STATES OF JERSEY

PROPOSED BUDGET (GOVERNMENT PLAN) 2026-2029 (P.70/2025): TWENTY-SECOND AMENDMENT (P.70/2025 AMD.(22)) – COMMENTS

Presented to the States on 4th December 2025
by the Council of Ministers

STATES GREFFE

COMMENTS

Summary

Ministers do not support this proposal to allocate up to £600,000 of funding to repair the Victoria Marine Lake in 2026, and £60,000 on an annual basis to maintain the structure.

Following the listing of the Marine Lake as a Grade IV structure, further work is needed to determine the full cost of the repairs that would be necessary to bring it back into operation. It is now expected that these repairs will be significantly more expensive than was quoted prior to the listing. Indeed, it is perfectly possible that the £600,000 being requested by Deputy Gardiner in her amendment wouldn't be sufficient to complete this work. This creates a risk of project failure and the need for further expenditure.

It is a priority for Ministers, in the first instance, to make the structure as safe as possible. To that end, some urgent repairs are being undertaken in 2025 at an estimated cost of £65,000, although it must be emphasised that these will not make the site completely safe. Additional work will still be necessary in this respect.

Further work is also needed to determine if there is any interest from external parties in operating the site and potentially providing some private sector or independent investment in a partnership approach. This will be delivered in 2026 through an Expressions of Interest (EOI) process, as requested by Deputy Gardiner.

These are all material factors in determining the exact cost of bringing the Marine Lake back into use and informing the level of annual funding that would be needed to maintain the structure. The site is very different from the Havre des Pas Bathing Pool and Café, and it shouldn't be inferred that the same level of annual funding is appropriate for both sites.

Allocating this funding in 2026 would therefore be premature. It is also important to avoid a repeat of 2014, where £315,000 of public money was spent repairing the Marine Lake, only for public usage of the site to be minimal. This was primarily due to the existence of sea lettuce, which remains a factor in St Aubin's Bay, and resulted in the Bosdet Foundation withdrawing from operating the site.

Sources of proposed funding

Infrastructure Rolling Vote

The Infrastructure Rolling Vote ("IRV") is a critical funding stream dedicated to high-priority and high-risk infrastructure, such as roads, sea defences, and drainage systems. Diverting funds from the IRV to the Marine Lake would increase infrastructure risk, undermine strategic priorities, and compromise essential services.

The Public Realm allocation within the IRV is £2.5 million, but this has already been reduced by past Assembly decisions, including allocating up to £500,000 for Parish Neighbourhood Improvement Areas (over the period of the Government Plan) as separately proposed by Deputy Gardiner, and £80,000 for the West of Island Planning Framework. The remaining funds are fully programmed for 2026, prioritising town centre improvements. Works are already underway as part of a phased programme, using both 2025 and 2026 budgets. It should also be noted that the IRV budget is not currently inflation-proofed, so any reduction simply worsens the funding gap for essential infrastructure.

Further reducing this funding will extend the timeline and increase disruption for businesses. Public Realm investment is not a ‘nice to have’. It provides islanders with safer, walkable streets, cleaner air, accessible green spaces, and enhances the Island’s and town’s appeal to businesses, visitors, and residents. Without continued investment, aging infrastructure will accelerate urban decline.

It is essential to maintain IRV funding for core infrastructure. The Marine Lake project lacks evidence of significant future usage or economic return to justify a reallocation in 2026. Once full and realistic costs for the Marine Lake repairs are confirmed, the Minister for Infrastructure can explore alternative funding mechanisms, including proceeds from the sale of surplus Government property assets, which aligns with the Government’s Property asset rationalisation strategy. This approach ensures that heritage projects do not jeopardise critical infrastructure investment.

Arts, Heritage and Culture

The Arts, Heritage, and Culture budget is already fully committed for 2026, but is also not utilised for expenditure on capital projects. This is therefore not a feasible source for this funding.

States of Jersey Development Company

Ministers also do not believe it is appropriate to request funding of £200,000 in 2026 from the States of Jersey Development Company for this project. SoJDC has a distinct and specific remit which it should be allowed to pursue in co-ordination and co-operation with Government and the Parish of St Helier, but not to the extent that its accounts can or should be utilised in this manner.

It is not clear where the SoJDC would be expected to find this funding, although Ministers infer that the Deputy believes it could either come from the regeneration allocation, or from reserves. However, the regeneration allocation from the College Gardens development has been fully allocated to enabling activities to support the re-development of Fort Regent.

Removing £200,000 from the reserves of SoJDC is problematic, since the Regeneration Steering Group (RSG) has agreed that, with major projects in the SoJDC pipeline including South Hill, the Waterfront and the remaining buildings in the International Finance Centre, all profits are reinvested in those future projects. Therefore, any sums that are removed from SoJDC’s reserves now will have a direct impact on the viability and delivery of these projects.

SoJDC has paid dividends in the past, but it is critical that the Company has sufficient working capital and reserves to finance its major property developments. As a result of significant build cost inflation, SoJDC requires increased levels of working capital to balance funding requirements.

The Deputy states that the remit of SoJDC is – "As the Government of Jersey's delivery partner for major property development and regeneration projects, SoJDC plays a key role in shaping the Island's built environment. Its remit includes completing the redevelopment of the St Helier Waterfront and leading the regeneration of surplus Government-owned assets", as shown on their website.

However, the Victoria Marine Lake does not fall within this remit and does not form part of the plans for the redevelopment of the Waterfront. Indeed, their current plans include provision for a new 50-metre outdoor pool at Les Jardins de la Mer as part of phase 1 of development, supporting year-round swimming which is not vulnerable to the same challenges presented by the use of the Marine Lake.

P.73/2010 states in part that the overarching objective of SoJDC is "*to act as the delivery vehicle for property development for the States of Jersey…. Developing detailed development proposals for specific projects of major regeneration of property and infrastructure within Regeneration Zones in accordance with Development Plans approved by the Regeneration Steering Group*".

Arguably, the Deputy's proposal is in conflict with SoJDC's principal raison d'etre. It would establish a potentially unwise precedent of drawing funds from SoJDC to fund projects not within their remit. Not only would this precedent conflict with SoJDC's overarching objectives, it also has the potential to hamstring SoJDC's future projects as its reserves are taken for other Government or parish projects, and it ignores the vital role of the RSG in providing direct political oversight over SoJDC, its activities and developments.

Conclusion

The proposal to divert £600,000, comprising £200,000 from the IRV, £200,000 from ACH, and £200,000 from the States of Jersey Development Company, is not supported. It undermines the infrastructure renewal strategy, increases risk exposure, and fails to demonstrate sufficient public benefit or priority alignment.

Work will continue in 2026 to make the structure as safe as possible, and to confirm the exact costs of fully repairing the Marine Lake and annual maintenance. An Expressions of Interest process will be undertaken to identify potential interest in operating the site and the opportunities for private investment and partnership. Members are asked to allow this work to proceed before prematurely allocating a potentially incorrect and unnecessary sum for this project.