Minister for Sustainable
Economic Development

Government of JERSEY

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By email

29th July 2025

Dear Chair,

Quarterly Hearing follow-up

Thank you for your letter of 21st July, in which you ask a number of questions following our recent Quarterly Hearing. I have set out answers to each of your questions below in turn:

Compensation Scheme

1. *Can you confirm if you will be launching a review into the possibility of implementing a compensation scheme such as exists in the UK and EU?*

As we discussed during the quarterly meeting, Jersey does not have an Air Passenger Compensation Scheme which mirrors the UK and the European Union (EU). The overwhelming majority of flights by Islanders are covered by these schemes, either because they are flying with a UK- or EU-based carriers or are departing from a UK or EU based airport. Blue Islands' flying only Channel Islands originating routes are therefore the singular exception and these flights account for around 13% of passenger flows.

As I outlined, it is important to fully understand such a scheme's implications for Jersey. These implications might include but are not limited to:

Financial – costs associated with developing and delivering such a Compensation Scheme, both for carriers and passengers.

Commercial – whether those costs could be viably borne by affected carriers and if there would be any impact on Jersey's overall connectivity.

Legislative – consideration of necessary changes to Jersey law, resource implications to arrange those changes, and the impact on the existing Government Legislative Plan.

   a. *If so, can you provide a timeframe as to when this will be taking place and when it might be published?*

I cannot commit to a timeframe. The Government Plan does not contain a commitment to bring forward such a scheme during the remainder of this electoral cycle, against many existing public policy priorities. I have however requested that Officers in the Department for the Economy assess some of the implications listed above, set against the notional 13% of Jersey passengers who are exposed, and the smaller percentage still, among that cohort, who would find themselves in circumstances that might qualify them under either the UK or EU Scheme.

2. *Can you explain if the compensation scheme costs to an airline have been calculated?*

This work has not begun.

   a. *If so, can you provide an indication as to the estimated costs?*

As above.

Opera House

3. *The Panel understands that there have been numerous senior members of the board of the Jersey Opera House LTD that have stepped down, what ongoing support are you providing to assist and ensure that the Opera House continues to function?*

We have regular meetings with both the Jersey Opera House board and the Jersey Opera House operations team to ensure that we understand this period of change and transition for the organisation. The latest meeting we had with the board highlighted the important need for stability of the Board, so that they can begin to function on a more strategic level and look to their recruitment of key leadership positions within the organisation. These priorities were echoed by the Charity Commissioner, who has also provided guidance to the Board as it navigates new waters.

Ferries

4. *Now that DFDS has been operating the route since the end of March 2025 can you provide an update on how you feel the services provided have been?*

Standing up a new 20-year ferry service from naturally comes with significant challenges and to do so in just three months has required an impressive mobilisation by DFDS. As the Panel will appreciate, it will take time for services to 'bed-in' and for DFDS to understand their new customers.

What has been encouraging is DFDS' willingness to adjust following feedback from Islanders and businesses. To date, DFDS has revised its policy on pets in vehicles and the transportation of horses, removed bicycle charges, has put on additional day trips at a special return price of £29, amended vehicle charges and made a number of other operational changes based on customer feedback.

As DFDS navigates this transition period and the forthcoming redevelopment of St Malo port I hope it will continue to tailor its services to the needs of Islanders and maintain the high standard of onboard customer service which Islanders expect.

Islanders and industry will continue to see and feel differences between DFDS and the previous ferry services operator and it is understandable that, after many years of service by Condor Ferries, those differences will not always be welcome to everybody. But in DFDS, we have an ambitious and communicative new partner, who has committed to millions in new fleet investment and improvements. However, nobody in Government is complacent and we will be holding DFDS to the highest standards for the duration of the Concession Agreement.

5. *Is there currently a limit on the number of animals that can travel on a ferry at one time on either the northern or southern routes?*
    a. *If so can you please provide the Panel with information as to when this was established and the rationale behind it?*

This question is dependent on whether we are referring to livestock, family pets, or other animals such as privately-owned horses. The Government understands, for family pets, that there can be certain, notional upper limits on animals on board DFDS's fleet, but this varies vessel-to-vessel and the maritime standards of the national flagging of each vessel.

The Stena Vinga also provides designated pet friendly cabins (as well as in-vehicle transport) but these are limited in number.

    b. *Did Condor have the same restrictions on animal numbers?*

It is not a question that is, or was, regulated by either the previous Operating Agreement or the current Concession Agreement. DFDS has worked closely with Jersey's Kennel Club and other stakeholders to develop a robust, safe, and humane framework for the transport of domestic animals.

6. *Islanders have raised concerns about the service provided by DFDS, with complaints centring around a reduced timetable, longer sailing times, pricing and the vessels being outdated.*
    a. *Can you provide your views on these concerns?*

Sailing scheduling is a complex, and partly iterative, process that must reflect customer needs, berth availability in several harbours, and tidal restrictions.

Government recognises that changes to published versions of DFDS's schedules will cause inconvenience to stakeholders and where that has happened, DFDS has worked to offer customers the very best alternatives or redress.

As a new Operator, in its first year of operation, schedule development is uniquely challenging for DFDS, which must reflect stakeholder needs, operational viability, and sometimes restricted ramp availability in the UK, Jersey, and especially St Malo. However, it remains Government's position that schedules and booking availability should be made available to all customers at the very earliest opportunity.
I am particularly keen that DFDS produces its winter 2025 / 26 schedule as soon as possible to give islanders, visitors, and the supply chain the certainty that they all need.

Slightly longer sailing times on the northern and southern routes reflect operational and environmental practices by DFDS, which help underpin schedule resilience, mechanical resilience (so vessels stand less chance of developing mechanical problems), and burn less fuel which helps DFDS towards their environmental commitments.

The existing fleet of two dedicated High-Speed Craft, one Ropax, and a dedicated freight vessel represent a strong, resilient service offer for Jersey. This configuration has secured a dedicated daily (6 days p/w) freight service using the *Caesarea Trader* which is complemented by the combined passenger and freight schedule of *Stena Vinga.* This has ensured the continuation of regular evening freight deliveries.

More importantly, DFDS has clearly committed to investing in a new generation of vessels over the next few years. Through the tender process, Condor Ferries made no such commitment.

b. *Are you in discussions with DFDS with regards to the concerns Islanders are raising around the service being provided?*

Government is in constant dialogue with DFDS. Where feedback is received by Government, this is quickly communicated to DFDS with the expectation of timely reply and / or action.

For the first time, the new Concession Agreement includes, a regime of Key Performance Indicators (KPIs) that DFDS is expected to satisfy. These cover a wide range of operational and commercial responsibilities on the operator including punctuality and customer satisfaction, and feedback from Islanders and relevant businesses is being used by the relevant officers within Government as they keep the services under review.

c. *What actions are you undertaking to ensure DFDS actively listens to those making complaints?*

In addition to formal, quarterly reporting by DFDS, Officers have very regular scheduled and ad hoc meetings with DFDS to discuss prevailing operational or commercial issues. Government shares its own feedback and insights with DFDS so that the Operator has the fullest perspective on where it needs to work on redress or improvements. Critically, the Concession Agreement gives the Government proper levers to enforce Key Performance Indicators

d. *Some have expressed the view that ticket prices have risen greatly compared to previous years, have you gathered any information on this?*

The Concession Agreement caps both the maximum amount that DFDS can charge across its suite of passenger fares, and the amount by which those fares can be increased year-on-year. Government's principles behind this mechanism are to ensure consumer equity and transparency.

Another important objective is to create the conditions for an investible Operator business over time. This will help unlock the £300 million in fleet investment over the next few years.

7. *The Panel understands that within the operating agreement with DFDS there are a set of key performance indicators (KPIs) that DFDS must meet.*

a. *Can you provide an indication as to whether they are meeting these key performance indicators currently?*

The Concession Agreement establishes a Monitoring Committee which meets quarterly to review DFDS's performance reporting, set against the KPIs in the Agreement. The Committee is made up of Government Officers, Ports of Jersey Officers, and DFDS. The Monitoring Committee met for the first time on Wednesday 24 July 2025 and reviewed the first three months of DFDS services.

Substantively, DFDS are meeting their key KPIs with some data indicating some operational challenges in their first year of service.

b. *What is the consequence or action that is taken should DFDS not meet these KPIs?*

Unlike the previous Operating Agreement with Condor Ferries, the Concession Agreement with DFDS gives Government levers to both incentivise good, and sanction poor, performance.
Although finer details around these levers are commercially sensitive, I have previously briefed the Panel on the inclusion of a Performance Bond in the Concession Agreement, and its function towards these objectives.

8. *Will a review on lessons learnt be undertaken with DFDS and if so, when will this take place?*

Statutory governance and monitoring - which is a contractual facet of the Concession Agreement – provide regular forums and touchpoints to review performance and cover any lessons learned.

More informally, this exchange is already firmly embedded in the relationship between DFDS, Government and Ports of Jersey Ltd. It is also important that the nature of the KPIs themselves are kept under regular review to ensure that they are fit for purpose throughout the duration of the Concession Agreement. Therefore, the Concession Agreement commits all parties to an annual review of the KPI regime to ensure that it is reflective of the here-and-now.

Estate Agents and Gazumping

9. *Can you provide an update regarding the Estate agents redress scheme workstream and when the States Assembly can anticipate that legislation might be lodged?*

Due to the prioritisation on the Law Drafting Office's (LDO) time within the broader legislative programme, a definitive completion date for the draft amendment has not yet been confirmed but the preparatory work for stakeholder engagement is complete and will commence as soon as the draft legislation is available from the LDO.

Once a draft law has been prepared, then the process is as follows:

Public Consultation	12 weeks
Review of the consultation responses	4 weeks
Post consultation Law Drafting Instructions	3 Weeks
Post consultation Ministerial decision on the new law drafting instructions	3 days
Post Consultation Law drafting (if needed)	4 weeks
Lodging of proposed Law	6 weeks
States Members briefing and debate.	

10. *It was reported by the Property Redress scheme in the UK that in 2024 it expelled "78 estate and letting agents due to non-compliance with its rules".*

In 2024, Property Redress scheme removed 76 letting and estate agents from its scheme for non-compliance with the scheme's rules. These expulsions were due to unresolved consumer complaints, unpaid compensation awards, and failure to cooperate with the complaints process. While 12 agents were later reinstated after meeting the requirements, many remain excluded for ongoing breaches.

Common complaints: Duty of care (poor service and misleading information), Instructions, terms of business and commission, marketing and advertising.

The Property Ombudsman expelled five agents for unpaid compensation and misconduct - June 2025 Three estate agents and two letting agents have been expelled from The Property Ombudsman after failing to pay compensation to customers.

a. *How grave of a problem do you think there is within Jersey?*

Based on the number of Estate agents in Jersey – it is unlikely that there is a grave problem. The Property Ombudsman Code of Practice for Residential Estate Agents in the Channel Islands has been in effect since November 2020 through the Jersey Estates Agents Association. The proposed legislation only covers estate agents and not letting agents.

b. *Has any further consultation on this topic taken place? If so, can you provide a brief outline on feedback received?*

Not currently but further consultation is planned to take place after the draft legislative amendments are received.

11. *In France, when selling a property if an offer is received of the asking price, the seller is legally obligated to sell the property at that price as French law considers that there is an agreement on the price of the object being sold and therefore this is enough to establish a contract. Do you see any merit in Jersey exploring the introduction of this type of legislation?*

This is not something that is currently being explored but I would welcome the opportunity to understand this further.

Heritage Law

12. *The Panel note that in an answer to a written question at the end of March 2025, you stated that the Heritage (Jersey) Law 202- is now in a "mature form and due to be lodged before the 2025 summer recess". Please can you outline the position of this work stream?*

The target date was to lodge before the summer recess. However, the complexities of embedding the ambiguous definition of treasure trove into the draft legislation has proven complex, such as defining what 'masse' means and 'gold' or 'silver'. However, the Legislative Working Group and Crown are now satisfied with what has now been defined. The ambition is to lodge the draft legislative package along with the draft Code of Practice in early October for debate before the end of 2025.

13. *What consultation on the proposed legislation has taken place?*

A white paper has been developed, and the Government will be going out to public consultation this week. Target organisations such as Jersey Metal Detecting Society, Société Jersiaise and National Trust for Jersey etc., have been or are being offered a private briefing to present to them on the proposed draft law.

a. *What feedback has been received?*

Informally, stakeholders have to date been very supportive of what has been developed.

b. *Is further consultation anticipated?*

Yes, as noted above we will shortly be going to a full public consultation ahead of lodging.

c. *What interaction has been held with representatives of the detectorist societies in the island?*

At the start of the process, representatives from the Jersey Metal Detecting Society were invited to a symposium with key speakers from the UK on approaches to heritage legislation. After this, it was felt better to leave law drafting to the policy makers and share the draft with detectorists when the legislative working group was comfortable with the draft legislation. Informally, before the start of the public consultation, a number of detectorists have had sight of the drafts and have signalled their contentment with the Government's approach.

d. What updates to the draft law has occurred since the Panel received its briefing on the topic in March 2024?

The draft Heritage Law presented to the Panel in March 2024 was draft 13. The draft going out to public consultation is v.24. The key changes are as follows:

i. Renaming Jersey national treasure as Jersey national antiquity.
ii. Including and defining treasure trove.
iii. Further detailing the Draft Heritage (Valuation of Reward) (Jersey) Regulation 202-.
iv. Developing a draft Heritage (Licencing of Archaeological Excavations) (Jersey) Law 202-

14. *The 2022 Heritage Strategy identified that a working group including the Metal Detectorist Society, the Crown, Société Jersiaise and Jersey Heritage had carried out work on progressing the Law in 2000. Had this working group been reformed or been invited to comment upon the draft legislation?*

The Government, with expert technical advice from Jersey Heritage Trust has led on the policy work for development of the draft legislation through a working group that included Law Officers and a Law Draftsman.

The Crown has been consulted, specifically around customary rights. Consequently, it is proposed to include treasure trove in the draft law.

Key stakeholders, including those mentioned above, have had sight of the drafts, informally, before going out formally to public consultation, and will be offered a private briefings on the drafts.

15. *Can you confirm how it is envisaged that the legislation would work in practice?*

In short, as simple and easy as possible with a maximum amount of control contrasted with a minimum amount of bureaucracy. The accompanying Code of Practice, that includes the process flowchart is there to guide those who discover finds and will accompany the proposed draft legislative bundle.

16. *What work has been undertaken in reviewing and discussing the draft legislation with the UK and other legislations?*

As part of the development process, and with agreement of the working group, individual members have consulted a number of experts, professionals and policy makers as and when necessary. The draft being consulted upon has been extended to a number of leading academics and professionals in archaeology and numismatics. The feedback has been very supportive.

Barriers to Business

17. *In May 2024, Government published its response to the Barriers to Business Report. Enabling Business: Government response to the Barriers to Business Report setting out the actions Government has and would take in response to the recommendations outlined in the independent Barries to Business Report.*
    a. *Can you provide an update as to the progress being made by government with regards to meeting the Barriers to Business Report's recommendations?*

The Enabling Business Programme continues to operate as a joint function between Jersey Business and the Department for the Economy and the organisations meet monthly to discuss progress against the original recommendations from 2023. Given the breadth and long-term nature of recommendations, it is not possible to routinely update at a granular level on each recommendation , but significant progress is being made and includes several highlights, as set out below.

b. *Have there been any noticeable changes in barriers to business that you could cite to give some examples as to progress being made?*

Financial Services - The Financial Services Competitiveness Programme, a major strategic initiative aimed at strengthening Jersey's position as a globally attractive and forward-looking International Finance Centre was launched in April this year.

Customs - Jersey Customs & Immigration Service led on a joint consultation in conjunction with Jersey Business specifically to identify and focus on CAESAR development for local businesses to ease trade on import and export. This work is ongoing and forms the strategy for CAESAR development in 2025 and 2026.

Tourism Law - In March 2024, the Tourism Law was amended to change the minimum size requirements and enable modern industry activities.

Cyber Security - Progress has been made to support Jersey's cyber security through the Telecommunications Security Framework Regulations, UK and EU adequacy agreements and developments with the Jersey Cyber Security Centre.

Financial Crime – In July 2024, the MONEYVAL evaluation report was published which concluded that Jersey's effectiveness in preventing financial crime was among the highest levels found in jurisdictions evaluated around the world.

Connectivity - Government of Jersey appointed DFDS as the preferred bidder to operate the Island's UK and French passenger and freight sea services from 28 March 2025.This includes a flat rate card (rather than volume-based pricing), to provide greater certainty and improve freight competitiveness and more regular freight sailings to France / UK at peak times.

Impact Jersey – 2024 saw the launch of the £2m Caretech programme and up to £500k in grant funding is now available through the CXTech Programme. In the past few weeks, Impact Jersey launched a year-round Innovation Programme to support local entrepreneurs and businesses.

Government efficiency - Starting in October 2024, 9 teams across different departments took part in the Business Improvement Programme run by Jersey Business to improve the efficiency of a range of processes within Government.

Licensing Law - We are on course to lodge a new Alcohol Licensing Law by the end of 2025, this will significantly simplify and speed up the process for licence applications and allow licensees to seek changes to their licence conditions.

Alcohol Deals - The removal of the 1987 rule to block drinks promotions, enabling a more competitive hospitality offer for Islanders and tourists.

Business Grants – There has been strong uptake with more than £6.4 million expected to be invested in improving productivity in Jersey businesses as a result of the Better Business Productivity Grants.

Planning - Work between Planning and Economy officials continues to implement the Minister for Environment's (MENV) commitment for greater weight on the economy in planning decisions. This includes inputting to the Planning Service Reform consultation which is live 15 July – 9 September.

Childcare - Work is underway with the extension of nursery and childcare provision a CSP of this government. Making participation pay is already a reality – the first £20,000 of income is exempt from tax, additional allowances are available for second earners, in respect of children and in respect of childcare, and Islanders enjoy a low rate of tax.

Skills – Alongside the Skills and Apprenticeship Grants of the Better Business Support Package, lifelong learning and skills development is a CSP of this Government and work is underway.

Agriculture Loans – In November 2024, the Agricultural Loans Fund was re-established with £10m to help agricultural businesses make long-term investments. Jersey Business and the Agriculture Board has reviewed and continues to review loan submissions on an ongoing basis to support access to finance.

Overseas Recruitment – A Memorandum of Understanding with Kenya for recruitment has been signed

Living Wage

18. *The transition to a living wage for Islanders is a Common Strategic Policy priority for 2024-2026.*
    a. *Can you provide the Panel with an update as to how the transition to the living wage is progressing?*

       The minimum wage was increased to £13 an hour from 1 April as the first step towards a Jersey living wage, ahead of April 2026 when the minimum wage will be set at a living wage rate (two-thirds of the 2024 median wage). Alongside this the Government is investing £20 million over 2025 and 2026 in Jersey's economy.

    b. *How is the success of the transition to a living wage being measured and monitored?*

A comprehensive programme of work to monitor the transition to a living wage is underway. The transition started from 1 April when the minimum wage was increased to £13 an hour. The monitoring is at an early stage and an update will be provided in due course.

Better Business Support Package

19. *In an effort to assist employers in the transition to a living wage, the Better Business Support Package was launched in March 2025.*
    a. *Could you outline how many grants have been applied for and awarded to date and can you provide a breakdown as to how many were major, minor or apprenticeship grants?*

Information will be provided in the forthcoming BBSP Q1-2 2025 Delivery Report which will be sent to the Scrutiny Panel and published in the coming weeks.

    b. *Are you able to provide some examples of how employers have proposed they will be using the grants within their applications?*

There is an array of ways in which businesses are identifying opportunities to operate more efficiently. From businesses looking to adopt AI to reduce manual tasks, to investing in more modern equipment that can do tasks quicker, with less waste, and less manual input required.

With skills investment, Jersey Business are seeing everything from investing in technical skills to bring in-house work that they currently outsource, to increasing IT capabilities, and strengthening leadership skills.

As a specific example, Jersey Business communicated that the first approved grant was to Les Ormes for a project that focuses on repurposing a space no longer utilised, with an increasingly popular Padel Tennis sports facility. It was a £75k grant, supporting a total project investment of close to £200k, to enhance productivity and support Islanders' well-being and the visitor experience.

Other examples may be communicated later this year, after agreement between Jersey Business and the grant recipient.

    c. *Can you confirm if a list of those receiving grants will be published?*

Further information on grant allocations will be published in a report in early 2026, after the end of the first scheme year.

20. The Panel notes within a media release from Jersey Business on 9th July 2025 that the "Productivity element of the Better Business Grant has completed for this year however businesses are encouraged to explore the remaining 2025 funding opportunities under the Better Business Grant, including:

- *Skills Development Grants*
- *Visitor Economy Development Grants*
- *Apprenticeship Grants*

a) *Are you able to provide detail as to how many business' have applied for the Skills Development Grants, Visitor Economy Development Grants and Apprenticeship Grants and how many were successful?*

Information will be provided in the forthcoming BBSP Q1-2 2025 Delivery Report which will be sent to the Scrutiny Panel and published in the coming weeks.

b) *Why do you think these grants programs have not seen the same uptake as the Productivity grant programs?*

Jersey Business has seen a good uptake on the Visitor Economy Development Grant alongside the Productivity Grant. There are multiple factors that could be influencing this uptake such as physical and technology investments can be more readily available and implemented than skills training which may operate on academic calendars, such as apprenticeships. In addition, the average project cost for productivity projects has been higher than for skills to date, meaning the total grant allocation has been reached more quickly.
More broadly, the Productivity Grant is open to and relevant for all private organisations that employ people, regardless of sector. The other grants have a more limited scope of applicability.

21. *It is stated that £2.8million will be granted to help businesses "reduce costs, improve technology, foster innovation and increase productivity.*
    a. *Can you provide detail as to the impact you anticipate this grant total amount will have?*

The Productivity, Skills and Visitor Economy Development Grants require organisations to at least match fund the grant for the project they are applying for. This means that at least double the grant allocation will be invested via the projects. However, this is expected to be exceeded as organisations typically invest more than the grant allocation. Further information will be provided in the forthcoming BBSP Q1-2 2025 Delivery Report which will be sent to the Scrutiny Panel and published in the coming weeks.

    b. *How will you measure the impact of the grants awarded?*

Beyond the direct measure of investment, Jersey Business and the Department for the Economy are planning follow up surveys of grant recipients to review the impact of the projects. There is a natural delay between grant approval, project delivery and benefit realisation which means this is not expected until 2026.

I hope the above information provides clarity to the areas you have raised.

Yours sincerely,

Deputy Kirsten Morel
Minister for Sustainable Economic Development