy of St. John:

Okay. What new changes would be brought about through the planned general efficiency savings?

Senator F.E. Cohen:

Well, the answer is that the savings will be replaced by increases in fees.

Mr. A. Scate:

I think it is important - again, just to note - we are not losing numbers of staff across the department. So, if we are judging efficiency savings by the bottom line in terms of staff employment and, if you like, our staff resource, then that is not changing radically. There are a number of reasons for that strategy. One is the ... well, the main reason is that we are fairly thinly stretched across all the Planning and Environment functions. We have got a couple of examples there. We have got a number of single-point dependencies, which we call them, and we have got one States vet, for instance, we have got one entomologist in the plant laboratory. We have a number of functions which we have to carry out. We might only have one person doing that function, so it is incredibly hard to whittle down staffing resource when we are so thinly stretched. In addition to that, we have seen quite substantial increases certainly on the environment side; air quality, energy, water and waste regulation, a lot of pressures and a lot of additional work in the departments. In effect, we are absorbing quite a lot of new legislation, new strategies and new interests with the same staff resource. Therefore, so instead of cutting back the staff resource, we are just adding additional work. I think we are achieving quite substantial productivity advances with the same staff base. So, it is a non-cashable saving in that sense, but that is certainly why the strategy has been to maximise income into the department and minimise grants going out because our current staffing level is so thinly stretched across a number of fronts. We just cannot afford to lose any further staff. Another example would be the planning officers, for instance. We have got roughly 2,000 planning applications coming in a year; 10 case-holding officers, which mean they generally deal with 200 applications a year.

The Deputy of St. John:

Getting back to what you said early on though, you mentioned the States vet. Until a few years ago, in fact, that was privatised. At that time, in the days of Charles Gruchy, when it was under the old system, there were literally hundreds of farms around the Island, et cetera, and the abattoir(?) was running about, what, 6 days a week and so on and so forth. Given that now we have a handful of agricultural units, so things are much easier to get into, and the abattoir is not open every day of the week, is there not merit in putting that back into the private sector instead of leaving it within the States melting pot, shall we say?

Mr. A. Scate:

Yes, part of the States vet job obviously is to support industry on the Island. Also, there is a big regulatory function in terms of animal health, movements of animals through the port, movements of animals across other points of entry into the Island. We have also got a number of ... the legislative framework that Jersey has needs to advance. So, the States vet's job, although there is an element of regulation within the industry, there is also quite a big chunk of the States vet's job which is government regulation, policy and lawmaking, which I do not think should be done or could be done by the private sector. We would still need a client officer to direct that work. Even if we did externalise it we would still need someone within the department to direct that contract and ...

The Deputy of St. John:

On a similar salary?

Mr. A. Scate:

I think you would need a States vet, yes. You know, vets, we would need someone with that professional expertise to make sure the contract - if a contract is pursued - is done correctly. Certainly the lawmaking side of veterinary practice and our animal health legislation, we have got some quite significant gaps still, so we are plugging those gaps slowly. Work we do with Durrell, in terms of animal movements, animal testing, there are a number of other things that the States vet does, rather than just obviously support to the agricultural industry.

The Deputy of St. John:

Yes, historically, but when it was out in the private domain until about 15 or 17 years ago they will still doing all these ... the zoo was there and Durrell is now ... all these things were all ready and there was a bigger picture.

Mr. A. Scate:

We have got up to speed a lot more significantly in the legislation and practice we should have been applying. So, arguably, going back 15 or 20 years, a lot of the legislation we have and the ability to better implement it and regulate it, I think is probably more limited back 15 or 20 years ago than it is now, now we have a dedicated veterinary officer.

The Connétable of St. Peter:

Just coming back to the initial question. Earlier on we heard that you managed to blitz a fair amount of backlog, or what was termed backlog, by looking at your working practices and cutting out some of the meetings and things like that. Have you looked at streamlining the department overall in working practices, on a short term? Is there an opportunity to do that on a longer-term basis?

Mr. A. Scate:

Yes, I think the answer there is yes. I think at the moment we are tied to 2 main locations within the department, although we do have a third location at the airport, so the department is spread around, therefore the management structure, in effect, reflects that to a certain extent. We have got a number of unique functions. We have got generally 9 unique functions. I think there probably is scope to combine some of those. We are certainly looking at the policy-making function at the moment. We have got planning policy sitting in one area, we have got environmental policy sitting

in the other. The policy-making function, we are working together to try and make that more harmonised.

The Connétable of St. Peter:

Basically can you just reassure us that you are looking at improving working practices to include efficiencies and costs?

Mr. A. Scate:

Absolutely, yes. A quick example of that would be the Met Service based at the airport. We have now hit our 15 members of staff target, back down from the 25 members of staff target. So, the trend in the Met Service has certainly been for greater efficiency, greater use of I.T. (information technology) and mechanisation, if you like, so we now get that ... We are not going to stop there because we have now got a project underway at Met to respond to the C.A.G. (Comptroller and Auditor General) recommendations on efficiency savings, which will see a review of that service as well over 2010.

Senator F.E. Cohen:

If you want major improvements, the major improver would come from locating both sections of the department within one building. We have talked a lot about that and we have had a variety of locations offered and all sorts of ideas, but it has not happened.

The Connétable of St. Peter:

Okay, something that would improve in the longer term. Moving on ...

The Deputy of St. John:

Yes, we go down to consultants.

The Connétable of St. Peter:

Shall we move on?

The Deputy of St. John:

If you would, John, please.

The Connétable of St. Peter:

To what extent does the department rely on the use of consultants?

Senator F.E. Cohen:

The department relies on the use of consultants for specialist pieces of work, as well as for regular pieces of work. A very good example is the North of the Town Master plan, which has been produced by Hopkins Architects in partnership with Naish Waddington, although the majority of work was by Hopkins Architects. We also use consultants, as I have said, for specialist regular work. So, for example, we use Oxford Archaeology to provide archaeological advice. We could use outside consultants significantly more. An example is the Island Plan Review where we decided to do the majority of the work in-house using our in-house team. They have engaged some specialist consultants for particular pieces of work, but the majority of the work has been done internally. The other way of doing it was to contract the whole lot out to a specialist, outside contractor, but we chose not to. In terms of

figures, the consultancy budget for Planning and Building is £122,000 approximately; for Environment, £187,000, which makes a total of approximately £310,000.

The Connétable of St. Peter:

Do you see that budget being contracted at all in the future to help improve your bottom line?

Senator F.E. Cohen:

It depends what work you are going to take on. I was not intending to take on the North of the Town Master Plan at the beginning of the year, but the opportunity came up. It sounded like a sensible thing to do at the time. It was an expensive piece of work, but I hope the result of it will, in the long term, be a significantly improved North of the Town. I think you have got to align your consultancy budget with your overall resources. Of course, if you are under pressure, the consultancy budget is one of the first areas that you can contract.

Mr. P. Thorne:

The figure for next year is a contraction on this year's, so it is a smaller budget we are facing next year.

The Connétable of St. Peter:

I think in response to you, I applaud the efforts that your department is making. You clearly have some highly-skilled staff within the department that are currently working on the new Island Plan. So you do have a quality base there to work from. I would have expected that it would be more cost effective to use your local staff who know the local marketplace and conditions much better than bringing in outside consultants. So, further contraction would be most welcome, if possible.

Mr. P. Thorne:

One of the issues and one of the reasons we employ consultants is capacity; the capacity of the department. The risk in producing the Island Plan, for example, internally is that the staff who are working on it are pulled in other directions. We experienced that in 2001, where we tried to do it internally as well and we just were not making progress. We were going back all the time, so it was taking longer and longer and we eventually decided: "Look, let us just put this out to a consultant to finalise it." This time around we have been more successful, I think, in carving out the time for people to work on the Plan internally, but they still have to balance that with doing their other work.

The Connétable of St. Peter:

Just on a cost basis, would it not ... just thinking it through, would a consultant equal a higher-level member of your staff in cost basis; whereas if, for example, a higher-level member of your staff did the work that you would otherwise give to a consultant you can bring in lower level or lower-value staff to do the day-to-day legwork?

Mr. A. Scate:

I think that is right. The other real benefit of having a consultant's budget of sorts is to employ those advisers that we would never get on the books. So, for instance, on a scientific level, we have recently employed a consultant to give us some very specific scientific advice on pesticide legislation, which enables the officers in-house to draft

the law report for new pesticides legislation. In that respect, we would never be able to employ someone, even on a short-term contract, to have given us that advice. There will always be a natural level of consultancy advice needed. Archaeology is another really good example. We could employ an archaeologist, but it is more cost effective to do it via a consultancy where it is a more full(?) contract.

The Connétable of St. Peter:

Thank you very much, gentlemen. Policy and projects. This section has a budget income of £1,000 in 2009. There is no income budget for 2010?

Mr. P. Thorne:

There probably will be income, but it is difficult to know when it will come. Primarily the income in that section is in sales of policy documents, principally the Island Plan. The income from the Island Plan has dwindled as most people have required one. Obviously, when the budget was put to bed there was uncertainty as to when exactly the new plan would come into force, which will presumably engender some interest in acquiring copies. But increasingly people are accessing documents online rather than hard copy and we anticipate when the new plan comes out we probably will not sell as many hard versions as we did previously. We have supplied them at cost in the past.

The Connétable of St. Peter:

Just going off slight tangentially, but still looking at income, has the department considered charging alteration fees for what one would call defective planning applications? For example, the Population Office do that with applications for housing. If a defective form comes in they charge for an amendment. Is that something that your department could look at? That could potentially ease the amount of work that comes into this defective and if it is, actually pay you for having to take the extra effort.

Mr. P. Thorne:

Increasingly, as was alluded to earlier, we are refusing applications that are defective. When they come back with a revision we take another fee.

The Connétable of St. Peter:

You take a second fee?

Mr. P. Thorne:

But applications which do not have sufficient information submitted at the outset we generally return, so when it is complete we will register it with the original appropriate fee.

The Connétable of St. Peter:

We are working down that line then. Thank you. What is the current budget for building grants?

Senator F.E. Cohen:

In 2009 the historical buildings grant budget is £60,000.

The Connétable of St. Peter:

Do you see that increasing?

Senator F.E. Cohen:

Not with the current financial position, certainly not, and in fact in 2009 we have only committed £22,000 to specific projects and those specific projects are the shop front and roof repairs at a property in Bath Street, the reinstatement of the roof at the Columbia at Samares Manor and the repair of the lalique glass fittings at St. Matthew's Church.

The Deputy of St. John:

What is the maximum grant, Minister?

Mr. A. Scate:

I think it is £10,000.

The Deputy of St. John:

£10,000 and that is why the grant is being cut?

Mr. A. Scate:

It is.

The Deputy of St. John:

By how much of it, did we say?

Mr. A. Scate:

We are looking to reduce that grant by £20,000 so it will be £40,000 next financial year.

The Deputy of St. John:

So there will only be £40,000 in that kitty but we only spend £20,000 this year perhaps.

Senator F.E. Cohen:

Yes, but the grant pool is wholly inadequate. If we are to, in the long term, preserve historic buildings we have got to very significantly increase the grant pool.

The Connétable of St. Peter:

Can I just make a suggestion, going back to an earlier conversation, has there been any thoughts in, coming up to my contribution of art hobby horse, encouraging developers to make a contribution instead of to art to historical building funds?

Senator F.E. Cohen:

We started off if you remember with a suggestion from Deputy Reed that we had a percentage for drains. The reason everyone is catching on to percentage rise(?) is because it has been successful and people can see it as a mechanism of extracting money for all sorts of other things. Yes, you can extend it but every time you extend it you dilute the original purpose, and it may be that States Members would like to see it extended; it may be that they would like to see it as a percentage for art, culture and heritage. Of course, if that is what States Members want it to be, that is what it will

be but it has just been introduced on the basis of mirroring in principle successful schemes at other places and it has worked.

The Connétable of St. Peter:

Thank you for that, Minister. It just seems a shame that on the one hand we are asking for art embellishments on buildings and we are potentially allowing our historic buildings to fall into disrepair and it seems there could be an opportunity to cross funds.

Senator F.E. Cohen:

Yes, they can.

The Connétable of St. Peter:

Thank you for your answer on that one. What projects have been funded by this scheme in the last 24 months?

Senator F.E. Cohen:

I have given you the ones most recently and I am not sure if we have a breakdown.

Mr. A. Scate:

The breakdown is in the Business Plan, I think, is it not?

Senator F.E. Cohen:

Of 2008?

The Connétable of St. Peter:

Do you want to refer back? We will move on for a moment.

Mr. A. Scate:

We certainly have the last 12 of this year so we can certainly provide the panel with the previous years.

Senator F.E. Cohen:

This year it is Bath Street, Samares Manor and St. Matthew's Church.

The Connétable of St. Peter:

Just the ones you have mentioned earlier on. Thank you very much. What proposed grant applications will be affected by the saving? Are there currently any coming in that you will not be able to support?

Senator F.E. Cohen:

We have already rejected 3 applications for grants on the basis there is insufficient funding to support them in 2009, and presumably the same will be the case in 2010.

The Connétable of St. Peter:

Could you share with us what those were?

Senator F.E. Cohen:

I would if I could. [Laughter]

The Deputy of St. John:

Can you confirm people who have applied, would they have passed your means test criteria?

Senator F.E. Cohen:

I do not think that it got to that stage. What happened was either last year or ... I think it was last year, I saw a number of applications where I thought the property owners were likely to be pretty well off and at that stage I asked for confirmation that the works would not go ahead if the grants were not forthcoming and we received confirmation on, I think, nearly all those applications. We do have a formal means testing mechanism where you are asked to produce a list of your income and your assets.

The Connétable of St. Peter:

Thank you very much. Moving on again, another question on policy and projects. Capital funding of £400,000 for urban renewal has been withdrawn on the basis that this will be funded in future through planning gain. This is likely to have significant impact on St. Helier's development and the regeneration of strategy and if you can give us some clarification of the implications this has, it would be most helpful.

Mr. P. Thorne:

We have for quite some years now, 15 years or so, received capital funding; a modest amount each year but it has provided a formal way of being able to effect improvements generally in St. Helier although there were, I think, some outside of there initially but things like Broad Street improvements for example have been funded by that fund. With cut backs across the board, we are no longer receiving any funding. I think we had our last funding this year ... No, it was last year, I beg your pardon, which was the last tranche of funding. I think the intention, and in some ways it relates to what was debated in the States the year before last when the ... Certainly, the intention I think is that receipts from the Waterfront will in part be used to fund improvements and regeneration efforts in St. Helier. That goes back to a proposition of the Constable. I am trying to think of the date that it was but I cannot remember.

The Connétable of St. Peter:

When you say receipts from the Waterfront, receipts generated from development of the Waterfront?

Mr. P. Thorne:

Yes, sorry, development receipts would be reapplied in whole or in part to refurbishment of the town.

Mr. A. Scate:

I think the £400,000 budget has been removed through the capital allocation process and in the capital programme for 2010 has been oversubscribed by, I think, probably nearly 5 times the amount of capital bids as opposed to the amount of capital funding that is available in the budget for next year. As a result of that, obviously a prioritisation process was undertaken and many other capital bids have also been, if you like, knocked out of the capital programme for next year. This one has been removed. If we look at North of Town, the master plan and other major developments that are coming on stream, there is certainly a feeling that we can get major public

realm improvements via developments, private debt or funded via other means rather than States funding, so a good example would be the northern town master plan which we can sort of describe later.

The Connétable of St. Peter:

What other sort of projects have you rejected on the basis of the budget being withdrawn? Can you give us a couple of examples?

Mr. A. Scate:

The budget to date has been used in partnership with T.T.S. (Transport and Technical Services) to look at public realm improvements, new paving, planters, that sort of thing, working with the Parish of St. Helier as well, so it is that sort of project which we have not had any bids in. We know the money will not be available for 2010, therefore the programme works that we have has come to a natural end.

The Deputy of St. Mary:

Can I give an example; at St. Aubin I was part of the public consultation about that which was really well run and out of that came a number of improvements that could and should be made to St. Aubin in the public realm and are we now hearing that that is effectively impossible because of these cuts?

Mr. A. Scate:

I think any such works, unless we can fund them via development, if there is not the capital funding available then I think the answer would be yes, that those sort of works will be at risk until the capital programme increases again.

The Connétable of St. Peter:

What other activities within the historic buildings have received additional funding?

Senator F.E. Cohen:

There have been no additional funding of activities in the historic involvement team.

The Connétable of St. Peter:

Okay, thank you very much, Minister.

The Deputy of St. John:

We will move on to the mapping. Why is the increased expenditure on the Jersey digital map necessary? I see there is a 50 per cent increase approximately if I recall correctly.

Senator F.E. Cohen:

The answer is simply that the increase which is £11,000 is necessary to keep the map up-to-date.

The Deputy of St. John:

Are there questions from anyone? If not, will you carry on with the environment please.

The Deputy of St. Mary:

The Countryside Renewal Scheme, I thought I would collapse the first 2 questions. Can you give us some examples of recent grants and their effects just so on the record we know the kind of thing that the Countryside Renewal Scheme does.

Mr. A. Scate:

Certainly. I have not got any specifics of the grants, the values and I can certainly provide those to you but I can sort of describe some of the schemes.

The Deputy of St. Mary:

Actual schemes, yes; that is what I mean.

Mr. A. Scate:

For instance, the slurry stores at farms have been a very big expenditure item for the scheme over the last 2 or 3 years. The purpose of those has been to aid the water environment, obviously to reduce pollution. That is one example of some quite significant spend. We have also spent money in terms of planting up field margins for instance for different types of wild flower and other things which are encouraged by diversity and we have also been given certain support to the organic farming industry to look at less intensive farming practices again which have some big positive knock on for the environment in certain areas. That is a quick flavour but I am more than happy to write a very detailed breakdown of the projects we have either currently got in train or have recently been completed.

The Deputy of St. John:

On that one when you say slurry tax on farms, et cetera, are these farmers means tested?

Mr. A. Scate:

No, they are not.

The Deputy of St. John:

Should some thought be given to it or not?

Mr. A. Scate:

Yes, I think it is a very good debate because clearly we have now got legislation in place around the water and the waste environment. The grant scheme has been used as an incentive to get practices changing on farms. We are getting to a stage where now that funding for slurry tax will cease and we could have taken the other alternative of not actually giving any incentive but just regulating very hard and taking formal action against farmers if they had done it themselves. We felt this was probably a better way to ensure that the tax were put in place to reduce the level of nitrates, et cetera, in the water supply. So it has been public funding to effect that behaviour. I think that funding now we are seeing the last ones in the programme so it is not an ongoing item.

The Deputy of St. Mary:

Could you say whether any consideration was given to anaerobic digestion in the process of looking at applications about slurry?

Mr. A. Scate:

I do not believe we have although the framework for what we give grants out for is constantly under review. In some years, some items are given greater priority than other items and we have a panel that looks at that with political input. In the past we have not given great priority to an aerobic digestion; that does not mean to say that in future releases of the scheme, certainly not in 2010 but come 2011, that we may be able to put details in the scheme so we will get grants for such ...

The Deputy of St. Mary:

So when grants have been given for effectively disposal of farm wastes which is what this is, in Europe it is common place to use anaerobic digestion to put the sewage in with the farm waste and gas at one end and compost at the other and that was not considered in the scheme.

Mr. A. Scate:

Well, we have not had any applications from ...

Dr. L. Magris:

I can add a little bit to that. Within the Energy Policy Green Paper which I am sure you are familiar with, we did a high level feasibility study for anaerobic digestion on the Island. I think what came out of that is it is perfectly possible and you are exactly right, it is quite common place in Europe. I think the economies of scale in Jersey would mean that we would require a centralised digester in order for it to make sense. Obviously, I am sure you are aware that one of the big difficulties around anaerobic digestion or not difficulties, the challenges, is having a uniformed feed stock of material into the anaerobic digester because if it changes very significantly, you know you have a pile of potatoes one week and a pile of slurry the next, the bugs inside the system are rather unhappy and it does not work very well so homogenising the inputs is quite important. If we were able in the future to look at having a centralised anaerobic digestion for Jersey which I think would be a good solution to some degree, there would probably still be a requirement for holding tanks of slurry on individual farms and then that would have to be fed into the anaerobic digester. So the grants for the slurries were sensible in that they were providing an immediate solution and there would also be infrastructure that would be required in the long term even if we did move to anaerobic digestion as a solution. So I think, you know, it was reasonable to make those grants. Perhaps I could add as well, I believe the grants for slurry stores are 60/40 so it is not a 100 per cent grant. The farmer does make a contribution to that grant so picking up is not quite the same, but picking up on your means testing question, Deputy, although it is not means tested, the farmer does make a contribution to the infrastructure which is, of course, something that they are benefiting from.

The Deputy of St. John:

You mention the input of potatoes into anaerobic digester but in fact potatoes are not part of the system at the moment given they put them back on the land in large quantities.

Dr. L. Magris:

That is exactly right but if we were to look at having an anaerobic digester for Jersey and investing either privately or in a public/private partnership, the way to make it most efficient would be to maximise the material running through it and you are quite right, at the moment potatoes are returned back to land. It would be potentially

possible to divert them into the digester and make energy from them so that would be one solution. Again, the challenges are around making that a homogeneous input into the technical procedure.

The Deputy of St. Mary:

It is good that we explored the issue a little bit. Thank you. So moving on to what activities will be affected by the reduction in grants? I mean have you had examples of turned back schemes already and what do you anticipate being the effects of this cut?

Senator F.E. Cohen:

We are effectively closing the scheme to new applicants in 2010 to enable the completion of existing approved applications.

Mr. A. Scate:

Obviously the scheme will then continue at a lower level and there will still be a £400,000 grant scheme in 2011, but as the Minister has rightly pointed out, we have not had any ... I cannot give any specifics because in effect we have given the message we will not be accepting the applications.

The Deputy of St. Mary:

Sorry, just a clarification; I thought the new level was £250,000?

Mr. A. Scate:

Yes, but it is already committed.

The Deputy of St. Mary:

No, the new level after 2011 when you have dealt with the outstanding ...

Mr. A. Scate:

No, the grant scheme at the moment is a £550,000 scheme and we are taking £150,000 from it leaving £400,000 for 2011.

The Deputy of St. Mary:

Oh, well the *J.E.P. (Jersey Evening Post)* has got it wrong unprecedentedly. [Laughter] Moving on, why was the review of the E.M.R.E. section considered necessary?

Mr. A. Scate:

I can answer that in the sense that we have had a new Assistant Director appointed. It is quite a diverse section. We cover grants; we cover the plant laboratory, plant health. We have biodiversity, ecology, agricultural advisers so as with a new manager in place, he feels it could run more efficiently and greater co-ordination between the offices within that section. So, again, it is to respond to the additional work that we are seeing and trying to get that productivity increase from our existing staff resource.

The Deputy of St. Mary:

Your existing staff resource. The next question is that there is a reduction in posts proposed.

Mr. A. Scate:

There is not.

The Deputy of St. Mary:

Clarify? Our paperwork says that there is but ...

Dr. L. Magris:

No, we did spot that. I believe that is an error because we are not aware that there are any proposed but maybe we could follow that up afterwards with the officers.

The Connétable of St. Peter:

If you could clarify that afterwards, that would be useful, thank you.

The Deputy of St. Mary:

I want to put in a few surprise questions and invent a new section called environmental protection. Just to sort of open that, can you confirm that according to the A.B.P. (Annual Business Plan) that we have got there is a £70,000 cut in the environmental protection budget? Just to confirm that as a starting point on page 98, where you have the summary, net revenue, expenditure, service analysis. I see under environmental protection, what is effectively a drop from £1 million more or less exactly to £939,000 net revenue expenditure.

Mr. A. Scate:

Sorry, I am just trying to find the same page.

The Deputy of St. Mary:

Sorry to chuck in a googly, but I thought it was an area that needed covering. I think it is page 98.

Mr. A. Scate:

I think in answering that although ... the budgets that we have listed for 2010, I think is the reflective budget of what we require to deliver that service. If the figures are ... we are not making any staffing reductions to achieve that but we have built our budget up as to what we require for 2010 and therefore that is the figure that we will require.

The Deputy of St. Mary:

Because it looks like a cut. I mean there is a reduction in the net revenue expenditure in the service of environmental protection. I just want to clarify that; I mean that is the sort of stuff that ...

Mr. A. Scate:

It is, although the budget is reflective of what we need in 2010. It is less than we required in 2009 so in effect it is a reduction of budget. I would not call it a service cut.

The Deputy of St. Mary:

Okay. So moving on from that, if you take the issue of the impact of pollution on the fishery both shellfish and other fish, I just wanted to ask a general question about

liability, you know, if hypothetically a pollution incident has caused major damage to the fishery, if hypothetically, where would the liability lie?

Senator F.E. Cohen:

I think that is a question we would need advice from the Law Officers because it is quite complicated. It depends where the pollution has come from and what mitigation measures have been implemented. I would have thought it also would be dependent on how much information has been provided about the likelihood of pollution.

The Deputy of St. Mary:

I mean I can see that some of the liability lies with the polluter but my concern obviously with the business side is how much would lie with the regulator, which is yourselves, in dealing with issues like this?

Mr. A. Scate:

Our job as regulator is obviously to enforce the law and to prosecute polluters where we find the evidence that pollution incidents have occurred and they are at fault. So in the true sense of the law, the polluter is liable for the pollution incident and therefore the effects of that pollution incident. Clearly, to get to that stage we as regulator will need to be seen to act appropriately and have the sufficient evidence to prove it. If we have been found to be negligent ourselves then clearly there are questions of law and responsibility there, but in general terms assuming the regulatory function works, pollution instances are the fault of the polluter.

The Deputy of St. Mary:

Yes, that is right. Following on from this question of whether the regulation is adequate and whether the capacity, picking up a word that Peter uses, capacity, is adequate, if the C.A.G. who is looking at environmental protection in Jersey, if he reports that, goodness, we need a stronger scheme, we need more power there, basically more money spent, what would be the attitude of the department to ensuring that those recommendations are followed if that is what he says?

Senator F.E. Cohen:

We would have to ensure that if inadequacies were exposed that the department did whatever was necessary to plug those inadequacies. There would always, of course, be the question of funding but we have an obligation to regulate properly. I am sure that the Assistant Minister as well would join me in saying that we would want to make sure we did regulate properly. That does not mean that I think we do not, but you asked the hypothetical question of what if the C.A.G. said that we did.

The Deputy of St. Mary:

Yes, right. You have not actually committed - it does not sound like a commitment - to fight for any necessary funding. You said the funding would be an issue but would the department take the view that if an environment regulation is found to be deficient, I think we might be doing a study as well after the C.A.G., but if the C.A.G. finds that once you have agreed and decided that you agree with the findings, if they are that, will this issue of funding take second place to the need to protect the environment of the Island?

Senator F.E. Cohen:

No. If we are honestly shown to be deficient then, of course, we will do what is required to make sure that we are not deficient and if that means fighting for additional funding then, of course, we will fight for additional funding. If it means reallocating funding then, of course, we will reallocate funding but at the moment you are dealing with a hypothetical position because we do not know that the Comptroller and Auditor General is going to find that we are inadequate in any way in relation to our regulatory function, and I would certainly hope that he finds that we are anything but deficient.

The Deputy of St. Mary:

Can I give you an example? In March in the States I asked for the details of T.T.S.'s application under the Waste Management Law for all their activities at La Collette and that law went through in 2005, so the States agreed to regulate waste management activities in 2005. We are still waiting and I just wonder whether that is an issue of capacity because those activities at the moment are not regulated under that law because we are still waiting for the toing and froing that goes with creating a licence so that is a long time to wait; it is a long time to wait.

Dr. L. Magris:

I do not know the details of the question that you are asking I am afraid so I cannot comment but what I am happy to do is follow up afterwards with the officers and get back to you with that information. Is that ...

The Deputy of St. Mary:

Yes.

Senator F.E. Cohen:

All I can tell you about regulations, I know little about the specifics but I have discussed with the senior officers whether or not we are adequately regulated, and I can tell you that the senior officers believe wholeheartedly that we are adequately regulated and that while legislation clearly takes time to catch up with, that we are doing everything we should be to regulate appropriately.

Mr. A. Scate:

I think the other issue when we have new legislation being passed and being applied to current uses, there are also deemed consents that apply through any regulatory regime whether it be planning or environmental protection, so when you have already got existing uses being permitted, in effect they are operating under the previous law. We then get a new law, there is a period of time where they are deemed to be permitted because they have already been allowed or there is a significant sort of transition period for them to get up to speed with new legislation, so there is always an area to wait on and La Collette would be one of those examples where clearly it has been there for certain uses prior to laws being adopted and that would also apply to sort of either industrial uses, and that is a similar process in other jurisdictions where you have deemed consents necessary. If they came forward in their guise under the new law, they may not be permitted, but if they are already there and they are existing and lawfully there then a deemed consent applies.

The Deputy of St. Mary:

So environmental policy and awareness, what programme of activities is planned for energy efficiency service in 2010?

Dr. L. Magris:

Yes, I forwarded the briefing note to you that you may have had a chance to look at but I am happy to cover these points. As you know, we have taken this project from a standing start and we have moved into a phase of providing grants to a particular loan income group at the moment. That grant application regime will get us all the way through until about June-July at which point we then run out of funding. Assuming we have funding awarded to us by the States, then we move into phase 2 of the project, which is extending the applicability of the grants away from our original target group which is the cold weather payment people and those on the 65 plus Westfield Health Scheme to other categories of income support that require our assistance.

The Deputy of St. Mary:

Is there any intention of delivering an energy advice service to consumers?

Dr. L. Magris:

Yes, I think it is certainly an aspiration of phase 2 of the scheme. I think initially we would look, assuming that we secure funding again, to extend the applicability of the grant scheme. Parallel to that we look at providing extra information to people that was more widely available say through the website, but the very long term aspiration of the energy efficiency service is to create a body that would be similar to the Energy Savings Trust in the U.K. (United Kingdom). That clearly is not going to happen overnight and it possibly will not happen in 2010 but it is something we would work towards for sure.

The Deputy of St. Mary:

What is the future of this service if environmental taxes are not approved by the States because of the various things that you have mentioned?

Senator F.E. Cohen:

It does not have a future.

The Deputy of St. Mary:

I will come back to that if I may. The last in this section is what environmental benefits would be lost if continued funding is not secured?

Dr. L. Magris:

Clearly, there are environmental benefits to be lost and they are outlined in section 9 of the report. We would look at the reduction in energy use, and thus carbon reduction; all of those environmental benefits would therefore not be achieved. I think what is important to add is, as well as environmental benefits that the scheme brings, it clearly has social benefits. What we are doing here is helping vulnerable groups to be warmer, enjoy a high level of comfort at a lower cost, so that is clearly an important social impact. Of course, this scheme has an economic aspect as well. What we are essentially doing with this grant money is getting verified and approved works done to people's homes using local contractors, so that is a lot of money going

into the local economy. Again, if the scheme were to stop, then the economic aspects of the scheme would be lost too.

The Deputy of St. Mary:

You have made a very good case for extra or continued funding for energy efficiency. So I would like to ask the Minister whether he is aware of what the amendment was to the Strategic Plan about environmental taxes that was accepted - I proposed it - because I am surprised that this environmental taxes mantra keeps coming up.

Senator F.E. Cohen:

Well all I can say is that I am confident that a mechanism to continue the funding will be brought to the States and I am hopeful that States Members will see the worth of the work that has been carried out and will support it. The issue of environmental taxes is a much larger area and very clearly we need to have an appropriate programme to introduce proper environmental taxes that tick the environmental tax boxes in every way in the very near future.

The Deputy of St. John:

Can I come in there? Would you be referring to ring-fencing environmental taxes for that specific purpose? Because the last thing we need is environmental taxes which are going to be hived off so the Treasury Minister ...

The Deputy of St. Mary:

I can quickly say there is a difference of opinion here on the Panel.

Senator F.E. Cohen:

You have to hypothecate environmental taxes and you have to spend 100 per cent of the receipts on environmental benefits. Now a successful environmental tax in many cases delivers no tax at all because the behavioural change that the environmental tax results in, means that the tax is not levied. A very good example of that would be if you introduced a vehicle emissions duty that rated the most efficient cars at zero. If everybody bought the most efficient cars, then you would raise no money at all and that is a successful environmental tax. So using environmental taxes to raise lots of money to some extent defeats the purpose of the perfect environmental tax.

The Deputy of St. Mary:

Now the problem with that is that the amendment which was accepted under the Strategic Plan specifically says that environmental taxes should tick the boxes as regards affective behaviour that they are a tool for, so you simply switch where your revenue comes from. So if the States takes tax out of income, which is odd in a recession to charge people for working, and you switch that revenue to behaviour like putting out 6 bin bags when really you only need to put out one which costs the taxpayer a lot of money when people behave like that, therefore you tax those behaviours which are undesirable and you then eventually end up with no taxes, but you end up with no undesirable behaviour as well. So, the purpose of environmental tax is to change behaviour and to say, as we have been hearing, that this very, very important scheme of energy efficiency, for all the reasons that Louise said, depends on environmental taxes. That to me is a red rag to a bull because what it means effectively is that scheme is dead.

Senator F.E. Cohen:

I hope it is not and I hope that the proposals that are brought forward to fund it will be accepted by the States.

The Deputy of St. Mary:

I think we will just have to leave it there then.

Senator F.E. Cohen:

But it is not up to me to say what they are because that is the Treasury Minister's job.

The Deputy of St. John:

Let us move on to visitor centres. Given you are talking about closing some of your visitor centres, what is the current level of usage of your visitor centres, please, and what impact will it have on schools and tourism, et cetera?

Senator F.E. Cohen:

Well, according to the information I have, last year, 2008, 4,047 people visited the visitor centres and the majority of those visitors were holidaymakers. I do not have any further breakdown.

Dr. L. Magris:

I can add to that. I think that what we have seen with the visitor centres is that they are not reaching our Eco-Active or the wider community as successfully as we would like, particularly because a lot of the people coming through the door are visitors and, of course, it is very important that we tell them about our environment, but given that we are looking at the most effective way to spend money, I think we need to look at our local target audience. So, what we are doing as a result of closing the visitor centres is retargeting the Eco-Active programme and being able to use time more successfully because our Education and Awareness Officer, part of her responsibilities is ensuring that the visitor centres are running successfully and that has a time resource to it, as well as a funding resource, that we will be saving from closing the centres. Therefore, she will be able to refocus her activities to more successfully reach out to schools through a number of different options that we have put forward as a result of going through the review of whether we should or should not close the centres. I am happy to go through those particular options with you, if you like.

The Connétable of St. Peter:

No, it could go to the officers later, thank you.

Dr. L. Magris:

Exactly, I am more than happy to.

The Deputy of St. John:

So, are any redundancies going to come out of this at the end of the day?

Dr. L. Magris:

Because the visitor centres are seasonal, which is another problem for them - they are only opened May until September in the afternoons - the staff that we recruit are seasonal staff. That said, they are often the same staff year after year and are very

valued by the team. However, we will not be recruiting them again next year, so it is not a redundancy but we will not be re-recruiting them because clearly the posts will not be needed there.

The Connétable of St. Peter:

Just a quick one to come on there, did you get an income from the visitor centres at all?

Dr. L. Magris:

Yes, almost insignificant, unfortunately. It is £2 a head entry, although children are free during school holidays, so some of those 4,400 people would have been children and would not have been paying so you cannot double that as an income. We sold items in the visitor centres as well; little bits and bobs that people would take away with them. So there was a very small income of about £5,000 to £6,000, I think, given that the cost of manning the centres, running them and maintaining them was far more of the order of £20,000 and more.

The Deputy of St. Mary:

So it was a net saving?

Dr. L. Magris:

It was a net saving, exactly.

The Connétable of St. Peter:

So was that net income or gross income?

Dr. L. Magris:

I will get back to you on that. Can I give you a breakdown of last year's figures?

The Connétable of St. Peter:

Because I had a much higher figure for your income, so I am wondering if it could be net income.

Dr. L. Magris:

I can get you the exact figures; that is probably the safest thing to do, yes.

The Connétable of St. Peter:

That would be helpful, thank you.

The Deputy of St. John:

So what is going to happen with the redundant premises, Louise?

Dr. L. Magris:

Well we do not own the premises. Jersey Harbours owns the ferry terminal at Gorey which is where Discovery Pier is and, of course, that was a multi-use building because it was still the Customs Hall, so that is just returned to Harbours and they will continue to use it as a Customs Hall. Kempt Tower is owned by Property Holdings, so it will be returned to them and they will make a decision on what to do with the building.

The Deputy of St. John:

Given that the Arrival and Departure Hall at Gorey Jetty is a public building, can we not leave a display in there as a visitor centre, at no cost to us, so when people are arriving ...

Dr. L. Magris:

They see the information.

The Deputy of St. John:

They see the information.

Dr. L. Magris:

Yes, it is a good point and, in fact, what we are looking to do, all the material that we have at the centre at Discovery Pier is completely removable and it was put in for that reason. The ferry terminal is barely used, so what we are going to do is we are going to take that information and we are looking to locate it potentially at Albert Pier; we are in discussions with Harbours because obviously that is a more used building, or somewhere else appropriate that could have a wider outreach to people. What we absolutely do not want to do, and will not do, is make the materials in those centres redundant because clearly it is very valuable information and we want to get it to as many people as possible. We have paid for it, so we will be looking to put it somewhere where it has a decent outreach, so we are in quite a few discussions about appropriate locations.

The Deputy of St. Mary:

Can I ask whether Tourism were consulted in any way about these closures? Because when you are saying 4,000 visitors, that is 4,000 visitor experiences.

Dr. L. Magris:

Yes, I agree.

The Deputy of St. Mary:

People do expect the presentation of heritage, including natural heritage, when they go on holiday. They expect it. Not everybody, but that marginal group does, and if they do not get it they go back home and send back a bad message, so I just ask whether you consulted.

Dr. L. Magris:

We did not in the sense that we were aware that they are under the same funding cuts as us and therefore would not have been in a position to take over, as we understood it, the £20,000 cost that goes with the centres. But you are exactly right that that material should be available to visitors and one of the things that we are doing with the materials as well, is having some of the Kempt Tower information relocated with the National Trust at the Grève de Lecq Barracks, which is open to tourists. So the idea is that the information is still made available; it is just the buildings that are not.

The Deputy of St. John:

We move on to water licences because time is moving on. The financial summary on appendix page 101 states that the introduction of water licences will produce an

income of around £110,000. Does this imply that the cost of the water licences is being used to subsidise other services?

Senator F.E. Cohen:

Well the £110,000 is firstly derived largely from Jersey Water. The £110,000 covers the cost of the hydro geologist which is £71,000, field investigations, data collections and surveys, £22,000 and other vehicle, laboratory and administration expenses of £17,000.

The Deputy of St. John:

So it just about washes its face?

Senator F.E. Cohen:

Yes, it is designed to wash its face.

The Deputy of St. John:

That is fine. No questions, gentlemen? No? We go on to carbon intensity of importing electricity proposed as the way forward. Would the Minister agree that an independent study into the carbon intensity of imported electricity is essential to ensure an equitable way forward by the building bylaws?

Senator F.E. Cohen:

I am not sure, because I am given very conflicting advice. I have no doubt that the officers are absolutely right in their assessment but, as you know, Jersey Gas feel hard done by. We have done everything we possibly can to accommodate them. I understood that they were happy with the changes to the draft building bylaws and I have only just found out they have now apparently decided that they are still not happy with it. I am not certain that an independent review would achieve very much because certainly when I discussed this with the Director of Environment, Chris Newton, Chris told me that this is absolutely clear, the way the J.E.C.'s (Jersey Electric Company) figures are calculated is to a very well known international standard and you are not going to achieve anything by an independent assessment. The added problem of the independent assessment is that the participants were unable to agree the terms of the independent assessment. So, I am not sure that it will achieve very much, but if the participants can agree the terms between themselves then it certainly cannot do any harm.

The Deputy of St. John:

But given that the Jersey Gas are willing to fund such a review, would you support it?

Senator F.E. Cohen:

I thought Jersey Gas were only prepared to pay a proportion of it.

Dr. L. Magris:

They have now changed their position, if I can add to that; perhaps I can rewind it a little. What we have proposed to them is that there is a very limited amount that an independent review can give us because there is not an international standard that says: "Thou shall use this figure in terms of energy policy" which is one of their issues. In terms of the building bylaws, to some degree there has been an independent review because the Buildings Research Establishment have looked at the

methodology that we have used and have said that that is appropriate for the purposes of the building bylaws. So the figures that we are using, the Buildings Research Establishment have agreed are suitable, so there is a level of what a further review would give you there. Unfortunately, the gas company do not agree with that situation and so compromises were made around the building bylaws to ensure that there was no favouring of fuel; that the improved energy efficiency a new building would have to make would be regardless of the fuel source; it would just be a better building than it would have been previously. The energy savings were made but the carbon savings were secondary to the issue, if you like. We feel that the new building bylaws are fuel neutral; unfortunately, the gas company cannot agree with us on that point.

Mr. A. Scate:

I think their main problem with where they stand now, the bylaws clearly are fuel neutral; we are not requiring buildings to change fuel source to meet the bylaws. However, their main issue now is the perception that electricity is a cleaner fuel source than gas and that is not anything, frankly, as a department we can do anything about. Generally, the perception, I think, is correct that generally electricity generation can be done far more environmentally friendly than you can get hydrocarbon fuel. So, that is the position we have now arrived at with Jersey Gas in a sense that they feel the industry is still moving towards electrical installations rather than gas installations but in that sense they are correct; that is exactly the way the industry is moving. Trends in the longer term will see less use of oil as a heating source, less use of gas as a heating source and more use of electricity because it can be generated in a cleaner fashion.

Senator F.E. Cohen:

I think the problem is that you can argue about what technical measure you are going to use but the reality is that the electricity in solar Jersey is predominantly from low carbon sources and you could only argue about what percentage it is. I am afraid that Jersey Gas, from what I have seen, simply are - maybe naturally - concerned that this is going to bring additional focus on the benefits of electricity from the perception of carbon intensity.

The Connétable of St. Peter:

I was just going to come back to Andy; this whole argument started from the point with the bylaws having one set of specifications for electricity and one for gas, you are now saying we have a single standard, so the original argument has now dropped away?

Mr. A. Scate:

Yes, we have taken on board Jersey Gas' concerns that when initially drafted, the bylaws were requiring an electricity standard to be met for new buildings; we are now saying that we need an energy improvement regardless of fuel source. So if it is a gas building, we still need a 20 per cent improvement. You can still keep gas in there; we just need an improvement in the thermal efficiency of the building. So therefore I feel we have confidently responded to Jersey Gas. The problem they now have is that the perception still in the market is - and we are seeing it in the market - people are moving towards electricity.

The Connétable of St. Peter:

But that is not a role for government to change that perception.

Mr. A. Scate:

That is right, exactly. I think what we are seeing is market forces at play where electricity supplies and the electricity company here are more effective at selling their product than possibly the gas company is.

The Deputy of St. John:

I will just put a final question because time is rolling on. You are probably aware, Minister, of recent reports of problems over the summer with operational records of EDF and nuclear power plants due to the heavy maintenance schedules for the ageing reactors and does this give you any cause for concern regarding over-reliance on imported electricity?

Senator F.E. Cohen:

There are always concerns about being reliant on imported sources of anything, whether it is sugar or electricity. Clearly, if there are problems with supply, one becomes more concerned than if they are running smoothly, so I suppose the answer is yes but not significantly.

The Connétable of St. Peter:

Just a corollary to that one, Minister, there is some sort of evidence saying that the carbon neutral nuclear electricity that we are currently getting up to 20 per cent of the time could be generated from fossil fuels, so that is some of the argument that is underlying the gas company's ...

Senator F.E. Cohen:

Yes, but as I have said, you can argue about the percentage all day long. If you are right - and I do not know that you are right - it still means that 80 per cent is produced by carbon neutral ...

The Connétable of St. Peter:

The Jersey Gas argument is that that would skew the figures to be more comparable from carbon intensity towards gas, I think that is their issue.

Senator F.E. Cohen:

But we are giving them an equal footing anyway, are we not?

The Connétable of St. Peter:

Exactly, this is a different argument altogether.

Senator F.E. Cohen:

Yes.

The Deputy of St. John:

Minister, the time is up, we are 6 or 7 minutes over the prescribed time we had allotted for this. Can I thank you and your officers for putting the necessary information in the public record, and we will move on to our closed session but prior to that, shall we have a little comfort break?

