

# **'Future Jersey' 2017-2037**

## **Comments by Sir Mark Boleat on States of Jersey Consultation Document, August 2017**

**6 August 2017**

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### **Summary**

- The consultation paper scarcely recognises trade-offs and does not provide evidence to enable informed debate.
- The 10 proposed Outcomes are “motherhood and apple pie”, apply to any community and most are worded such that it is impossible to disagree with them. They lack ambition, particularly on education, skills and housing.
- The paper shows areas where Jersey is doing badly, eg housing costs, education and the trend in living standards.
- Some of the Indicators are inappropriate, eg those for traffic congestion, participation rates and digital infrastructure. One key indicator – international travel – is totally missing.
- If the Indicators become targets there is a danger that some of them could lose their meaning as Indicators.
- The consultation methodology is a sad example of dumbing down. The only answers that can be given online are those that support the proposed Indicators and the direction of travel – and the latter are almost all obvious unless people want more fires, lower incomes, fewer butterflies, lower educational standards etc. There is no provision to suggest alternative Outcomes or Indicators and no questions that require real choices to be made.

### **Introduction**

1. In July 2017 the States of Jersey published 'Future Jersey' 2017-2037. It is described as a “discussion document...the latest part of a government-led, community consultation to engage Islanders in building Jersey's first long-term, shared vision”. The paper proposes 10 Island Outcomes and 58 indicators. Respondents are asked whether they agree with the long-term ambitions being proposed and whether they would like to change anything. Responses are being sought by 4 October 2017.

2. This paper is a personal response from Mark Boleat. It is based on his experience in Jersey as Chairman of the Jersey Development Company and the Jersey Competition Regulatory Authority, as the author of a number of reports for the States and of a number of studies particularly on population issues. It also draws on his experience in the UK – as Chairman of the City of London's Policy and Resources Committee for five years and as a member of a number of government and local government organisations. The paper supplements the online response he has submitted.

## **General deficiencies of the analysis**

3. Public policy is about making choices on the basis of the available evidence. The consultation paper scarcely recognises trade-offs and does not provide evidence to enable informed debate. There are for example references to UK and international data, but only in very general terms. Most communities strive to be among the best, benchmarking themselves against “best in class” and seeking to learn from the experience of others. There is no attempt, for example, to seek educational outcomes at least on a par with those in the most affluent parts of England. The whole paper lacks ambition.

4. The 58 “Island Indicators” range from the fairly obvious (living standards) to the slightly bizarre (butterfly population). It is not clear how they have been chosen. However, there is at least one glaring omission from the Indicators – international travel links. Jersey people frequently travel abroad – most have relatives outside the island and for that reason alone international travel is important. Business also needs frequent reliable off-island connectivity.

5. The 10 proposed Outcomes are standard “motherhood and apple pie” Outcomes to which just about every jurisdiction in the world would sign up to. Nobody can possibly oppose “safety and security”, “affordable living” and “attractive business environment”. It does not take much brainpower to choose these as outcomes as opposed to “dangerous and insecure”, “unaffordable living” and “unattractive business environment”.

## **Areas where Jersey needs to catch up**

6. The report shows, but fails to highlight, areas where Jersey is performing badly and where more ambition is needed –

- Progress to A level or equivalent – 61% as against 72% in the UK.
- Low neighbourhood satisfaction figure for St Helier.
- If the section on housing supply is interpreted correctly new housing is way below the target for 2013-2020 and the graph confirms this.
- Real disposable income has fallen by 11% since 2002.
- The cost of buying a home and rental stress figures are unacceptable and as with housing supply there is nothing to suggest that the problem is being addressed.
- Jersey lags the UK and other countries on skills.
- Economic output and productivity have fallen 20% since 2001.

## **Comments on the specific indicators -**

7. In the Learn and grow section –

- Given the importance of education it is disappointing that the “ready to learn” Indicator is still “under development”.
- The standard benchmark data for education is 5 A-Cs including English and maths at GCSE. This should be an Indicator and the ambition should be to equal the performance of the top decile of local authorities in England and to improve. The graph should have this target as well as the Jersey figure.

- The progress to A-level or equivalent graph should include England figures. The commentary gives the Jersey figure of 223 points and says this is equivalent to C+. It comments that the average score in England was also equivalent to C+ but fails to give the actual score so a comparison with the England is impossible.
8. In the Vibrant and Inclusive section –
- The life satisfaction indicator comments that the Jersey figure “compared favourably with the highest among OECD countries”. The OECD or UK figures should be included in the graph as a comparator.
9. In the Built and Historic Environment –
- Traffic congestion means very slow moving traffic. Yet the indicator is “traffic flow towards St Helier”. This can increase without there being any congestion. And perversely if traffic congestion is very bad then traffic flows are likely to reduce. A better indicator is needed, eg time taken to drive from St Aubin to Bel Royal at 8:15 on a weekday morning.
  - While the objective of transforming housing supply is understood there appears to be no plan to do this, raising the question of why have an Indicator that has little meaning. There needs to be recognition that meeting this Indicator may be at the expense of other indicators, in particular natural green space. There needs to be a clear ambition – such as to reduce the average housing costs compared with the UK by a set percentage over a period of years, and the graph should have the target figures as well as actual figures.
10. In the Environment section –
- The natural green space Indicator may conflict with the housing supply Indicator. The trade off must be recognised.
  - Butterfly abundance – really! Surely something on fish would be more appropriate?
11. In the Affordable Living section –
- The variable for disposal income is not clear. Presumably it is weekly. It would be helpful to give the equivalent UK figure.
12. In the Economy section –
- It is stated that Jersey is behind the average for UK cities and other international competitors in respect of skills, but again no data are given. The UK figure should be included in the graph and there should be an ambition to at least equal the average for UK cities.
  - The fibre optic measure is inappropriate as a measure of digital infrastructure in a section on the economy. Businesses use leased lines and are more concerned about international connectivity than connectivity within the Island. The correct Indicator should be cost and speed of Internet communication outside the island, with again international benchmarks.

- The economic participation indicator is deficient. The main reason why many people do not work is that they can afford not to and prefer more leisure to more income.
- It is stated as fact that “the level of migration seen in 2015 is unsustainable”. This is not a fact. The level is sustainable, although it may be viewed as undesirable. This indicator fails to recognise the trade-offs.
- The section is deficient is having nothing about transport links off-island, a key variable in determining attractiveness to business.

### **Tracking the indicators – beware of Goodhart’s Law**

13. Presumably, when the Outcomes and Indicators are agreed then certain people or organisations will be given responsibility will for ensuring that they are met. Some variables, such as living standards, are not susceptible to manipulations, but others are. Here it is necessary to be cognisant of Goodhart’s law, an adage named after economist Professor Charles Goodhart, which can be summarised as: "When a measure becomes a target, it ceases to be a good measure." This follows from individuals trying to anticipate the effect of a policy and then taking actions that alter its outcome. Crime is a good example as there is no “correct” measure of the volume of crime. If the target is to reduce crime then police forces can to some extent achieve this by not recording incidents as crimes. Thousands of motoring crimes are committed every week in Jersey but are not recorded as such. The main reason for the decline in recorded crime in the UK is that criminals have moved from robbing shops to economic crime, but the statistics lagged behind, not recognising fraud to any great extent until recently. When economic crime was properly counted the number of crimes in England and Wales increased from 6.6 million in 2014/15 to 11.8 million in 2015/16. Among the Indicators that may be susceptible to manipulation in order to show that Jersey is “on target” are

- Recorded crime – for the reason stated above.
- Number of fires – susceptible to the definition of a “fire”.
- Injuries on our road – again susceptible to what counts as an injury.
- Work- related injuries. An anecdote here. Recorded and reported injuries in the UK used to be those when someone was taken to hospital or was off work for three days. Some businesses went to great lengths to avoid staff being taken to hospital and would seek to get people back to work after two days.
- Attainment at A- level – can be boosted by discouraging “weak” candidates from taking A levels – a practice followed by many schools in the UK. “Value added” should be the appropriate indicator.
- Heritage assets – changing the definition such that assets are protected.
- Active travel – inclusion of public transport makes a mockery of this Indicator. If 2,000 people stopped cycling or walking to work and used the buses instead then the Indicator would be unchanged.
- Natural green space – can be increased by stopping new house building.
- Protected sites of special interest – easy to increase by designating more sites.
- Butterfly abundance. It is recognised that this is a barometer. But there are no doubt measures that could be taken to increase the butterfly population, which would then cease to be a good barometer.
- Breeding birds – the same argument as for butterflies.
- Water consumption – a good justification for the water company to ramp up prices.
- Digital infrastructure – the indicator is a mechanical one that can be achieved at a cost. It could be at the expense of better off-island connectivity, which is the real issue for businesses.

- Economic participation – this could be increased by a combination of less generation pensions over time and increasing immigration.

14. In practice it is recognised that most of the indicators would not be manipulated, but they need to be designed so they cannot be manipulated and are meaningful.

### **Deficiencies of the consultation**

15. The consultation methodology is a sad example of dumbing down, the objectives presumably including being able to analyse the results with as little human input as possible. The preferred online consultation methodology does not even allow people to suggest alternative Outcomes or indicators. Very unusually there is no facility for people to give their names and contact details, which is normal practice in consultations.

16. The same question is asked about every indicator. “The long-term ambition should be to –

No preference  
Continue the trend  
Improve the trend  
Transform the trend”

Respondents are asked this question in respect of the number of fires, which has been reducing. Is it really a serious question to ask whether people want the number of fires to increase? And the words “Improve” and “Transform” are not opposites. Transform can mean to improve at a faster rate. This issue is particularly true in respect of natural green space. The graph shows a steady decline. The desired Indicator is “continue the trend”, presumably continue the steady decline. What does “Improve” or “Transform” mean in this context? What answer do people give if they want -

More green space – presumably “transform”.  
Less green space and more housing – presumably also “transform”.

17. If people respond to the consultation in the manner intended the results will be of little use and will merely confirm that people want all the obvious outcomes, ie fewer accidents, better education, better health, rising living standards, more green space, more housing, more jobs and less immigration.

18. But public policy is about making choices. The consultation implies that no choices have to be made, and that each of the Indicators can be achieved simultaneously. This is deceiving the public who would prefer that politicians would be straight with them. It would have been better to ask questions such as –

- There is a view that Jersey needs to increase its housing supply as young people find increasing difficulty in being able to afford to buy or rent. Would you prefer –
  - More housing should be built but only on existing built-up areas, meaning higher densities on existing estates and perhaps also high-rise apartments.
  - 80% of space in Jersey is green. Should the proportion be reduced to say 75% by building on “greenfield sites” (which predominantly is farmland and not public open space)?

- Maintaining current policy and accepting that young people will find it increasingly difficult to buy or to rent.
- Jersey has a rapidly ageing population. Maintaining living standards and staffing essential services will require a continued high level of immigration. Would you prefer –
  - To seek to reduce immigration significantly at the expense of living standards.
  - Accept immigration at around the levels seen in recent years in order to maintain living standards.

19. The consultation does not allow for anyone to query whether an Indicator should exist at all, whether the Indicators are the right ones to achieve the desired Outcomes and whether some key Indicators have been omitted. The previous sections of this paper has identified a few such issues –

- The absence of an Indicator on external transport links.
- The wrong Indicator (one relating to households rather than businesses) in respect of broadband connectivity).
- An incorrect indicator of participation rates. The fact that women in their 60s can afford not to work and can enjoy time with their grandchildren rather than spending time picking potatoes or washing dishes in a café is a good thing not a bad thing.
- A confused Indicator on green space.

20. Jersey has always been world class, and to maintain that position requires benchmarking. The indicators should also include comparative data where this is available, so graphs would typically have the UK or OECD figures as well as the Jersey figures.

Mark Boleat  
August 2017



## **Sir Mark Boleat**

Mark Boleat has held a variety of public sector, private sector and third sector positions in the UK including Director General of the Building Societies Association, the Council of Mortgage Lenders and the Association of British Insurers, and Chairman of the City of London Policy and Resources Committee, the Housing and Finance Institute and Link Scheme Holdings Ltd. He has also run his own consultancy business specialising in the handling of public policy issues.

He has written reports for the States on housing policy and consumer policy and chaired a working group on immigration. He is the author of *Jersey's Population – A History* published by the Société Jersiaise in 2015 He was appointed Chairman of the JCRA in 2010 and of the Guernsey equivalent, the GCRA, in 2012, having led the integration of the two bodies. He held these position until 2016. He was also Chairman of the Jersey Development Company from 2011 to 2015.

Mark was knighted in the 2017 Birthday Honours List for services to the financial services industry and to local government in London.