

## Economic Development, Tourism, Sport & Culture

---



# Economic Development, Tourism, Sport & Culture

---

## Purpose

To deliver economic growth, improve competitiveness and productivity, diversify the economy and create new employment opportunities.

To encourage, support and promote sport as an important and valued part of Jersey life.

To encourage, promote and support the arts, heritage and culture for the benefit of all.

## Responsibilities

- Development of policy, strategy and legislation in support of our purpose, where possible reducing red-tape;
- Work closely with partners across all sectors of Jersey's economy to support their development and diversification;
- Support new and established businesses through Jersey Business;
- Encourage inward investment and develop international trade through Locate Jersey;
- Encourage high-wealth individuals, who will contribute economically and socially, to take up residency in Jersey;
- Prioritise the promotion of Jersey as a visitor destination through Visit Jersey;
- Operate and support a range of cultural and performance facilities to host a comprehensive annual events programme;
- Provide funding and advocacy for the arts, heritage and culture;
- Air and Sea Transport policy;
- The supervision of registration of pleasure boats and commercial vessels through the British Registrar of Ships in Jersey;
- The Channel Islands Lottery;
- Protect consumers through the enforcement of consumer protection legislation, providing a comprehensive advisory service and fund the activities of the Jersey Consumer Council;
- Provision of high quality sports facilities and programmes accessible to all;
- Provision of policy direction for sports development and physical literacy delivery through Jersey Sport;
- Support the rural economy to grow and diversify;
- Oversight of regulatory functions across different sectors of the economy including retail and gambling.

## 2017-19 Change Projects

Over the plan period, the Department will undertake a number of significant projects in support of the

Priorities and/or Strategic Goals set out in the Strategic Plan. Unless otherwise stated, these projects will be delivered from within existing resources.

**Annual Update to the MTFP Departmental Annex for 2018**

<b>Project</b>	<b>Council Priority</b>	<b>Strategic Goal</b>
Deliver efficiencies across the entire EDTSC portfolio	Sustainable Public Finances	11
Implement the new Enterprise and Retail Strategies	Optimise Economic Growth	6
Implement the Rural Economy Strategy	Optimize Economic Growth Protect and enhance the Island's natural and built environment	6 9
Achieve financial sustainability for the sports and culture estate	Sustainable Public Finances Promote sporting, leisure and cultural activities that enrich Islanders' lives Promote health and social wellbeing	11 7 2
Develop a creative industries, culture, heritage and arts strategy	Sustainable Public Finances Promote sporting, leisure and cultural activities that enrich Islanders' lives	11 7

## Financial Narrative

### Introduction

As highlighted in the States Strategic Plan, Ministers are reducing spending in some areas to invest in the priority areas of health, education, infrastructure and economic growth.

The Economic Development, Tourism, Sport and Culture Department (EDTSC) was formed by the integration of some areas of the Economic Development Department with the sports and culture functions of the Education Department. It is working to support the economy to become increasingly competitive, productive and technology-driven, so it can provide the extra revenue that will help balance budgets by 2019.

The Department is committed to save £2.2 million over the MTFP 2017 to 2019. These savings will be achieved by a combination of staff and non-staff efficiencies, reductions in grant funding, reduced subsidies, continued restructuring across the Department and, as a last resort, income generated through increased charges.

The Department was restructured during the last MTFP period and it will continue to explore further restructuring and service delivery initiatives over the period 2017-2019 to provide even more efficient and effective services within reduced budgets and staffing.

The integration of Sport and Culture provides the opportunity for a “root and branch” review of infrastructure and operations in these areas of the portfolio.

**Culture** - A Cultural, Heritage, Arts and Creative Industries Strategy has recently been developed to define how the States can fund successful outcomes within constrained budgets. In addition, current and future States investment in cultural facilities was analysed to produce a Cultural and Heritage Investment Plan that will be submitted for consideration as part of the update to the States Long Term Capital Plan 2018-38.

**Sport** – A Public Sector Reform exercise has recently been carried out to define how the States continues to provide quality facilities service delivery within constrained budgets. In addition, current and future States investment in sports facilities was analysed to produce a Sports Facilities Investment Plan that will be submitted for consideration as part of the update to the States Long Term Capital Plan 2018-38.

### 2018 Recurring Savings

In addition to maintaining the £814,500 savings in 2017, the Department has committed to further recurring savings of £922,000 together with an additional £200,000 income target (total £1.122 million) in 2018. As in 2017, savings will be delivered through:

- Continued restructuring of EDTSC and delivery of Public Sector Reform Programme;
- Further reduction in budgets across the department consistent with the removal of non-staff inflation in the period 2017-2019;
- Reduction in funding for some directly delivered services;
- Reduction in budgets for some grant funded organisations;

- Reduction in overhead, rationalisation of service and procurement contracts, energy efficiency measures and improved maintenance programmes across the Department, in particular following outcomes of a review into Sports and Culture<sup>1</sup>.

### 2019 Recurring Savings

In addition to maintaining the £814,500 savings in 2017 and £1,122,000 savings in 2018, the Department has committed to savings of £827,000 in 2019. As in 2017 and 2018, savings will be met by a combination of:

- Continued restructuring of EDTSC and delivery of Public Sector Reform Programme;
- Further reduction in budgets across the department consistent with the removal of non-staff inflation in the period 2017-2019;
- Further reduction for some directly delivered services;
- Further reduction in budgets for some grant funded organisations.

### 2018 Central Growth Funding

- Over and above the additional funding of £450,000 allocated in each year of the MTFP Addition, the department will receive £20,000 from the Central Growth Allocation in respect of additional revenue costs associated with the Jersey Archive Extension project.

### Staffing

Since the publication of the 2017 – 2019 Annex to the MTFP Addition a reconciliation exercise was undertaken to revise 2017 FTE's within EDTSC after taking into consideration various redundancies, including the creation of Jersey Sport and the department transfer from DFI to ETDSC for Playing fields services from 123.3 to 121.3 FTE's.

The number of staff employed by the Department from 1st January 2018 will be 121.3 FTE. There may be a further reduction of FTE through approved Voluntary Redundancies / Voluntary Severances and other efficiencies as part of ongoing savings in 2018 and 2019.

---

<sup>1</sup> The initial tender process failed to attract suitable respondents capable of completing the TOR in full and a second tender process was required. As such there was a delay in the commencement of review by approximately six months which will affect the implementation dates of any recommendations and therefore may delay savings initiatives.

## Economic Development, Tourism, Sport and Culture

### NET REVENUE EXPENDITURE - SERVICE ANALYSIS

Near Cash	Service Area	Near Cash			Non Cash 2018 Revised Net Revenue Expenditure	Total 2018 Revised Net Revenue Expenditure	2018 FTE
		Income	DEL	2018 Revised Net Revenue Expenditure			
2017 Approved Net Revenue Expenditure £		£	£	£	£	£	
2,013,300	Enterprise and Bus Development		1,908,800	1,908,800		1,908,800	7.0
5,530,300	Tourism & Marketing		5,395,800	5,395,800		5,395,800	-
949,700	Policy and Regulatory Services	(473,400)	1,282,000	808,600	800	809,400	17.0
1,998,000	Rural Economy		1,965,500	1,965,500		1,965,500	5.8
3,853,700	Sport & Leisure	(4,723,600)	8,220,300	3,496,700	271,600	3,768,300	90.5
4,807,600	Culture		4,753,600	4,753,600		4,753,600	1.0
<b>19,152,600</b>	<b>Net Revenue Expenditure</b>	<b>(5,197,000)</b>	<b>23,526,000</b>	<b>18,329,000</b>	<b>272,400</b>	<b>18,601,400</b>	<b>121.3</b>
	7th Amendment - Transfer of £30,000 from 30,000 Education for teaching of Jerriais		-	-	-	-	-
<b>19,182,600</b>	<b>Net Revenue Expenditure as amended)</b>	<b>(5,197,000)</b>	<b>23,526,000</b>	<b>18,329,000</b>	<b>272,400</b>	<b>18,601,400</b>	<b>121.3</b>

# Economic Development, Tourism, Sport and Culture

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE

Approved 2017 Net Revenue Expenditure £		Revised 2018 Net Revenue Expenditure £
<b>Income</b>		
(467,100)	Duties, Fees, Fines & Penalties	(467,100)
(4,285,500)	Sales of Goods and Services	(4,344,600)
-	Investment Income	-
(178,700)	Other Income	(385,300)
<b>(4,931,300)</b>	<b>Total Income</b>	<b>(5,197,000)</b>
<b>Expenditure</b>		
-	Social Benefit Payments	-
5,610,400	Staff Costs	5,529,600
2,132,800	Supplies and Services	1,928,000
59,460	Administrative Expenses	59,100
2,410,840	Premises and Maintenance	2,348,900
18,800	Other Operating Expenses	18,800
13,836,500	Grants and Subsidies Payments	13,626,500
-	Impairment of Receivables	-
15,100	Finance Costs	15,100
-	Foreign Exchange (Gain)/Loss	-
-	Contingency Expenses	-
<b>24,083,900</b>	<b>Total Expenditure</b>	<b>23,526,000</b>
30,000	for teaching of Jerriais	-
<b>24,113,900</b>	<b>Revised Total Expenditure (as amended)</b>	<b>23,526,000</b>
<b>19,182,600</b>	<b>Net Revenue Near Cash Expenditure</b>	<b>18,329,000</b>
272,400	Depreciation	272,400
<b>19,455,000</b>	<b>Total Net Revenue Expenditure</b>	<b>18,601,400</b>



# Economic Development, Tourism, Sport and Culture

## RECONCILIATION OF NET REVENUE EXPENDITURE

	2018 £		2018 £
Base Department Budget	19,182,600	<u>Approved Variations to Expenditure Limits since MTFP Addition</u>	
Base Adjustment & Commitments	-	Departmental Transfers:	
Price Inflation Department Net Expenditure	278,400	- Transfer of budgets to fund the teaching Jerriais in Jersey primary schools to the Education Department	(30,000)
Price Inflation - Provision for General Pay Awards	-		
Price Inflation - Provision for Specific Pay Awards	-	Allocations of Central Growth 2018	
Provision for Re-forecast of benefit levels	-	- Revenue consequences of capital schemes - Jersey Archive	20,000
MTFP Addition Amendments	-		
Departmental Transfers	-	Capital to Revenue Transfers	-
Savings		Other Variations	-
- Department Savings Programme			
Savings	(200,000)	<b>Revised Net Revenue Near Cash Expenditure</b>	<b>18,329,000</b>
Efficiency	(922,000)	Depreciation per MTFP Addition	272,400
User Pays	-		
- Benefit Changes	-	2018 Depreciation Adjustment	-
Additional MTFP 2 Growth	-	Depreciation	272,400
Original MTFP 2 Growth		<b>Revised Total Net Revenue Expenditure</b>	<b>18,601,400</b>
- Funding Pressures	-		
- Commitments	-		
- Demographics	-		
- New Funding	-		
- Revenue implications of Capital Projects	-		
Other Variations	-		
<b>Net Revenue Near Cash Expenditure</b>	<b>18,339,000</b>		

