

# **STATES OF JERSEY**



## **STATES RESOURCE PLAN 2005 TO 2009**

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**Lodged au Greffe on 20th July 2004  
by the Policy and Resources Committee**

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**STATES GREFFE**

## PROPOSITION

### THE STATES are asked to decide whether they are of opinion –

to approve the States Resource Plan 2005 to 2009, consistent with the States Fiscal Strategy, and in particular –

- (a) (i) to approve the cash limits for each of the non-trading Committees as set out in Table 4.1 totalling £406,791,600 in 2005;
- (ii) to approve total States net revenue expenditure limits for 2006 to 2009 of £429 million for 2006, £439 million for 2007, £450 million for 2008 and £461 million for 2009, as set out in Table 3.1;
- (b) (i) to approve the total allocation for capital expenditure of £45,000,000 each year for the years 2005 to 2009, as set out in Tables 6.2 to 6.6; in place, as appropriate, of the allocations approved by the States on 18th September 2003;
- (ii) to approve the recommended programme of capital projects for 2005 as set out in Table 6.2, and to approve in principle the proposed programme for 2006 to 2009 as set out in Tables 6.3 to 6.6, respectively;
- (c) to approve the Legislation Programme for 2005 as set out in Appendix 11; and
- (d) to charge all Committees of the States to co-operate with the Policy and Resources and Finance and Economics Committees in the development of an integrated process for business planning and resource allocation for the period 2006 and beyond.

### POLICY AND RESOURCES COMMITTEE

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## 1. FOREWORD

This is expected to be the last Resource Plan in its current format, but it covers a period that will see pivotal changes to the States' income and expenditure.

The Resource Plan has been the focus of the States' medium-term financial planning for a number of years, but with the development of a new States Strategic Plan and an integrated resource planning process, this document will be replaced in 2005 by the first States Business Plan.

To ensure a managed transition into the new business planning process, this Resource Plan maintains a five-year planning horizon, for the period to 2009, enabling next year's States Business Plan, which will cover the five-year period to 2010, to dovetail with the approved States Strategic Plan.

This Resource Plan incorporates high-level financial and manpower forecasts that take into account the proposals contained in the Fiscal Strategy: the reduction of income from the move to a 0%/10% corporate tax regime, together with measures to mitigate the impact on States' income.

The Resource Plan illustrates clearly that if we wish to remain competitive in an increasingly aggressive worldwide market for financial services, we must formulate, approve and implement detailed changes to our taxation system without delay.

The focus in the five-year plan must be to bring spending growth back into line with forecasts of States' revenues, particularly to ensure that States' finances are in the right shape to tackle the challenges in the medium-term.

It is essential that the States, politicians and officers, embrace the change culture embodied in the approved Five-Year Vision for the Public Sector in order that the savings and value improvements can be achieved without increasing short-term deficits or cutting services.

The States has agreed a five-year change programme that will transform both the way the States of Jersey works and the way services are provided to the Island. This can only succeed if Committees and Members of the States continue to bear down on States' expenditure and work together to deliver better services at a cheaper cost.

May I once again take this opportunity to thank all those members of staff who have worked on the Resource Plan, and on the wider issues of the strategic, fiscal and economic policy that underpin it; for the hard work and skill they have devoted to the plans contained in the document now presented, which I commend to the States.

.....  
Senator F.H. Walker  
President, Policy and Resources Committee  
20th July 2004

## **2. EXECUTIVE SUMMARY**

### **Introduction**

This year's Resource Plan, which is likely to be the last in the current format, contains detailed proposals for the allocation of revenue and capital expenditure, as well as law drafting time, for 2005.

The Plan looks forward a further 4 years to 2009 through financial forecasts that reflect the financial policies within the recently approved States Strategic Plan and Fiscal Strategy. An integrated approach to business planning and resource allocation will also be developed over the coming months, to culminate in the production of the first States Business Plan, to be presented in 2005, which will cover the full period of the States Strategic Plan to 2010.

### **Financial Forecast 2004 to 2009**

The projected deficits in Table 3.1 show an increase in the levels projected in the Budget 2004, due principally to further reductions in the growth in Income Tax revenues. The extended forecast of income tax revenues to 2013 gives an early indication of the scale of the problem beyond the change to a 0%/10% corporate tax structure.

The Finance and Economics Committee's policy is to maintain a level of deficit which is sustainable in the short-term but which will allow a return to balanced budgets by 2008. The introduction of the early measures identified in the recently approved Fiscal Strategy should enable a small surplus to accrue by 2008 but this will not be sufficient to address the more significant loss in income tax revenues following the new corporate tax structure from 2010. The Finance and Economics Committee will be conducting further research and consultation on the remaining measures outlined in the Fiscal Strategy, to tackle the remaining deficit before bringing proposals to the States by February 2005.

The achievement of balanced budgets by 2008 will also depend on the States continuing to maintain tight control on expenditure growth, which will require adherence to the current planning totals for revenue and capital and recognise the impact of any unplanned changes to tax allowances.

### **Revenue Expenditure 2005**

The increase in total States' net revenue expenditure in 2005 is 2.6%, which improves upon the target in last year's Resource Plan of constraining growth to 3% for 2005. The improvement reflects the Finance and Economics Committee's intention to reduce expenditure growth to levels affordable from States revenues, and to achieve a manageable deficit ahead of the introduction of the Fiscal Strategy proposals for new tax measures. It is also consistent with the aim of the Strategic Plan to balance the States' income and expenditure.

The aim of the Fundamental Spending Review process this year was to build upon those areas that had been seen to be particularly successful in previous years. This resulted in the majority of the detailed work being dealt with through a scrutiny process involving Chief Officers and Audit Commissioners, thus focussing the time invested by the Presidents to the prioritisation of the key growth and savings proposals.

The target for resource allocation was established as a 2.5% increase in net revenue expenditure that allowed £7 million net growth to be allocated. Given this constraint, the group of Presidents has proposed £6 million of reductions to services, which thereby allowed a total of £13 million of additional funding for priority services.

The 2005 process also saw the principle of targets for efficiency savings being established, both at a corporate and departmental level. The Shadow Corporate Management Board was charged with identifying the corporate efficiency savings. Its work has now been reinforced by the Visioning project, which identified £20 million of efficiencies over the next 5 years through public sector reforms, £6 million of which is included in 2005.

### **Revenue Expenditure Forecasts 2006 to 2009**

The proposals for revenue expenditure targets for 2006 to 2009 are those derived from the approved States Fiscal

Strategy, amounting to less than real terms growth.

The Finance and Economics Committee's planning assumption, for the purposes of forecasting, is to provide for an average of 2.5% growth per annum over the five-year period 2005 to 2009 and this will be subject to ongoing review.

The Strategic Plan summarises the objectives for the development of the Island over the next 5 years. These include a target for the economy to grow by 2% per annum, but, at the same time, it also identifies a strategic aim which emphasises that all aspirations must be balanced by a need to constrain expenditure growth.

The Fiscal Strategy identifies the need to change the tax base of the Island to address the international and competitive pressures, but the extent to which new tax measures are required is heavily influenced by the level of expenditure growth and the scale of projected deficits. Consequently, emphasis must be placed on delivering efficiency savings and prioritising the allocation of available resources to achieve best value for money from public services.

The five-year financial planning process will continue, informed by new detailed three-year business planning by departments, directed towards the delivery of the objectives that cascade from the States Strategic Plan. Over the next 12 months, as a model for the States Business Plan and related Departmental Business Plans is developed the resources required to deliver firstly the objectives of departments, and ultimately the States strategic aims, will need to be identified.

In parallel to this development, the individual elements of the strategic aims, and possibly the related departmental objectives, will need to be prioritised. This prioritisation could form the basis from which improved and more strategic resource allocation could take place.

### **Capital Expenditure 2005 to 2009**

Last year's Resource Plan achieved a reduction in the capital allocation from £50 million per annum to £48 million per annum for the period 2004 to 2008, as part of a package of measures to address the growing deficits.

Given the latest forecast of tax revenues, the Finance and Economics Committee considers it prudent to reduce annual allocation to capital by a further £3 million to £45 million per annum for each of the years 2005 to 2009. This significant reduction in real terms has required a reworking of the previously approved 2004 to 2008 programme as well as difficult decisions in respect of prioritising projects in the proposed 2009 programme.

A Capital Resource Allocation workshop took place between the Presidents of the bidding Committees who in the first instance, acknowledging the financial constraints, agreed that the funding allocation be reduced to £45 million per annum and proposed a programme for 2005 to 2009 within that target.

### **Manpower**

The Finance and Economics Committee has introduced into the FSR process the full integration of manpower and finance when considering resource allocation, rather than the fragmented system that operated previously.

This has resulted in manpower savings and growth being agreed at the same time as funding is allocated, subject to ratification of the Resource Plan. Once established, these adjustments will automatically result in limits within which Committees will be expected to operate. Integrating the allocation of these resources within a single process will ensure that both are allocated in accordance with strategic objectives.

The FSR and Visioning Project have identified a maximum reduction of 500 jobs over the next 5 years from combination of service reductions and efficiency savings. Ultimately this may be partly offset by any additional staff in the way of growth that is affordable through the resource allocation process each year.

### **Legislation Programme 2005**

The bids for drafting time in 2005 far exceeded the number of days available for new items despite Committees and their departments co-operating by withdrawing requests for drafting of items, which are either no longer required or which may be deferred. A workshop was held for Committee presidents to determine the priorities for drafting in 2005 and the programme now proposed is based on those priorities.

### **Implementation and way forward**

The new Strategic and Business Planning process will result in the current Resource Plan being subsumed into the new States Business Plan. The first States Business Plan will be produced in 2005, covering the period 2006 to 2010.

This new process will integrate successfully Strategic and Business Planning and the previous Fundamental Spending Review (FSR) resource allocation process, within the parameters of Fiscal Strategy expenditure targets.

The five-year period covered by this Resource Plan will see major changes to the way the States raises income to fund services, coupled with a decline in income in real terms. For the first time, the forward financial forecast to 2009 starts to incorporate the impact of changes proposed in the Fiscal Strategy, highlighting clearly the need to take decisive action in the very near future.

### **3. FINANCIAL FORECAST 2004 TO 2009**

#### **3.1 Overview**

The financial forecast at Table 3.1 shows the financial position following the latest available income tax forecasts prepared by the new tax forecasting group in July 2004. The forecasts also reflect the outcomes from the 2005 FSR and in subsequent years expenditure totals are in accordance with the policy of growth at less than real terms as adopted within the States Strategic Plan and the Fiscal Strategy. To be consistent with the Strategic Plan assumption that inflation is likely to continue at the current or at a slightly lower level, this has been interpreted in the Resource Plan as an average of 2.5% increase in total States net revenue expenditure over the period to 2009. In the event that inflation does fluctuate further than currently anticipated then this planning assumption would need to be reviewed.

After taking these factors into consideration, the deficits show an increase in the levels projected in the Budget 2004, due principally to further reductions in the growth in Income Tax revenues. This level of deficit can only be maintained in the short-term in the knowledge that a clear strategy is in place to facilitate a recovery in tax revenues in the medium-term, as proposed in the Fiscal Strategy P.106/2004.

The Finance and Economics Committee's policy is to maintain a level of deficit which is sustainable in the short-term but which will allow a return to balanced budgets by 2008, through measures identified in the States Fiscal Strategy.

The achievement of balanced budgets by 2008 will also depend on the States continuing to maintain tight control on expenditure growth, which will require adherence to the current planning totals for revenue and capital, and recognise the impact of any unplanned changes to tax allowances.

In addition to the measures identified within the Fiscal Strategy, the Finance and Economics Committee will consider appropriate increases in existing tax measures within the annual budget process.



**Table 3.1**  
**Financial Forecast 2004 to 2009**

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
<b>Income</b>						
Income Tax	360	370	380	390	400	410
Impôts	53	53	52	51	50	49
Stamp Duty	14	14	14	14	14	14
Other Income	14	13	13	13	13	13
Total Income	441	450	459	468	477	486
<b>Expenditure and Transfers to Reserves</b>						
<b>Total States Net Revenue Expenditure</b>	408	419	429	439	450	461
<b>Capital Allocation</b>	48	45	45	45	45	45
<b>Transfer to Strategic Reserve</b>	–	–	–	–	–	–
<b>Total States net revenue and Capital expenditure</b>	456	464	474	484	495	506
<b>Forecast Deficits</b>	(15)	(14)	(15)	(16)	(18)	(20)

*Notes to the Financial Forecast*

- *Income Tax – The forecasts assume existing policies are maintained which includes the freezing of allowances and exemptions and are based primarily on the levels of actual 2003 income. An explanation of the effect from 2010 of the 0%/10% structure and fiscal strategy proposals is described in Section 3.3.*
- *Impôts – The forecasts assume that duty levels remain at the 2004 Budget level and that current consumption trends continue.*
- *Stamp Duty – The forecasts assume that duty levels remain at the 2004 Budget level.*
- *Other Income – This heading represents the return from certain States investments and associated bodies including Jersey Telecom and the Jersey Financial Services Commission.*
- *Total States net revenue expenditure – in 2005 this figure represents the total of the individual Committee cash limits proposed by the Finance and Economics Committee plus the General Reserve. From 2006 this figure reflects a planning assumption of 2.5% growth per annum.*
- *Capital Allocation – the allocation of funding to the Capital fund for the proposed programme of capital expenditure.*
- *Deficits – the net figure, representing in each year spending in excess of the level of States revenues. The Finance Law prevents the deficit in any year exceeding the forecast balance in the Capital Fund and as a result the level of forecast deficits is unsustainable much beyond 2005 based on current estimates.*

### 3.2 Income Tax Forecasts

The income tax forecasts have for the first time looked over a ten-year period, in order that the full impact of the move to a new 0%/10% corporate tax structure could be illustrated.

The forecasts have had to assume a number of market factors, including moves in the global economy, company profits, investment returns and property prices – all of which may vary significantly, particularly over a ten-year forecast period.

In addition, over the last few years several of the larger companies have repositioned their businesses in anticipation of changes in tax structure. There is still an opportunity for further take-up in the International Business Company (IBC) sector until the end of 2005 and to that extent this will also have an effect on the profile of the tax forecasts.

**Table 3.2**  
**Income Tax Forecasts to 2013**

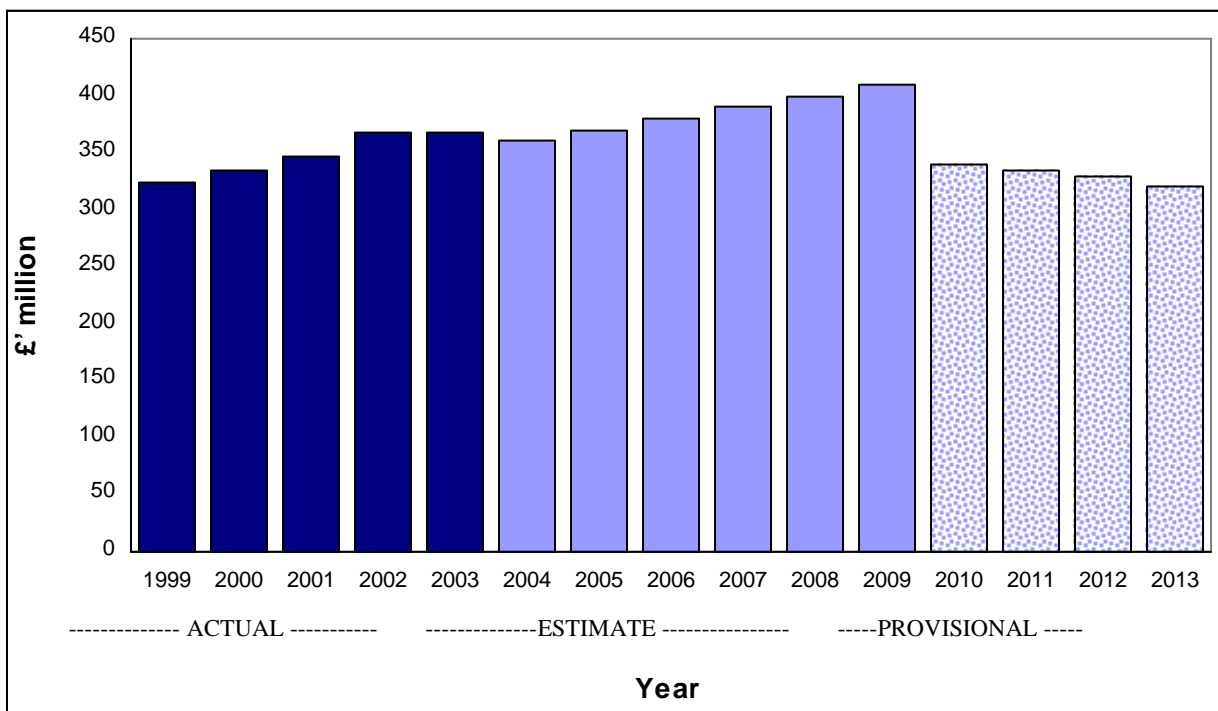


Table 3.2 shows the extended forecast and gives an early indication of the significant reduction in tax revenues from 2010 onwards. The most significant change is in 2010 when the majority of companies' income tax will be collected under the new 0%/10% structure. From 2010 to 2013 those residual IBCs, whose agreements will be expiring, will transfer to the new structure, which is expected to result in a further slight decrease in corporate tax revenues.

The ten-year forecasts must be accepted as a first estimate, and used only as a broad indication of the profile of tax revenues over this period.

### 3.3 Fiscal Strategy

The Fiscal Strategy P106/2004, approved by the States on 7th July 2004, lays out the proposals through which the forecast deficits can be addressed over a period of years, and requires that these proposed measures be in place by 1st January 2008.

The proposals contain a series of measures to address both the short-term spending deficits and the significant loss in tax revenues from the point where the new 0%/10% tax structure comes into place.

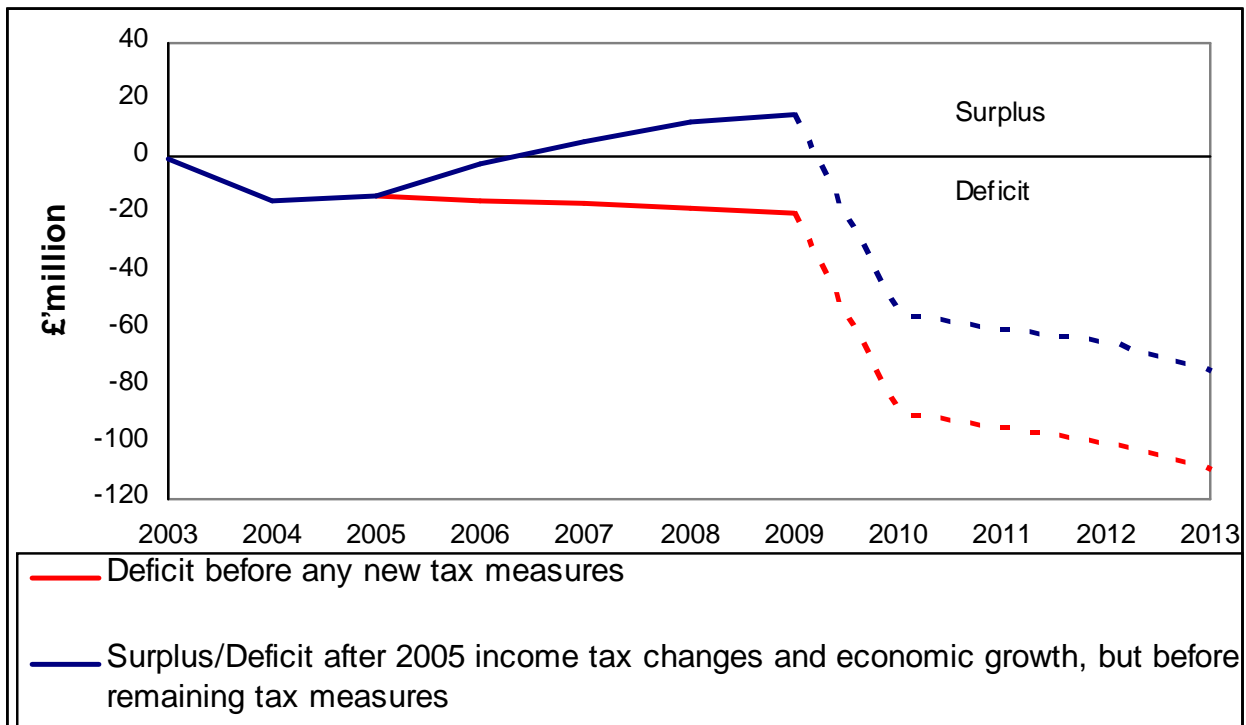
The financial forecast at Table 3.1 reflects the first measure, which is to achieve savings in public expenditure of £20 million by constraining growth to 2.5% per annum, being 1% less than the forecast underlying rate of inflation.

The other measures to be introduced by 2008, to address both the short and medium term deficits and not included in the forecasts, are –

- Income Tax Instalment Scheme (I.T.I.S.) estimated to raise up to £5 million;
- the phasing out of tax allowances for taxpayers on higher incomes, estimated to raise up to £10 million;
- the introduction of policies to achieve a target for economic growth of 2% per annum over the period 2005 to 2009, estimated to generate £20 million per annum; and
- further tax measures required to address the remaining deficit and mitigate the loss of tax revenues as a result of the change to a 0%/10% tax structure, which following further research and consultation will be brought forward to the States with recommendations for approval by February 2005.

Table 3.3 shows the effect of incorporating these extended income tax revenue forecasts into a projection of the next 10 years' financial forecast, to indicate the resulting surplus or deficit, which illustrates the need for significant new tax measures in advance of 2010.

**Table 3.3 – Forecast of Surplus/Deficit to 2013**



The red line on the graph reflects an extension of the forecast deficits in Table 3.1, incorporating the provisional income tax revenue forecasts through to 2013. It assumes existing impôts duty and stamp duty rates are maintained and is before the introduction of any of the new tax measures outlined in the Fiscal Strategy.

The black line on the graph illustrates the estimated effect of introducing –

- an Income Tax Instalment Scheme (I.T.I.S.) estimated to raise up to £5 million per annum;
- the phasing-out of tax allowances for taxpayers on higher incomes, estimated to raise up to £10 million per annum; and
- Policies to achieve a target for economic growth of 2% per annum over the period 2005 to 2009, estimated to generate £20 million per annum by 2009.

The graph shows that these measures enable income and expenditure to be brought back into balance, ahead of the move to the 0%/10% corporate tax structure, and also allows the creation of a small temporary surplus. However, this surplus is not sufficient to address the projected loss of corporate tax revenues from 2010.

The graph does not take account of the remaining tax measures outlined in the Fiscal Strategy, which will be further researched and consulted upon before being proposed to the States by February 2005.

### 3.4 Revenue and Capital Expenditure Forecasts

The Strategic Plan and Fiscal Strategy proposals set a clear framework for expenditure over the next 5 years.

In the Strategic Plan the strategic aims summarise the objectives for the development of the Island, which include a target for the economy to grow by 2% per annum. At the same time, the Plan identifies a strategic aim which emphasises that all aspirations must be balanced by the need to constrain expenditure growth.

The Fiscal Strategy identifies the need to change the tax base of the Island to address international and competitive pressures, but the extent to which these new tax measures are required is heavily influenced by the

level of expenditure growth and the scale of resultant projected deficits. Emphasis must be placed on delivering efficiency savings and prioritising the allocation of available resources to achieve best value for money from public services.

The clear framework within which the revenue and capital expenditure forecasts have been prepared includes annual increases in States net expenditure limited to 1% less than the underlying increase in the Retail Prices Index for each of the years 2005 to 2009. This has been interpreted in the Resource Plan in terms of –

- Financial planning targets for total States net revenue expenditure of 2.5% per annum as shown in Table 3.1 and
- Allocations for Capital expenditure of no more than £45 million per annum for that period.

The Fundamental Spending Review has been the mechanism through which the delivery of expenditure savings and the prioritisation of available resources have been achieved for the 3 years 2003 to 2005. Detailed allocations are not proposed beyond 2005 as it is intended that a resource allocation process will be integrated within the new business planning framework to be developed from the Strategic Plan.

A similar process has operated to achieve the prioritisation of capital projects and a programme is proposed for the next five years within the planning targets.

## **4. REVENUE EXPENDITURE 2005**

### **4.1 2005 Revenue Cash Limits**

The proposed increase in total States' net revenue expenditure in 2005 is 2.6%, which improves upon the target in last year's Resource Plan of constraining growth to 3% for 2005.

The improvement reflects the Finance and Economics Committee's intent to reduce expenditure growth to levels affordable from States revenues, and to achieve a manageable deficit ahead of the Fiscal Strategy proposals for new tax measures. It is also consistent with the Strategic Plan.

The Finance and Economics Committee intends to take a medium term approach with a return to balanced budgets by 2008 and currently estimates this can be achieved by constraining expenditure growth to a target of 1% less than the underlying increase in RPI (estimated at 2.5% per annum) over this period, providing the Fiscal Strategy proposals are approved.

Individual Committees' cash limits for 2005 are shown at Table 4.1 below and reflect the outcomes of the resource allocation process and the pro-rata allocation of efficiency savings from the FSR. Further work is required to confirm the final allocations between Committees for corporate and departmental efficiency savings and this will be progressed in advance of the 2005 Budget.

Table 4.1 also identifies indicative final cash limits, once the current pay negotiations are eventually settled and allocated, and these totals represent the clearest picture of how funding will be finally allocated.

**Table 4.1**  
**Total States Net Revenue Expenditure 2005**

	Cash Limit	Transfers	FSR	Pay	Non-staff	Total Before	Efficiency	2005
	2004	Adjusts	Outcomes	Specifics	Inflation	Efficiency	Savings	Cash
Committee	£'000	2005	2005	2005	2005	Savings	£'000	Limits
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Policy and Resources	6,492.5	(15.3)	(116.0)	-	40.9	6,402.1	(121.5)	6,280.6
Privileges and Procedures	3,967.0	-	1,213.0	-	84.8	5,264.8	(65.1)	5,199.7
Finance and Economics	19,446.0	(296.2)	(606.0)	174.0	88.8	18,806.6	(453.3)	18,353.3
Environment and Public Services								
Planning and Environment	3,134.8	1,891.1	270.0	-	3.6	5,299.5	(129.9)	5,169.6
Public Services	18,831.3	(868.7)	3,678.0	-	115.9	21,756.5	(560.2)	21,196.3
Economic Development	18,537.5	(3,227.4)	296.0	-	297.1	15,903.2	(238.0)	15,665.2
Health and Social Services	121,599.0	(443.5)	1,362.0	233.0	698.3	123,448.8	(2,133.4)	121,315.4
Education, Sport and Culture	87,902.5	-	196.0	-	586.4	88,684.9	(1,430.7)	87,254.2
Home Affairs	37,582.2	(446.6)	943.0	-	250.3	38,328.9	(632.0)	37,696.9
Employment and Social Security	80,401.4	-	(345.0)	-	2,724.5	82,780.9	(53.8)	82,727.1
Housing	(238.8)	-	737.0	-	181.0	679.2	(182.1)	497.1
Overseas Aid	5,306.0	218.0	-	-	-	5,524.0	-	5,524.0
Legislation	47.0	-	-	-	1.2	48.2	-	48.2
Harbours - La Collette	(124.7)	-	(8.0)	-	(3.3)	(136.0)	-	(136.0)
<b>Total Cash Limited Expenditure</b>	<b>402,883.7</b>	<b>(3,188.6)</b>	<b>7,620.0</b>	<b>407.0</b>	<b>5,069.5</b>	<b>412,791.6</b>	<b>(6,000.0)</b>	<b>406,791.6</b>
General Reserve	-							2,000.0
Pay and Pension Contingency	5,016.3							9,793.2
<b>Total Net Revenue Expenditure</b>	<b>407,900.0</b>							<b>418,584.8</b>

**Notes:**

- The various Committee transfers and adjustments are identified in the table below.
- The FSR outcomes are the proposals from the final Presidents' conference on 5th April 2004.
- The non-staff inflation at 2.5% also includes provision for the up-rating of benefits in Employment and Social Security Committee.
- Adjustments to cash limits for 2 specific pay reviews are required, Consultants Medical Defence liability and the Legal Appointments review, which date back to June 2002/3.
- The allocation of efficiency savings will be adjusted once the extent of corporate efficiencies is known.
- The 2005 cash limits do not include the June 2004 and June 2005 pay awards which are not yet agreed. An indicative allocation of these figures is included in the penultimate column to provide an indicative 2005 Budget figure for each Committee.

**Committee Transfers and Adjustments**

	Sewerage	Substance	Crime &	Overseas	Finance	Finance	Corporate	Official	Agriculture	Comm
	Charge	Misuse	Community	Aid	Function	Industry	Supplies	Analyst	& Fisheries	Total
Committee	deferred	Strategy	Safety	formula		Support				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Policy and Resources					(15.3)					(15.3)
Finance and Economics					15.3	(250.0)	(116.5)	55.0		(296.2)
Planning & Environment								(55.0)	1,946.1	1,891.1
Public Services	(2,400.0)								1,531.3	(868.7)
Economic Development						250.0			(3,477.4)	(3,227.4)
Health & Social Services		(560.0)					116.5			(446.6)
Home Affairs			(446.6)							(446.6)
Overseas Aid				218.0						218.0
	(2,400.0)	(560.0)	(446.6)	218.0	-	-	-	-	-	(3,188.6)

## 4.2 Fundamental Spending Review 2005 Process

### The aim of the process

The aim of this year's process was to build upon those areas that had been seen to be particularly successful in previous years.

This resulted in the majority of the detailed work being dealt with through a scrutiny process involving Chief Officers and Audit Commissioners, thus focussing the time invested by the Presidents to the prioritisation of the key growth and savings proposals.

The process also included –

- input from other interested States Members, at various stages of the decision making process, with their views being carefully considered by the Presidents in making their proposals;
- the outcomes of the decision conferences being made available to all States Members and the media throughout the process; and
- a final decision conference, after the initial outcomes were published, to enable Presidents to consider, with their Committees, the overall impact of the proposals.

The structure of the process allowed for the base cost of services to be automatically up-rated by agreed indices, allowing the focus of the decision making to be on the relative priority of services and policies.

The framework for the resource allocation was established as a 2.5% increase in net revenue expenditure which, with a £2 million allocation to the General Reserve and £6 million target for efficiency savings, allowed £7 million net growth to be allocated.

In addition, Table 4.2 shows that the Presidents have proposed £6 million of reductions to services which therefore allowed £13 million of additional funding for priority services within the growth available.

**Table 4.2**  
**Net position by Committee from 2005 Fundamental Spending Review**

	Savings		Additional Funding		Net Position	
	£'000	FTE	£'000	FTE	£'000	FTE
<b>Service Savings</b>						
Policy and Resources	404	6.0	288	2.0	(116)	(4.0)
Privileges and Procedures	156	3.0	1,369	5.0	1,213	2.0
Finance and Economics	744	11.0	138	-	(606)	(11.0)
Environment and Public Services						
- Public Services	600	10.0	4,464	-	3,864	(10.0)
- Planning and Environment	251	4.5	689	1.0	438	(3.5)
Economic Development	1,051	10.7	993	-	(58)	(10.7)
Health and Social Services	655	8.8	2,017	8.5	1,362	(0.3)
Education, Sport and Culture	970	4.0	1,166	34.5	196	30.5
Home Affairs	644	9.9	1,587	8.0	943	(1.9)
Employment and Social Security	345	-	-	-	(345)	0.0
Housing	345	6.0	1,082	-	737	(6.0)
Harbours – La Collette	8	-	-	-	(8)	0.0
	<b>6,173</b>	<b>73.9</b>	<b>13,793</b>	<b>59.0</b>	<b>7,620</b>	<b>(14.9)</b>
<b>Efficiency Savings</b>	<b>6,000</b>	<b>68.0</b>			<b>(6,000)</b>	<b>(68.0)</b>
<b>Totals</b>	<b>12,173</b>	<b>141.9</b>	<b>13,793</b>	<b>59.0</b>	<b>1,620</b>	<b>(82.9)</b>

Notes:



- *The increases in Privileges and Procedures Committee represent the introduction of Scrutiny and the Public Accounts Committee and further growth is required in 2006.*
- *In 2004 Public Services planned to introduce a sewerage charge. This was deferred but the funding for the annual cost of essential sewer maintenance has been proposed as growth in 2005. Public Services are also allocated additional funding to the amount of the full cost of the Connex Bus contract.*
- *The significant increase in FTE for Education, Sport and Culture Committee is to maintain the current pupil teacher ratios alongside the demographic increase forecast in pupil numbers – this may reduce in future years as the demographic profile changes.*

### **4.3 Efficiency savings**

Part of the financial forecast includes a provision for efficiency savings to be made across the States. These savings are not intended to cause a reduction in service but are savings which should be achieved by “delivering at least the same service but for less cost”, adopting the vision *better, simpler, cheaper*.

The principle is that these efficiency savings comprise targets for both corporate and departmental efficiencies. The Shadow Corporate Management Board was charged with identifying the corporate efficiency savings. Its work has now been reinforced by the Visioning project, which identified £20 million of efficiencies over the next 5 years through public sector reforms.

The target for 2005 is £6 million and it was intended that over half of this would be delivered from corporate efficiencies. However, in many cases the corporate efficiencies have a lead time before the savings identified are realised and, consequently, the contribution from departmental efficiencies is likely to need to be greater than expected in 2005 to achieve the overall target.

The full £6 million has been removed on a pro-rata basis from Committees’ cash limits across the States as a first step and as the corporate efficiencies are identified by the groups managing each target area, these will be adjusted against Committee budgets.

In 2005 the target areas for corporate efficiencies are –

- provision of Information Technology;
- Finance function;
- procurement services;
- Human Resources function; and
- property management.

The resources required to deliver these services are held within individual Committees’ cash limits. The savings targets for both corporate and departmental efficiencies have therefore been allocated across Committees.

The detailed allocation of these corporate efficiencies will emerge through “proof of concept” studies leading to the restructuring of functions and resources to achieve the most efficient and effective delivery of these support services.

The first targets for corporate efficiencies are support services (Human Resources, IT, Property and Purchasing). However, the budgets for these functions are included within Committee cash limits and the total target for efficiencies has been allocated across all cash limits. The allocation will be adjusted to reflect the actual realisation of efficiency savings in support services. The scale of the Support Services budgets within each Committee will be detailed in the 2005 Budget in the form of new “Statements of Support Service” costs.

In subsequent years, savings will continue to be achieved in these areas but they will be delivered by changes in working practices, use of technology and by corporate working as services work together to remove duplication and support each other.

## **4.4 General Reserve**

### Unforeseen Contingency

The allocation to the General Reserve has been substantially reduced in recent years from almost 5% of States expenditure to less than 1%. This has been achieved through considerable financial constraint by the Finance and Economics Committee and also through the support of all States Committees.

In the 2004 Budget, no allocation was made to the General Reserve on the basis of an unspent balance from previous years. It is anticipated that by 2005 this will be largely committed, but the Finance and Economics Committee has accepted an allocation of only £2 million or 0.5% for 2005.

This is the minimum that the Finance and Economics Committee could possibly propose, and if this level of General Reserve provision is to continue then it will no longer be able to provide a contingency for anything other than genuine emergency items. All other risks would have to be absorbed at Committee level.

### Pay and Pension provision

The most significant risk is the fluctuations of pay awards and pay reviews, particularly as negotiations for the June 2004 pay deal have been underway for sometime. The employer's offer of 2.5% for the two-year period to June 2005 has been presented to all the negotiating groups. The employer's offer reflects the required constraint on overall net revenue expenditure of which the wage bill represents more than 50%. However, initial indications are that this may be rejected.

Consequently, there are no detailed allocations to Committees for these pay awards in the Resource Plan, and negotiations would have to come to fruition quickly if they are to be completed in time for inclusion in the 2005 Budget.

To enable a minimum provision (circa £2 million) in the General Reserve in future then Committees may well be required to provide for any variations of pay awards and pay reviews within cash limits. This would simplify the cash limit allocations and enable individual allocations to Committees for both staff and non-staff inflation in the future.

## **5. REVENUE EXPENDITURE FORECASTS 2006 TO 2009**

### **5.1 Expenditure targets for 2006 to 2009**

The proposals for revenue expenditure targets for 2006 to 2009 are those derived from the Strategic Plan and Fiscal Strategy proposals amounting to less than real terms growth.

The Finance and Economics Committee's planning assumption, for the purposes of forecasting, is to provide for an average of 2.5% growth per annum over the five-year period 2005 to 2009 and this will be subject to ongoing review.

The Committee's forecasting model for 2006 to 2009 also currently assumes –

- an annual increase in the wage bill of no more than 2.5%;
- an annual provision for non-staff inflation of 2.5%;
- a provision for the annual up-rating of benefits at around 3% to 3.5% (based on an average of increases in inflation and average earnings); and
- that efficiency savings amounting to £4 million per annum will be identified, which is consistent with the outcomes of the Visioning process.

Each of these measures represents continued constraint on Committees' cash limits but within the overall growth targets still provides a small amount of net growth to be prioritised each year, in the region of £2 million to £3 million.

Furthermore, at these levels of less than real terms expenditure growth, the current forecasts still show an increase in the spending deficit before any further tax measures.

### **5.2 Fundamental Spending Review beyond 2005**

The FSR has delivered savings and provided a mechanism for resource allocation for the three years 2003 to 2005. The trends of the first 3 years have been fairly consistent. The political priorities have been–

- to provide the required additional funding for the machinery of government reforms e.g. implementation, Scrutiny and Public Accounts Committees;
- to prioritise additional funding to Health and Education;
- to generally maintain the level of benefits across the States; and
- to seek a contribution to savings from all States Committees but in particular from Tourism, Agriculture and Planning services.

These are the informal priorities that have been identified and could be used in a much simplified process for 2006 and in future years.

The group of Presidents require a simplified process for the future in which the focus should be at a higher level, not on the detail, and where a more strategic view could be taken. The trends from previous processes now need to be integrated with the work which is getting underway on business planning to provide a holistic approach for 2006 onwards.

### **5.3 Business Planning 2006 and beyond**

The move to a detailed three-year business planning process, which cascades from the States Strategic Plan, is underway. Each of the 9 strategic aims will be addressed by the principal objectives of one of more Committees.

Over the next 12 months, as a model for the States Business Plan and related Departmental Business Plans is developed, the resources required to deliver, firstly the objectives of departments and, ultimately, the States strategic aims, will need to be identified.

In parallel to this development, the individual elements of the strategic aims, and the related departmental objectives, will need to be prioritised. This prioritisation could form the basis from which an improved and more strategic resource allocation could take place.

## **6. CAPITAL PROGRAMME 2005 TO 2009**

### **6.1 Capital Expenditure – Introduction**

Last year's Resource Plan achieved a reduction in the capital allocation from £50 million per annum to £48 million per annum for the period 2004 to 2008, as part of a package of measures to address growing deficits.

The continued pressure to curtail the increase in overall States' expenditure, whilst at the same time ensuring that the essential growth proposed through the FSR process is delivered affordably, has required the Finance and Economics Committee to again review the annual allocation to the Capital Programme.

The Finance and Economics Committee considers it prudent to reduce the annual allocation to capital by a further £3 million to £45 million per annum for each of the years 2005 to 2009. This significant reduction in real terms has required a reworking of the previously approved 2004 to 2008 programme as well as the taking of difficult decisions in respect of prioritising projects in the proposed 2009 programme.

Inevitably, when faced with overwhelming demands for capital funding against a reducing overall allocation, compromises have had to be made. The Finance and Economics Committee is grateful for the continued corporate approach and constructive co-operation demonstrated by bidding Committees during the capital allocation process, which has enabled a revised programme to be produced.

### **6.2 Allocation process**

Committees were invited to bid for new capital works for 2009 only. The closing date for bids was 27th February 2004. A total of 27 bids were received for individual projects amounting to £122 million; added to this are the sums required for earmarked funds and rolling votes making an overall total of £159 million against an available budget of £45 million.

Due to the need to address the large gap between Committees' aspirations and available funding, the Corporate Capital Unit of the States Treasury, having consulted with the relevant department officers of the major bidding Committees, devised an indicative capital programme as a starting position upon which to base discussion.

This indicative capital programme was presented to the group of bidding Committee Chief or nominated Officers, for their consideration at the officer Capital Resource Allocation Workshop, which took place on 26th April 2004. This workshop took the form of a round table discussion in order to obtain consensus agreement for the capital programme as opposed to entering into a scoring/ranking process. The outcome of this workshop was presented to the bidding Committee Presidents as an initial proposal.

A Capital Resource Allocation workshop took place between the Presidents of the bidding Committees on 17th May 2004. It was firstly agreed by the group that the funding allocation be reduced from £48 million to £45 million for each of the years 2005 to 2008 and maintained at £45 million for 2009.

The officer proposals for the 2005 to 2008 revised programmes were presented to the Presidents for their consideration. The Presidents discussed and amended the officer proposals to produce the indicative capital programmes for 2005 to 2008, as shown in Tables 6.2 to 6.5 below.

The meeting then went on to consider the officers proposed, prioritised capital programme for 2009 together with items slipped from the proposed 2005 to 2008 programme. The Presidents considered all of the bids tabled and determined a priority order for those bids that could be contained within the £45 million funding allocation.

As the proposed 2005 to 2008 programme was 'underspent' by some £3.3 million, the Finance and Economics Committee is proposing that the highest ranked 2009 project (Environment and Public Services Committee Sludge Dryer Replacement) be advanced from 2009 to 2008. The resulting proposed capital programmes for 2005 to 2008 are detailed in section 6.3 below.

The Finance and Economics Committee has since revised downwards its assumptions for building cost inflation

for the years 2005 to 2011. This has reduced the allocated estimated outturn budget for building projects by some £2 million over the period. Consequently, the Finance and Economics Committee is proposing that the resulting unspent sum be shown as an unallocated sum in 2009. The highest priority scheme for 2010, as determined in next year's capital allocation process, will be advanced to 2009 should it be able to be accommodated within the unspent sum and be capable of being delivered in that year.

The proposed Capital Programme for 2009 is detailed in section 6.4 below.

### **6.3 Capital Programme 2005 to 2008**

The Finance and Economics Committee determined that, as one of a series of measures to maintain a manageable forecast deficit position, the annual funding allocation to the capital programme for 2004 to 2008 should be reduced by £3 million from £48 million to £45 million. The impact on the programme is a reduction of £12 million over the four-year period.

The following amendments to the 2004 to 2008 programmes were agreed by the majority of bidding Committee Presidents at their meeting of 17th May 2004 –

**Table 6.1**  
**Summary of variations to the proposed Capital Programme 2005 to 2008**

<u>Committee</u>	<u>Item</u>	<u>Variation</u>	<u>Reason for Adjustment</u>
Finance and Economics	Provision for Risk	£2.0m	Proposed addition of £0.5m deleted – to be met from reduced calls for inflation on the Capital Reserve.
Housing	Housing Development Fund	£4.0m	Allocation 2005 to 2008 restructured, with final £4m allocation slipped to 2009.
Health and Social Services	Adult Mental Health Unit	£0.2m	Inflation provision not required.
Health and Social Services	Various	£1.0m	The Health and Social Services Committee requested 2 projects totalling £6.5m be slipped from 2008 to 2009 and replaced by three totalling £5.5m. The Committee Presidents subsequently decided that the Queen's House Conversion project should be slipped from the 2008 programme and considered with bids for 2009.
Home Affairs	Prison	£2.9m	Combining Phases 2 to 5 reduces requirement from previous £8.0m (£6.2m 2006 and £1.8m 2008) to £5.1m in 2005.
Economic Development	Tourism Development Fund	£1.0m	£1m allocation from 2008 slipped for consideration in 2009.
Environment and Public Services	Urban Renewal	£0.2m	Delete allocation of £0.2m in 2007 fund currently has a balance of £1.9m.
–	C/fwd balance & roundings	£0.7m	Previous underspend of £113,000 is now overspend of £515,000 by the end of 2008.

The proposed revised programmes have been updated in respect of the current building cost inflation forecasts as explained above, which amends some of the values attributed to the variations in Table 6.1. The programmes for each of the years 2005 to 2008 are shown in full in Tables 6.2 to 6.5 below, with information relating to each item included in Appendices 1 to 5.

**Table 6.2**  
**Revised Capital Programme 2005**

<b>Committee</b>	<b>Project</b>	<b>Est'd Cost</b>	<b>Fees</b>	<b>Inflation</b>	<b>Cost to Completion Without Risk</b>	<b>Cumulative Costs Without Risk</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Sum allocated for Capital Expenditure</b>						<b>45,000</b>
<b>Overspend brought forward from Year 2004</b>						<b>(475)</b>
<b>Total Available Budget</b>						<b>44,525</b>
<b>Funds Earmarked for Prior Obligations</b>						
Loan Sanction Repayment						
– Hautlieu School						
						<u>5,000</u>
<b>Total Earmarked Allocation</b>						<b>5,000</b>
<b>Allocation to Rolling Votes and Funds</b>						
Housing Development Fund						2,000
Corporate IT Vote						4,500
Land Acquisition Vote						500
Central Planning Vote						500
Equipment, Maintenance and Minor Capital						4,000
<b>Total Allocation to Rolling Votes and Funds</b>						<b>11,500</b>
<b>Building And Civil Engineering Works</b>						
E&PS	Foul Sewer Reconstructions and Extensions	3,000	–	–	3,000	
E&PS	Sea Defence Strategy	1,500	–	–	1,500	
ES&C	Greenfields (Les Chênes)	1,897	362	131	2,390	
ES&C	St. Clement's School (Phase 2)	1,610	218	90	1,918	
HAF	Police Relocation (Phase 1)	7,913	1,378	930	10,221	
HAF	Prison Redevelopment (Phases 2 to 5- balance)	5,079	–	–	5,079	
H&SS	Belle Vue Residential Home (Phase 2)	2,538	86	152	2,776	
H&SS	Adult Mental Health Rehabilitation Unit	1,384	30	–	1,414	
<b>Total Building and Civil Engineering Works</b>						<b>28,298</b>
						<b>Total 2005</b>
						<b>44,798</b>
<b>Overspend carried forward to 2006</b>						<b>(273)</b>

Note: 2005 programme Estimated Costs and Fees at a December 2003 price base



**Table 6.3**  
**Revised Capital Programme 2006**

Committee	Project	Est'd Cost £'000	Fees £'000	Inflation £'000	Cost to Completion Without Risk £'000	Cumulative Costs Without Risk £'000
<b>Sum allocated for Capital Expenditure</b>						<b>45,000</b>
<b>Overspend brought forward from Year 2005</b>						<b>(273)</b>
<b>Total Available Budget</b>						<b>44,727</b>
<b>Funds Earmarked for Prior Obligations</b>						
Loan Sanction Repayment						
– Hautlieu School						
						4,000
<b>Total Earmarked Allocation</b>						<b>4,000</b>
<b>Allocation to Rolling Votes and Funds</b>						
Housing Development Fund						6,500
Corporate IT Vote						4,000
Land Acquisition Vote						300
Central Planning Vote						500
Equipment, Maintenance and Minor Capital						4,000
<b>Total Allocation to Rolling Votes and Funds</b>						<b>15,300</b>
<b>Building And Civil Engineering Works</b>						
E&PS	Foul Sewer Reconstructions and Extensions	2,000	–	–	2,000	
E&PS	Sea Defence Strategy	1,000	–	–	1,000	
E&PS	Replacement Sludge Dryer	3,749	451	557	4,757	
E&PS	Highways Infrastructure	1,000	–	–	1,000	
E&PS	Urban Renewal	200	–	–	200	
E,S&C	Mont à L'Abbé (Phase 1)	1,633	224	251	2,108	
E,S&C	Grainville (Phase 3)	4,061	656	484	5,201	
EDC	Tourism Development Fund	1,000	–	–	1,000	
HAF	Aerial Ladder Vehicle	404	–	53	457	
H&SS	Crematorium Gardens Extension	249	20	27	296	
H&SS	Rosewood House	3,960	655	497	5,112	
H&SS	A&E/Radiology Extension (Phase 2)	1,765	311	254	2,330	
<b>Total Building and Civil Engineering Works</b>						<b>25,461</b>
<b>Total 2006</b>						<b>44,761</b>
<b>Overspend carried forward to 2007</b>						<b>(34)</b>

Note: 2006 programme Estimated Costs and Fees at a December 2003 price base

**Table 6.4**  
**Revised Capital Programme 2007**

Committee	Project	Est'd Cost £'000	Fees £'000	Inflation £'000	Cost to Completion Without Risk £'000	Cumulative Costs Without Risk £'000
<b>Sum allocated for Capital Expenditure</b>						<b>45,000</b>
<b>Overspend brought forward from Year 2006</b>						<b>(34)</b>
<b>Total Available Budget</b>						<b>44,966</b>
<b>Allocation to Rolling Votes and Funds</b>						
	Housing Development Fund				2,000	
	Corporate IT Vote				3,500	
	Land Acquisition Vote				300	
	Central Planning Vote				500	
	Equipment, Maintenance and Minor Capital				4,000	
<b>Total Allocation to Rolling Votes and Funds</b>						<b>10,300</b>
<b>Building And Civil Engineering Works</b>						
E&PS	Foul Sewer Reconstructions and Extensions	2,000	–	–	2,000	
E&PS	Sea Defence Strategy	1,000	–	–	1,000	
E&PS	Highways Infrastructure	1,000	–	–	1,000	
HAF	Police Relocation (Phase 2)	7,380	1,281	1,183	9,844	
H&SS	Hospital General & Acute Extension	14,032	2,023	2,866	18,921	
H&SS	Replacement MRI Scanner	1,050	–	150	1,200	
<b>Total Building and Civil Engineering Works</b>						<b>33,965</b>
<b>Total 2007</b>						<b>44,265</b>
<b>Underspend carried forward to 2008</b>						<b>701</b>

Note: 2007 programme Estimated Costs and Fees at a December 2003 price base

**Table 6.5**  
**Revised Capital Programme 2008**

Committee	Project	Est'd Cost £'000	Fees £'000	Inflation £'000	Cost to Completion Without Risk £'000	Cumulative Costs Without Risk £'000
<b>Sum allocated for Capital Expenditure</b>						<b>45,000</b>
<b>Underspend brought forward from Year 2007</b>						<b>701</b>
<b>Total Available Budget</b>						<b>45,701</b>
<b>Allocation to Rolling Votes and Funds</b>						
	Housing Development Fund				5,000	
	Corporate IT Vote				3,000	
	Land Acquisition Vote				300	
	Central Planning Vote				500	
	Equipment, Maintenance and Minor Capital				4,000	
<b>Total Allocation to Rolling Votes and Funds</b>						<b>12,800</b>
<b>Building And Civil Engineering Works</b>						
E&PS	Foul Sewer Reconstructions and Extensions	2,000	–	–	2,000	
E&PS	Sea Defence Strategy	1,500	–	–	1,500	
E&PS	Highways Infrastructure	1,500	–	–	1,500	
E&PS	Sewage Treatment Works	3,754	446	1,241	5,441	
E&PS	Urban Renewal	200	–	–	200	
E&PS	Sludge Thickening Plant	1,786	214	554	2,554	
E,S&C	Mont à L'Abbé (Phase 2)	2,680	407	621	3,708	
E,S&C	St. Peter's School	3,504	610	902	5,016	
E&SS	Supported Employment Training Unit	1,867	301	329	2,497	
H&SS	Tube System Upgrade	525	–	129	654	
H&SS	Upgrade General Hospital (Phase 2)	950	50	175	1,175	
H&SS	Central Laundry Batch Washer	401	–	99	500	
Hsg	Ann Court Redevelopment (Phase 1)	3,771	675	876	5,322	
<b>Total Building and Civil Engineering Works</b>						<b>32,067</b>
<b>Total 2008</b>						<b>44,867</b>
<b>Underspend carried forward to 2009</b>						<b>834</b>

Note: 2008 programme Estimated Costs and Fees at a December 2003 price base

## 6.4 Capital Programme 2009

Capital works bids amounting to some £159 million were received for the 2009 capital programme against an available budget of £45 million. Details of the successful bids are summarised in Appendix 6.

The officer group proposed a prioritised programme for 2009 within the £45 million limit, which was considered and revised by the bidding Presidents to produce the proposed programme set out in Table 6.6 below –

**Table 6.6  
Proposed Capital Programme 2009**

Committee	Project	Est'd Cost	Fees	Inflation	Cost to Completion Without Risk	Cumulative Costs Without Risk
		£'000	£'000	£'000	£'000	£'000
<b>Sum allocated for Capital Expenditure</b>						<b>45,000</b>
<b>Underspend brought forward from Year 2008</b>						<b>834</b>
<b>Total Available Budget</b>						<b>45,834</b>
<b>Allocation to Rolling Votes and Funds</b>						
	Housing Development Fund				2,000	
	Corporate IT Vote				3,000	
	Equipment, Maintenance and Minor Capital				3,750	
<b>Total Allocation to Rolling Votes and Funds</b>						<b>8,750</b>
<b>Building And Civil Engineering Works</b>						
E&PS	Foul Sewer Reconstructions and Extensions	3,000	–	–	3,000	
E&PS	Sea Defence Strategy	1,500	–	–	1,500	
E,S&C	Highlands 'A' Block	3,865	761	1,230	5,856	
E,S&C	St. Martin's School	1,340	279	429	2,048	
HAF	Prison Male Cell Block (54 bed unit and control area)	6,925	520	1,765	9,210	
H&SS	Clinique Pinel Extension	3,191	439	928	4,558	
Hsg	The Cedars Refurbishment	5,821	1,179	1,717	8,717	
<b>Total Building and Civil Engineering Works</b>						<b>34,889</b>
<b>Total 2009</b>						<b>43,639</b>
<b>Unallocated budget 2009</b>						<b>2,195</b>

Note: 2009 programme Estimated Costs and Fees at a December 2003 price base

The remaining bids were not prioritised. They may be resubmitted for consideration with new bids for 2010. The unsuccessful bids are summarised in Table 6.7 below –

**Table 6.7**  
**Unsuccessful Capital Bids 2009 (Not in priority order)**

Committee	Item	Est'd cost to Out-turn* £000s	Comment
E&PS	Land Acquisition Vote	300	Defer for consideration in 2010
E&PS	Highways Infrastructure	1,500	Defer for consideration in 2010
H&SS	Queen's House Conversion	3,838	Defer for consideration in 2010
F&E	Central Planning Vote	500	Fund project planning from existing balance
P&R	Corporate IT Vote (Balance)	1,000	Fund from efficiency savings
Various	Minor Capital (Balance)	250	Reduction in funds available
HAF	Fire & Rescue Service HQ	9,640	Defer for consideration in 2010
ES&C	Grainville (Phase 4)	8,108	Defer for consideration in 2010
H&SS	Additional Staff Housing	3,232	Explore self-financing route
H&SS	General & Acute 5th Theatre	2,012	Defer pending evaluation of increased day surgery provision
H&SS	New St. Helier Day Care Centre	3,073	Defer for consideration in 2010
Housing	La Carrière	1,674	Explore potential to transfer to Housing Trust
HAF	Police IS/IT	1,765	Include in Police HQ replacement
HAF	Police HQ Telephone system	523	Include in Police HQ replacement
HAF	Joint Emergency Services Workshop	1,850	Explore joint working arrangements with Public Services
EDC	Tourism Development Fund	7,800	Funds slipped from 2008 (£1m) and new bid £6.8m. Defer for consideration in 2010
E&PS	Sea Defences (Balance)	4,572	2009 Bid Reduced
E&PS	Sewers	3,745	2009 Bid Reduced
E&PS	Highways Infrastructure	1,116	2009 Bid Reduced
E&PS	Cyril Le Marquand House – Overcladding	3,152	Defer for consideration in 2010
E&PS	St. Peter's Valley Flood Attenuation	2,625	Defer for consideration in 2010
E&PS	Urban Renewal Top-Up	366	Defer for consideration in 2010

\*Estimated cost assumed successful inclusion in the 2009 Capital Programme – deferral to 2010 or beyond would result in an additional inflationary increase to the cost estimate.

Three other submitted bids were withdrawn from the process as follows –

**Airport 'Below Ground' Works** – The group recognised that, to support the States' decision under P198/2002, funding in the order of £35 million would be required in the period to 2009. It was considered that funding at this level could not be contained within the available allocation to capital and the Presidents considered the officers recommendation that some form of 'borrowing' would be needed to meet these costs in the first instance, to be repaid from the capital programme.

An annual sum of £3 million from 2009 was proposed on the basis that this level of repayment would service the cost of the identified 'below ground' works over a twenty-year period at current long-term interest rates. The repayment sum of £3 million would need to be 'top-sliced' from the capital allocation for each year of the

repayment period.

In the event, the Presidents did not endorse this proposal. The issue of how urgent airport 'below ground' works are to be funded has been referred to the group of Committee Presidents for further consideration.

**Sludge Thickener** – The Public Services Department substituted its bid of £7.9 million for a Sludge Digester for a Sludge Thickener, at a lesser sum of £2.7 million. This course of action can only take place if the replacement energy from waste plant is capable of burning thickened sludge (i.e. modern mass burn incineration). If an alternative technology is used, the sludge digester bid will need to be reinstated. This bid was subsequently advanced to the proposed 2008 programme (see Table 6.5 above).

**Indoor Markets** – The Environment and Public Services Committee withdrew its bid of £1.531 million for indoor markets' refurbishment on the basis that £250,000 of the unearmarked minor capital funding would be allocated to the Environment and Public Services Committee annually to 2009 (and possibly 2010 if required) for this purpose.

### Minor Capital

It is proposed that the Minor Capital allocation be maintained at £4 million for the period 2005 to 2008 and reduced to £3.75 million for 2009.

The States previously agreed that £3.5 million of the Minor Capital funding would be allocated as follows–

Education, Sport and Culture Committee	£0.25m
Environment and Public Services Committee	£0.80m
Health and Social Services Committee	£1.90m
Home Affairs Committee	£0.30m
Housing Committee	<u>£0.25m</u>
	£3.50m

The Finance and Economics Committee is now proposing that the remaining £0.5 million for 2005 to 2008 be allocated as follows –

Environment and Public Services Committee

- Arts and Heritage Trust property maintenance £0.15m
- Indoor Markets refurbishment £0.25m

Health and Social Services Committee

- Increase sum available for replacement equipment £0.10m

- £0.50m

**Loan Sanction Repayments** – committed sums represent repayments to the capital fund in respect of advances in prior years. The last loan sanction, for Hautlieu School, is repaid in 2006.

**Housing Development Fund** – In 1999, the States approved (P.74/99 and P.84/99) the creation of the Housing Development Fund (HDF) to be administered by the Finance and Economics Committee. The HDF does not fund the whole cost of a housing scheme, but provides development and interest subsidy to enable the cost of the scheme to be repaid from its rental stream or sale receipts in the case of first time buyer properties. The HDF, therefore, provides for developments whose overall value is many times that of the fund.

Since its creation, the following developments have been completed –

**Table 6.8**  
**The Housing Development Fund – Completed Projects**

Site	No. of Units			Total
	Bedsit/ 1 Bed	2 Bed	3+ Bed	
Berkshire Court	113	–	–	113
La Roseraie (former Postal Site)	4	14	27	45
Le Jardin Fleuri, Grouville	–	4	13	17
Woodville Apartments (First-Time Buyer)	4	55	–	59
19 Midvale Road	17	–	–	17
FB Cottages Phases 3 and 4	–	–	25	25
Sandybrook Sheltered Housing	8	2	–	10
John Wesley Apartments (Cannon Street)	17	23	1	41
Albert Place (First-Time Buyer)	29	36	5	70
Victoria Place (Rental)	22	51	5	78
5 St. Clements Road	9	1	–	10
Parkside (Town Park Hotel)	1	6	12	19
<b>Total Number of Units</b>	<b>224</b>	<b>192</b>	<b>88</b>	<b>504</b>

The construction phase of the following sites has commenced or is expected to start in 2004 –

**Table 6.9**  
**The Housing Development Fund – Projects in the Course of Construction in 2004**

Site	No. of Units			Total
	Bedsit/ 1 Bed	2 Bed	3+ Bed	
Ann Street	21	5	–	26
Philips House	15	3	–	18
Former Le Coie Hotel Site	44	51	1	96
Bas du Mont	1	6	9	16
Le Coin	7	14	2	23
<b>Total Number of Units</b>	<b>88</b>	<b>79</b>	<b>12</b>	<b>179</b>

In addition to the sites detailed above, the following projects are in the planning stages –

**Table 6.10**  
**The Housing Development Fund – Future Projects**

Site	Estimated Yield			Total
	Bedsit/ 1 Bed	2 Bed	3+ Bed	
Sunshine	6	16	12	34
Salisbury Crescent	12	1	15	28
Mascot Motors	-	-	10	10
Former Aquila Youth Centre	23	-	1	24
<b>Total Estimated Yield</b>	<b>41</b>	<b>17</b>	<b>38</b>	<b>96</b>

The HDF will also support the development of social rented housing on rezoned sites by capping the interest liability of Housing Trusts to a maximum of 6%. The Finance and Economics Committee is seeking to mitigate

any risk to the States by entering into an arrangement to cap the States liability at this level. Detailed proposals will be brought to the States for their consideration later in the year.

The funding allocated to the HDF up to and including 2009 is expected to be sufficient to meet the capital and revenue subsidy requirements for above projects, although the fund will need to be continually reviewed as each development progresses and in light of movements in interest rates over the Housing Trusts' loan repayment periods.

**Provision for Risk** – The Finance and Economics Committee has agreed to delete the proposed future annual allocations of £0.5 million to the capital projects risk reserve. A number of building contracts have been let recently that require less inflation funding than was originally anticipated and the Finance and Economics Committee will utilise this variance to increase the risk reserve over the period to 2009 to achieve and maintain a working balance of £5 million.

## **6.5 Capital Projects 2005 to 2009: Revenue and Manpower implications**

The integration of financial forecasting and manpower controls has improved the linkage between revenue and capital and emphasised the need to accurately assess revenue and manpower implications of capital projects in advance so that appropriate action can be taken to update forward forecasts.

Tables 6.11 and 6.12 below illustrate the revenue and manpower implications of the proposed 2005 to 2009 capital projects. For simplicity, the implications have been included in the year funding is allocated. In reality, there may be a delay of up to 24 months for projects to be completed and the revenue and manpower implications to come fully into effect.

The revenue implications for capital projects that are due to be completed by 2007 have been identified in submissions made to the 2006 and 2007 FSR Process.



**Table 6.11**  
**Revenue Implications of the Proposed Capital Programme 2005 to 2009**

<b>Committee and Scheme</b>	<b>2005 £</b>	<b>2006 £</b>	<b>2007 £</b>	<b>2008 £</b>	<b>2009 £</b>
<b><u>Education, Sport and Culture</u></b>					
St. Clement's School	75,000				
Greenfields (Les Chênes)	–				
Mont à L'Abbé (Phased)		–			
Grainville (Phase 3)		–			
St. Peter's School				70,000	
Highlands 'A' Block					–
St. Martin's School					–
<b><u>Health and Social Services</u></b>					
Belle Vue Residential Home	410,500				
Crematorium Gardens		–			
Extension					
Rosewood House		1,185,000			
Adult Mental Health Rehab Unit	10,500				
A&E/Radiology Extension (Part 2)		349,000			
General and Acute Extension			330,000		
MRI Scanner Replacement			–		
Tube System Upgrade				–	
Upgrade General Hospital (Phase 2)				–	
Replace Laundry Washer				–	
Clinique Pinel Extension					1,159,000
<b><u>Housing</u></b>					
Ann Court - Redevelopment				–	
The Cedars					–
<b><u>Home Affairs</u></b>					
Prison Redevelopment	54,600				
Police Relocation - Sinking Fund			–		
Aerial Ladder Replacement		–			
Prison Male Cell Block					610,000
<b><u>Employment and Social Security</u></b>					
Supported Employment Training Unit				312,300	
<b><u>Economic Development</u></b>					
Tourism Development Fund		–			
<b><u>Environment and Public Services</u></b>					
Sea Defence Strategy	–	–	–	–	–
Sewers 2005 – 2009	–	–	–	–	–
Sewage Treatment Works – Primary				–	
Sludge Dryer Replacement		–			
Highways Infrastructure		–	–	–	
Sludge Thickening Plant				–	
Urban Renewal Fund Top-Up		–		–	
<b>Total:</b>	<b>550,600</b>	<b>1,534,000</b>	<b>330,000</b>	<b>382,300</b>	<b>1,769,000</b>

**Table 6.12**

**Manpower Implications of the Proposed Capital Programme 2005 to 2009**

<b><u>Committee and Scheme</u></b>	<b>2005 (FTE)</b>	<b>2006 (FTE)</b>	<b>2007 (FTE)</b>	<b>2008 (FTE)</b>	<b>2009 (FTE)</b>
<b><u>Education, Sport and Culture</u></b>					
St. Clements School	2.75				
Greenfields (Les Chênes)	–				
Mont à L'Abbé (Phased)		–			
Grainville (Phase 3)		–			
St. Peter's School				2.75	
Highlands 'A' Block					–
St. Martin's School					–
<b><u>Health and Social Services</u></b>					
Belle Vue Residential Home	12.50				
Crematorium Gardens Extension		–			
Rosewood House		34.50			
Adult Mental Health Rehab Unit	0.25				
A&E/Radiology Extension (Part 2)		9.00			
General and Acute Extension			–		
MRI Scanner Replacement			–		
Tube System Upgrade				–	
Upgrade General Hospital (Phase 2)				–	
Replace Laundry Washer				–	
Clinique Pinel Extension					34
<b><u>Housing</u></b>					
Ann Court – Redevelopment				–	
The Cedars					–
<b><u>Home Affairs</u></b>					
Prison Redevelopment	–				
Police Relocation – Sinking Fund			–		
Aerial Ladder Replacement		–			
Prison Male Cell Block					8
<b><u>Employment and Social Security</u></b>					
Supported Employment Training Unit				–	
<b><u>Economic Development</u></b>					
Tourism Development Fund		–			
<b><u>Environment and Public Services</u></b>					
Sea Defence Strategy	–	–	–	–	–
Sewers 2005 – 2009	–	–	–	–	–
Sewage Treatment Works – Primary				–	
Sludge Dryer Replacement		–			
Highways Infrastructure		–	–	–	
Sludge Thickening Plant				–	
Urban Renewal Fund Top-Up		–		–	
<b>Total</b>	<b>15.50</b>	<b>43.50</b>	<b>–</b>	<b>2.75</b>	<b>42</b>

## **7. MANPOWER**

The Finance and Economics Committee has introduced into the FSR process the full integration of manpower and finance when considering resource allocation, rather than the fragmented system that operated previously.

This has resulted in manpower growth and reductions being considered at the same time as funding is allocated. Once established, these adjustments will automatically result in limits which Committee's will be expected to operate within. Integrating the allocation of these resources within a single process will ensure that they are both allocated in accordance with strategic objectives.

The Visioning initiative, as endorsed by the States on 26th May 2004, proposes net ongoing efficiency savings of £20 million per annum, which is estimated to have the effect of reductions in public sector manpower of a maximum of 300 over a five-year period (commencing 2005). The FSR process is estimated to provide gross manpower reductions of a maximum of 200, as a result of its savings and reprioritisation targets. It is anticipated that the total gross reduction of a maximum of 500 posts can be fully achieved by managing turnover redeployment, voluntary redundancy and early retirement.

It is important to note that the above estimates are approximations of post reductions estimated on the basis of average employee cost. They are not manpower targets but moreover estimated consequences of budgeting exercises.

**Table 7.1**  
**Estimated manpower levels for the Resource Plan**

<b>Committee</b>	<b>Actual 2003 FTE Cap</b>	<b>Estimated 2004 FTE</b>	<b>Forecast 2005 FTE</b>	<b>Forecast 2006 FTE</b>	<b>Forecast 2007 FTE</b>	<b>Forecast 2008 FTE</b>	<b>Forecast 2009 FTE</b>
Policy and Resources	107	105	101				
Privileges and Procedures	45	42	44				
Finance and Economics	334	338	327				
Environment and Public Services	617	680	661				
Economic Development	130	73	70				
Health and Social Services	2,101	2,143	2,143				
Education, Sport and Culture	1,452	1,476	1,506				
Home Affairs	675	677	675				
Employment and Social Security	114	114	114				
Housing	89	89	83				
Legislation	0	0	0				
Overseas Aid	1	1	1				
<b>Established Manpower after FSR</b>	<b>5,665</b>	<b>5,739</b>	<b>5,726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated reductions arising from FSR and Visioning</b>			<b>-26</b>	<b>-100</b>	<b>-100</b>	<b>-100</b>	<b>-100</b>
<b>Provisional Established Manpower levels before growth</b>	<b>5,665</b>	<b>5,739</b>	<b>5,700</b>	<b>5,600</b>	<b>5,500</b>	<b>5,400</b>	<b>5,300</b>

*Note: The figures for 2005 are a forecast of the net change resulting from the FSR process. The further reduction of 26 represents the balance of the estimated reductions of a maximum of 100 per annum over the 5 year period.*

Table 7.1 shows a projection of the forecast manpower levels over the period of the Resource Plan. The figures are a first attempt at establishing budgeted manpower levels and combining the constraints on expenditure with the consequences on States' manpower.

The figures for the forecast years reflect the combined FTE targets of the service reductions from FSR and the efficiency savings from the Visioning project pro-rated over the duration of the Visioning process. Ultimately the reductions may not occur in a uniform manner and it should be noted that any growth funded via the FSR process may have manpower consequences which will increase the forecast manpower levels. Initial estimates suggest that up to 100 posts may be established in this way.

The 2005 figures reflect the impact of the FSR proposals from Presidents on 5th April 2004, which will be confirmed by Committees in their 2005 Budget presentations.

## **8. LEGISLATION PROGRAMME**

In the 12 months up to 30th June 2004 the Law Draftsman's Office has completed work on 38 items of legislation that were allocated time in the Legislation Programme and on 155 items of a minor or routine nature. Sixty-four Legislation Programme items are work in progress, many of which require the preparation of more than one Law, Regulation or Order. Of particular note in the past 12 months has been the amount of time spent on the legislation necessary to effect the move to ministerial government. Apart from the Draft States of Jersey Law 200-, now lodged, all of this remains as work in progress at this stage, but is well advanced and on target to meet the States' timetable for implementation.

There are 9 items from the 2003 Legislation Programme on which drafting instructions are still awaited. At this halfway stage in the year, drafting instructions have been received for approximately one third of the items in the 2004 legislation programme.

Despite the number of items that remain as work in progress or for which drafting instructions are awaited, the demand for new legislation remains unabated. The bids for drafting time in 2005 far exceeded the number of days available for new items, despite Committees and their departments co-operating by withdrawing requests for drafting of items, which are either no longer required or which may be deferred. A workshop was held for Committee Presidents to determine the priorities for drafting in 2005. The programme now proposed is based on those priorities, adjusted only to reflect the allocation for 2 items of drafting time in 2004 from the contingency of 50 reserve drafting days.

Appendices 7 to 11 show the following –

<b>Appendix</b>	<b>Content</b>
7	Summary of work completed 1st July 2003 to 30th June 2004.
8	Work in progress as at 30th June 2004.
9	2003 programme items awaiting delivery of drafting instructions.
10	2004 programme items awaiting delivery of drafting instructions.
11	2005 recommended legislation programme and resource implications.

## **9. IMPLEMENTATION AND THE WAY FORWARD**

### **9.1 Introduction**

The primary purpose of the Resource Plan is to allocate financial resources to Committees of the States in respect of revenue and capital expenditure for 2005 and determine the forward Legislation Programme.

As a business-planning tool, however, the Resource Plan looks forward a further 4 years to set the medium-term financial framework in which Committees plan and prioritise their spending requirements.

The five-year period covered by this Resource Plan will see major changes to the way the States raises income to fund services, coupled with a potential decline in income in real terms. For the first time, the forward financial forecast to 2009 incorporates the projected impact of changes in the approved Fiscal Strategy, highlighting clearly the need to take decisive action in the very near future.

The formation of the Strategic Plan and a robust Fiscal Strategy provides the States with the foundations to develop an informed process that determines what is affordable and aligns resource allocation with States strategic priorities. The movement from the traditional allocation process to an integrated business planning process is already underway and much of that work is evident in this Resource Plan.

The challenge for the States is to embrace the process and ensure it delivers the high quality, affordable public services that the Island needs and deserves.

### **9.2 An Integrated Planning Process**

In the absence of an approved, overarching States Strategic Plan, the allocation of financial and legal resources has been largely determined through ‘bottom up’ processes. Committees bid for net revenue growth, capital funding and law drafting time in a competitive manner, with the respective Committee Presidents determining priorities within the availability of resources.

Whilst this approach provides both a forum for open discussion and a method of achieving a democratically determined outcome, there is no direct linkage with the overall priorities of the States as currently perceived.

The introduction of an approved States Strategic Plan will, in future, enable a ‘top down’ approach to be allied with some of the existing ‘bottom up’ processes to produce an integrated Business Plan.

### **9.3 Outcome of Visioning Process and Resource Implications**

In May 2004, the States approved a five-year vision for the public sector, arising from the work of a team of officers seconded from across States departments. The Vision programme involves a number of innovations and significant changes for the way the States operates. There are, naturally, resource implications – for a one-off investment of £9.4 million, the programme anticipates producing annual savings of £20 million within 5 years together with an anticipated reduction in manpower of a maximum of 300 posts.

The remainder of 2004 will be spent undertaking “proof of concept” projects, which will more ably demonstrate where financial and manpower savings are likely to manifest themselves, and in which years savings are likely to arise. It is anticipated that, during the course of the five-year programme, the States will achieve £4 million per annum efficiency savings assumed in the financial forecast, although the target is £6 million in 2005. All of the States resources are allocated to Committee cash limits, which therefore include the budgets for corporate services (finance, IT, property, HR, procurement). These budgets are spread throughout all committees and the Committee cash limits have, therefore, been reduced on a pro-rata basis to deliver the required £6 million efficiency savings.

### **9.4 Introduction of first States Business Plan**

The new Strategic and Business Planning process will result in the current Resource Plan being subsumed into the new States Business Plan. The first States Business Plan will be produced in 2005, covering the period 2006 to

2010, and will be framed around the prioritised aims from the approved States Strategic Plan 2005 to 2010.

Its preparation will be in two stages –

- By January 2005, high-level resource allocation priorities will need to be established by Presidents. These will indicate which of the aims within the Strategic Plan they would wish to receive any available growth in revenue resources for the first Departmental Business Plans covering the years 2006 to 2008. Using information contained within Committees' 2005 Business Plans, these funding priorities will then be allocated to Committee cash limits. These revised Committee cash limits will then form the framework within which Committees will prepare their Business Plans.
- Following completion of Committee Business Plans for 2006-2008 in May 2005, additional information will be available to inform the States Business Plan 2006-2008, enabling it to be completed in June 2005.

The process will be designed to successfully integrate Strategic and Business Planning and the previous FSR resource allocation process, within the parameters of Fiscal Strategy expenditure targets.

## **9.5 Performance Management**

2004 saw the publication of the States' first benchmarking report, covering 2002 performance. The second report, covering 2003 data, will be published in October 2004. The first report has already led to significant performance improvements in some under-performing service areas, as well as having informed the 2005 FSR process by giving Presidents and States Members invaluable information on where savings may be achieved or growth needed.

Significant work is being undertaken in 2004 to develop a comprehensive performance measurement and management framework for the States, linked to achievement of aims within the Strategic Plan. This framework will include financial, staffing/manpower and customer feedback information as well as more traditional performance measures. It is intended that performance monitoring will take place on a more regular basis, with the first Quarterly Performance Report being produced in April 2005, covering the first 3 months of that year. The first States Annual Performance Report will be produced in early 2006, covering the annual performance for 2005, this will include benchmarking information.

The net effect of these innovations will be to provide the ability to monitor and correct adverse performance on a timelier basis, as well as providing the data necessary to demonstrate effective and good value for money use of resources. Additionally the framework and reports will provide clear evidence that the aims within the Strategic Plan are being achieved.



## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 1

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### RECOMMENDED PROJECTS IN THE 2005 CAPITAL PROGRAMME

As given in Table 6.2

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#### ENVIRONMENT AND PUBLIC SERVICES

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#### FOUL SEWERS RECONSTRUCTION AND EXTENSIONS      £3,000,000

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##### Committee's Submission:

Reconstruction work is also required to maintain the existing sewerage network in sound working order and prevent deterioration of this fundamental Island asset. Essential work is undertaken to maintain the structural and hydraulic integrity of the sewerage system. Most of the Island's population will benefit from reduced risk of sewer collapse.

The provision of foul sewers, particularly to rural areas, where there is a need for sewerage facilities. The areas are prioritised by the Sewer Working Party, as areas with potential public health problems with a risk of pollution to water supplies and general surface pollution.

**Additional Land Required**    Yes                      **Land Available**            Identified

##### Capital Expenditure

Project Cost	Fees	Fluctuations	Total
£3,000,000	–	–	£3,000,000

##### Potential Revenue and Manpower Implications

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Net Revenue Effect	Permanent FTE
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

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<b>SEA DEFENCE STRATEGY 2005</b>	<b>£1,500,000</b>
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### Committee's Submission:

The Island's sea defences are integral to the safe maintenance of the Island's infrastructure and protect and maintain large areas of public and private property. As such, they should be considered a priority in terms of short and long term maintenance if ultimate failure or collapse is to be avoided in the future. A first tranche of £2.465 million was allocated in the 2004 programme.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£1,500,000</b>	–	–	<b>£1,500,000</b>

### Potential Revenue and Manpower Implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£nil</b>	<b>0.00</b>

## EDUCATION, SPORT AND CULTURE

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### GREENFIELDS CENTER EXTENSION

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**£2,390,000**

#### Committee's Submission:

Greenfields Center (formerly Les Chênes) is a special provision for children aged eleven to sixteen with severe emotional and behavioral difficulties. It is the Island's remand centre for young people under sixteen remanded by the Courts.

The existing building will become "semi-secure" with 8 beds and 4 day places for those youngsters who need a safe structured environment.

Currently there are 8 beds, 3 of which are "welfare beds" in the existing provision. These will transfer into the new secure centre thus providing accommodation for up to 8 youngsters who are in need of containment, either for their own safety or that of the wider community.

The requirement to provide adequate and appropriate accommodation is statutory. There are increasing numbers of students in need of secure provision and Greenfields is running at capacity. If the new provision and modifications are not approved young offenders will not be able to be adequately contained.

**Additional Land Required**    No                      **Land Available**            N/A

#### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£1,897,000</b>	<b>£362,000</b>	<b>£131,000</b>	<b>£2,390,000</b>

#### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£nil</b>	<b>0.00</b>

## EDUCATION, SPORT AND CULTURE

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<b>ST. CLEMENT'S SCHOOL (PHASE 2)</b>	<b>£1,918,000</b>
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### Committee's Submission:

The older part of this school has been extensively altered and extended over the last 15 years to provide a much improved school environment. However, with the growing number of primary school age children in this area and the far-reaching changes to the content of the primary curriculum, the teaching rooms are, in general, not large enough and there are insufficient other teaching and non-teaching rooms/spaces of quality to meet today's standards. In addition, this part of the school still has to operate with outdoor toilets, situated across the playground.

This school is the only one in Jersey which is on a split site and which actually has a public road running between the 2 school buildings and therefore represents an unacceptable safety hazard for children and staff, plus the logistical problems created by such a situation.

**Additional Land Required**      No                      **Land Available**              N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£1,610,000</b>	<b>£218,000</b>	<b>£90,000</b>	<b>£1,918,000</b>

**Note:** Funding for this project is allocated over 2 years (£4.158 million in 2004 and £1.918 million in 2005 – total cost £6.076 million).

### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£75,000</b>	<b>2.75</b>

## HOME AFFAIRS

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<b>NEW POLICE HEADQUARTERS (SINKING FUND)</b>	<b>£10,221,000</b>
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### Committee's Submission:

The current Police Headquarters at Rouge Bouillon is failing to meet its operational requirements. The building is structurally and functionally obsolescent and does not meet the requirements in respect of operational efficiency and service. Currently the States of Jersey Police operate from eighteen different locations. This proposal will house all departments under one roof to the benefit of police efficiency and effectiveness.

### Other issues:

Independent surveys have indicated that an additional £1.7 million will be needed over the next 5 years to keep the current buildings operational. Any further delays will add to this cost.

**Additional Land Required** Yes      **Land Available** Identified at Summerland

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£7,913,000</b>	<b>£1,378,000</b>	<b>£930,000</b>	<b>£10,221,000</b>

**Note:** Funding for this project is allocated over 2 years (£10.221 million in 2005 and £9.844 million in 2007–total cost £20.065 million).

### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£nil</b>	<b>0.00</b>

## HEALTH AND SOCIAL SERVICES

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<b>BELLE VUE RESIDENTIAL NURSING HOME AND DAY CARE CENTRE (PHASE 2)</b>	<b>£2,776,000</b>
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### Committee's Submission:

A new 28-bed residential nursing home with a day care centre attached providing room for up to 30 people at a time. The residential home is part of the Health and Social Services Committee's strategic plan to decentralise the services provided at Overdale into modern, smaller purpose-built units, situated around the Island on sites closer to the population served.

The cost of maintaining the service at Overdale is escalating because of the poor condition of the buildings. To delay this project further will necessitate the replacement of windows in the existing building. Advance planning fees of £132,600 were awarded in January 1999.

**Additional Land Required**    Yes                      **Land Available**            States Owned

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£2,538,000</b>	<b>£86,000</b>	<b>£152,000</b>	<b>£2,776,000</b>

**Note:** Funding for this project is allocated over 2 years (£3.819 million in 2004 and £2.776 million in 2005—total cost £6.595 million).

### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£410,500</b>	<b>12.5</b>

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## HEALTH AND SOCIAL SERVICES COMMITTEE

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<b>ADULT MENTAL HEALTH REHABILITATION UNIT</b>	<b>£1,414,000</b>
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### Committee's Submission:

The Health and Social Services Committee originally bid for funding in the Resource Plan 2001 to develop a Child and Family Unit. In the interim, the Health and Social Services Committee, with the approval of the Finance and Economics Committee, has acquired the property known as Royde House (as converted) on a leasehold basis to house the Child and Family Unit.

Consequently, the Health and Social Services Committee agreed to delete the Child and Family Unit project from the 2004 Capital Programme and substituted a bid in the 2005 Programme for the Adult Mental Health Rehabilitation Unit.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£1,384,000</b>	<b>£30,000</b>	<b>-</b>	<b>£1,414,000</b>

### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£10,500</b>	<b>0.25</b>

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## HOME AFFAIRS

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<b>PRISON REDEVELOPMENT (PHASES 2 to 5 BALANCE)</b>	<b>£5,079,000</b>
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### Committee's Submission:

The revised feasibility study identifies that a material advantage could be gained by combining the 38-bed female cellblock (for which funding of £3 million has been allocated in 2004), the laundry development and the kitchen development as a traditional build project, together with temporary workshop facilities. The revised sum proposed in 2005 is, therefore, the balance of £8,079,000 less the £3,000,000 already voted in 2004. This replaces the funds of £6,232,000 (2006) and £1,775,000 (2008) approved in the Resource Plan 2004 – 2008.

<b>Additional Required</b>	<b>Land</b>	<b>Yes</b>	<b>Land Available</b>	<b>In States Ownership</b>
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### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£5,079,000</b>	<b>–</b>	<b>–</b>	<b>£5,079,000</b>

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
<b>£54,600</b>	<b>0.00</b>



## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 2

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### RECOMMENDED 2005 EQUIPMENT, MAINTENANCE AND MINOR CAPITAL PROGRAMME

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#### Equipment, Maintenance and Minor Capital Programme 2005

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<b>Predetermined Allocation</b>	<b>£</b>
Education, Sport and Culture Committee	250,000
Environment and Public Services Committee	800,000
Health and Social Services Committee	1,900,000
Home Affairs Committee	300,000
Housing Committee	250,000
<b>Recommended Allocation of £500,000 Balance</b>	
Arts and Heritage Trust Property Maintenance	150,000
Indoor Markets Refurbishment	250,000
Health and Social Services Replacement Equipment	100,000
<b>Total Minor Capital Allocation</b>	<b>4,000,000</b>

## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 3

### RECOMMENDED PROJECTS IN THE 2006 CAPITAL PROGRAMME As given in Table 6.3

#### ECONOMIC DEVELOPMENT

<b>TOURISM DEVELOPMENT FUND</b>	<b>£1,000,000</b>
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##### Committee's Submission:

In 2002 tourism generated £238 million of tourism expenditure direct into the Jersey economy. This tourism expenditure stimulated economic activity in a whole range of businesses as well as supporting directly the Airport, the Harbour, bus services, heritage sites, cultural and sporting activities particularly festivals and events.

Failure to support the States decision on the new Tourism Development Fund will seriously undermine the confidence of the tourism industry to invest for the future. Without adequate investment in the tourism infrastructure there is a real danger of being caught in a spiral of decline that will result in a significant loss of tourism expenditure. This will lead to a greater requirement by the States to increase its support for the Airport, the Harbour, bus services, heritage sites etc. and a subsequent loss of tax revenues.

Tourism plays a key role in underpinning the following States agreed objectives –

- The best possible balance to the economy.
- The full employment of Island residents and the full development of their skills/talents.
- Sustainability, so that the environment of Jersey is passed on to future generations in as good a condition as, or better than, today.  
A quality of life that continues to compare favourably with that found in neighbouring countries.

It is the only industry capable of offering a counterweight to the finance sector and provides an immediate and essential alternative if the finance sector contracts.

##### Other issues:

The States, at their meeting of 18th December 2001, agreed, in principle, that a New Tourism Development Fund be established and that the sum of £10 million be allocated to the Fund. A first tranche of £1.2 million was allocated in 2003.

<b>Additional Land Required</b>	No	<b>Land Available</b>	N/A
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##### Capital Expenditure

Project Cost	Fees	Fluctuations	Total
£1,000,000	–	–	£1,000,000

##### Potential Revenue and Manpower implications

Net Revenue Effect	Permanent FTE
£nil	0.00



## ENVIRONMENT AND PUBLIC SERVICES

**FOUL SEWERS RECONSTRUCTION AND EXTENSIONS**      **£2,000,000**

### Committee's Submission:

Reconstruction work is required to maintain the existing sewerage network in sound working order and prevent deterioration of this fundamental Island asset. Essential work is undertaken to maintain the structural and hydraulic integrity of the sewerage system. Most of the Island's population will benefit from reduced risk of sewer collapse.

The provision of foul sewers, particularly to rural areas, where there is a need for sewerage facilities. The areas are prioritised by the Sewer Working Party, as areas with potential public health problems with a risk of pollution to water supplies and general surface pollution.

**Additional Land Required**    Yes                      **Land Available**            Identified

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£2,000,000	–	–	£2,000,000

### Potential Revenue and Manpower Implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

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<b>SEA DEFENCE STRATEGY 2006</b>	<b>£1,000,000</b>
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### Committee's Submission:

The Island's sea defences are integral to the safe maintenance of the Island's infrastructure and protect and maintain large areas of public and private property. As such, they should be considered a priority in terms of short and long-term maintenance if ultimate failure or collapse is to be avoided in the future. This allocation increases total funding to almost £5 million since 2004.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,000,000	–	–	£1,000,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

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**SLUDGE DRYER REPLACEMENT**

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**£4,757,000****Committee's Submission:**

The existing sludge drying plant has been running since 1992. The design life of the plant was expected to be 20 years; however, due to the changing requirements for sludge disposal, the plant has been operated above its intended capacity for the last 5 years. It is now estimated that the plant life will be 15 years.

**Additional Land Required**    No                      **Land Available**            N/A

**Capital Expenditure**

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,749,000	£451,000	£557,000	£4,757,000

**Potential Revenue and Manpower Implications**

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

<b>HIGHWAYS INFRASTRUCTURE</b>	<b>£1,000,000</b>
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### Committee's Submission:

Implementing the results of the pavement management system, in particular, strengthening and reconstruction of existing highways and supporting structures and installation of new road drainage where appropriate. Further allocations are proposed for 2007 and 2008.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,000,000	–	–	£1,000,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

---

**URBAN RENEWAL FUND**

---

**£200,000**

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### Committee's Submission:

Continued investment in the public infrastructure of the Island to directly improve the quality of urban life for residents and to sustain the economic prosperity, vitality and viability of St. Helier. Key elements of the renewal programme include: Pedestrian Improvement Areas, the Public Space Strategy and Action Areas Development Frameworks.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£200,000	–	–	£200,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00



## EDUCATION, SPORT AND CULTURE

<b>MONT A L'ABBE SCOOL (PHASE 1)</b>	<b>£2,108,000</b>
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### Committee's Submission:

Mont à L'Abbé School is the only school in Jersey for pupils aged 3 to 19 with profound and multiple learning difficulties. Phase 1 of the 2-stage programme of works involves the development of a small secondary off-site provision for special needs students at Haute Vallée School. This will give the students and staff access to specialist educational facilities already at the Haute Vallée site such as science labs and home economics class rooms, as well as providing the a sense of greater inclusion in the community.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,633,000	£224,000	£251,000	£2,108,000

### Potential Revenue and Manpower Implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## EDUCATION, SPORT AND CULTURE

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<b>GRAINVILLE SCHOOL (PHASE 3)</b>	<b>£5,201,000</b>
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### Committee's Submission:

Phase 3 of a 5-stage redevelopment for Grainville School. This involves the construction of a new block which will create new general classrooms (2 departments), a learning centre, ICT rooms, administration/reception and special needs facilities.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£4,061,000	£656,000	£484,000	£5,201,000

### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

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## HOME AFFAIRS

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**AERIAL LADDER REPLACEMENT**

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**£457,000**

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**Committee's Submission:**

Replacement of the current Aerial Ladder Platform (ALP) in line with the 15-year rolling programme as recommended by her Majesty's Inspectorate of Fire Services and approved by the Home Affairs Committee. This specialised high reach appliance (30 metres) is essential to rescue persons and fight fires in premises higher than 4 stories (the maximum reach of manually deployed fire service ladders.)

**Additional Land Required**    No                      **Land Available**            N/A

**Capital Expenditure**

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£404,000	–	£53,000	£457,000

**Potential Revenue and Manpower implications**

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## HEALTH AND SOCIAL SERVICES

<b>ROSEWOOD HOUSE</b>	<b>£5,112,000</b>
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### Committee's Submission:

Rosewood House is a 52-bed unit providing nursing care for high dependency and frail, elderly people with mental health problems. Given the current demographic profile, and higher than anticipated numbers requiring care, it is necessary to extend and remodel the existing building to accommodate an additional 25 beds. As part of this scheme, the existing building will also be extensively refurbished and changes will be made to the existing layout.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,960,000	£655,000	£497,000	£5,112,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£1,185,000	34.50

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## HEALTH AND SOCIAL SERVICES

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**A&E/RADIOLOGY EXTENSION (PHASE 2)**

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**£2,330,000****Committee's Submission:**

The project comprises the relocation of the Radiology Department into the present General and Acute administration offices, followed by the extension of the Accident and Emergency Department into the area vacated by Radiology. This significant scheme is required to extend the Accident and Emergency Department which has outgrown its present accommodation and no longer complies with both professional regulations and modern standards in a number of respects. The extension will provide the following benefits: improved public access to the department, enhanced facilities for children, a 'clinical decision unit' with observation beds and a decontamination area.

**Additional Land Required**      No**Land Available**      N/A**Capital Expenditure**

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,765,000	£311,000	£254,000	£2,330,000

**Potential Revenue and Manpower implications**

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£349,000	9.00

## HEALTH AND SOCIAL SERVICES

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**CREMATORIUM GARDENS EXTENSION**

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**£296,000**

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### Committee's Submission:

The existing Crematorium Garden is nearly full and unable to sustain many more years of interring ashes. This project will create a new garden area adjacent to the existing Crematorium. The new garden should provide sufficient capacity for interring or scattering of ashes for another 20 to 30 years and provision will be made for off road parking. The land is not presently in States ownership and will need to be acquired, the cost of which is not included in the bid.

**Additional**                      **Land**    Yes            **Land Available**            No – to be acquired  
**Required**

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£249,000	£20,000	£27,000	£296,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
N/A	0.00

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## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 4

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### PROJECTS RECOMMENDED IN THE 2007 CAPITAL PROGRAMME

As given in Table 6.4

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#### ENVIRONMENT AND PUBLIC SERVICES

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#### FOUL SEWERS RECONSTRUCTION AND EXTENSIONS      £2,000,000

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##### Committee's Submission:

Reconstruction work is required to maintain the existing sewerage network in sound working order and prevent deterioration of this fundamental Island asset. Essential work is undertaken to maintain the structural and hydraulic integrity of the sewerage system. Most of the Island's population will benefit from reduced risk of sewer collapse.

The provision of foul sewers, particularly to rural areas, where there is a need for sewerage facilities. The areas are prioritised by the Sewer Working Party, as areas with potential public health problems with a risk of pollution to water supplies and general surface pollution.

**Additional Land Required**    Yes                      **Land Available**            Identified

##### Capital Expenditure

Project Cost	Fees	Fluctuations	Total
£2,000,000	–	–	£2,000,000

##### Potential Revenue and Manpower implications

Net Revenue Effect	Permanent FTE
£nil	0.00

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## ENVIRONMENT AND PUBLIC SERVICES

---

**SEA DEFENCE STRATEGY**

**£1,000,000**

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### Committee's Submission:

The Island's sea defences are integral to the safe maintenance of the Island's infrastructure and protect and maintain large areas of public and private property. As such, they should be considered a priority in terms of short and long-term maintenance if ultimate failure or collapse is to be avoided in the future. This allocation increases total funding to some £6 million since 2004.

**Additional Land Required**    Yes                      **Land Available**            Identified

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,000,000	–	–	£1,000,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00



## ENVIRONMENT AND PUBLIC SERVICES

---

### HIGHWAYS INFRASTRUCTURE

---

**£1,000,000**

#### Committee's Submission:

Implementing the results of the pavement management system, in particular, strengthening and reconstruction of existing highways and supporting structures and installation of new road drainage where appropriate. A further allocation is proposed for 2008.

**Additional Land Required**    N/A

**Land Available**    N/A

#### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,000,000	–	–	£1,000,000

#### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
N/A	0.00

## HOME AFFAIRS

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<b>NEW POLICE HEADQUARTERS (SINKING FUND)</b>	<b>£9,844,000</b>
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### Committee's Submission:

The current Police Headquarters at Rouge Bouillon is failing to meet its operational requirements. The building is structurally and functionally obsolescent and does not meet the requirements in respect of operational efficiency and service. Currently the States of Jersey Police operate from 18 different locations. This proposal will house all departments under one roof to the benefit of police efficiency and effectiveness.

### Other issues:

Independent surveys have indicated that an additional £1.7 million will be needed over the next 5 years to keep the current buildings operational. Any further delays will add to this cost.

<b>Additional Required</b>	<b>Land</b>	Yes	<b>Land Available</b>	Identified at Summerland
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### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£7,380,000	£1,281,000	£1,183,000	£9,844,000

### Potential Revenue and Manpower Implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## HEALTH AND SOCIAL SERVICES

<b>GENERAL AND ACUTE EXTENSION</b>	<b>£18,921,000</b>
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### Committee's Submission:

This extension to the General Hospital is part of a wide-ranging programme of works designed to enhance and maintain the level of service provided. Three phases will have been completed in advance of this major scheme, including the extension to the Day Surgery Unit, an extension over the Library to create space to permit Accident and Emergency to expand and the relocation of ENT/Eyes and Belcroute Ward. The extension to the General Hospital that forms this project will provide accommodation for a number of outpatient services that have grown since Phase 1 of the Hospital was built in 1979. Included within the scheme is a new basement with improved access to outpatients, access improvements to Physiotherapy, additional outpatient services, improved day procedures and clinics and staff facilities for surgical and medical divisions.

The potential revenue and manpower consequences will be funded from both the previously approved and planned growth limits agreed by the States and will all be in place before the completion of this project. Once built there will be a net revenue cost of approximately £330,000 per annum in running and servicing costs.

**Additional Land Required**    Yes                      **Land Available**    Identified

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£14,032,000	£2,023,000	£2,866,000	£18,921,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£330,000	0.00

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## HEALTH AND SOCIAL SERVICES

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**MRI SCANNER REPLACEMENT**

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**£1,200,000**

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**Committee's Submission:**

The U.K. Department of Health's guidelines relating to MRI scanners, adopted by the Health and Social Services Committee, suggest that scanners be replaced after between 5 and 7 years' use. The current MRI scanner was commissioned in December 1999 and has a projected life span of 7 years, beyond which its manufacturer does not guarantee repair. The scanner has proved to be extremely important and successful in its diagnostic capabilities, at present approximately 4,000 scans are performed each year.

**Additional Land Required**    N/A**Land Available**    N/A**Capital Expenditure**

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,050,000	–	£150,000	£1,200,000

**Potential Revenue and Manpower implications**

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 5

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### PROJECTS RECOMMENDED IN THE 2008 CAPITAL PROGRAMME

As given in Table 6.5

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#### ENVIRONMENT AND PUBLIC SERVICES

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<b>FOUL SEWERS RECONSTRUCTION AND EXTENSION</b>	<b>£2,000,000</b>
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#### Committee's Submission:

Reconstruction work is required to maintain the existing sewerage network in sound working order and prevent deterioration of this fundamental Island asset. Essential work is undertaken to maintain the structural and hydraulic integrity of the sewerage system. Most of the Island's population will benefit from reduced risk of sewer collapse.

The provision of foul sewers, particularly to rural areas, where there is a need for sewage facilities. The areas are prioritised by the Sewer Working Party, as areas with potential public health problems with a risk of pollution to water supplies and general surface pollution.

**Additional Land Required**    Yes                      **Land Available**            Identified

#### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£2,000,000	–	–	£2,000,000

#### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

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## ENVIRONMENT AND PUBLIC SERVICES

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<b>SEWAGE TREATMENT WORKS – PRIMARY TANKS</b>	<b>£5,441,000</b>
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### Committee's Submission:

The project will increase the capacity of the primary treatment process at the sewage treatment works, thus enabling more flow to be treated with a consequent reduction in the risk of overflows of foul contaminated sewage to sea. The increased capacity will provide considerable benefit with the management of the increasing flows from around the Island.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,754,000	£446,000	£1,241,000	£5,441,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

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**SEA DEFENCE STRATEGY**

---

**£1,500,000**

### Committee's Submission:

The Island's sea defences are integral to the safe maintenance of the Island's infrastructure and protect and maintain large areas of public and private property. As such, they should be considered a priority in terms of short and long term maintenance if ultimate failure or collapse is to be avoided in the future. This allocation increases total funding to £7.5 million since 2004.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,500,000	–	–	£1,500,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

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### HIGHWAYS INFRASTRUCTURE

---

**£1,500,000**

#### Committee's Submission:

Implementing the results of the pavement management system, in particular, strengthening and reconstruction of existing highways and supporting structures and installation of new road drainage where appropriate. This allocation increases total funding to £3.5 million since 2006.

**Additional Land Required**    No                      **Land Available**            N/A

#### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,500,000	–	–	£1,500,000

#### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00



## ENVIRONMENT AND PUBLIC SERVICES

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<b>URBAN RENEWAL FUND</b>	<b>£200,000</b>
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### Committee's Submission:

Continued investment in the public infrastructure of the Island to directly improve the quality of urban life for residents and to sustain the economic prosperity, vitality and viability of St. Helier. Key elements of the renewal programme include: Pedestrian Improvement Areas, the Public Space Strategy and Action Areas Development Frameworks.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£200,000	–	–	£200,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

<b>SLUDGE THICKENING PLANT</b>	<b>£2,554,000</b>
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### Committee's Submission:

The sewage treatment process produces sludge as a by-product that has to be disposed of. The Committee's policy has been a combination of drying the digested sludge and incinerating it as well as disposing of a large quantity in liquid form to land. Land disposal is being phased out in the U.K. and if it were to continue in Jersey, additional capital investment would be required to replace the existing sewage digestion system. This scheme will provide the necessary pre-treatment to raw sludge to allow it to be dried in the sludge drier before incineration.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,786,000	£214,000	£554,000	£2,554,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## EDUCATION, SPORT AND CULTURE

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**ST. PETER'S SCHOOL**

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**£5,016,000**

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### Committee's Submission:

St. Peter's School currently suffers from 2 key problems: (a) the external fabric of the building is in a poor state and in need of major refurbishment; and (b) the accommodation provided by the school buildings, when compared against educational standards, is inadequate for the modern curriculum. The phased refurbishment works will replace the buildings flat roofs, establish 7 'full' size classrooms, a new nursery class, provide for special needs education, and create facilities for staff and parents.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,504,000	£610,000	£902,000	£5,016,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£70,000	2.75

**EDUCATION, SPORT AND CULTURE****MONT A L'ABBE SCHOOL (PHASE 2)****£3,708,000****Committee's Submission:**

Phase 2 of the remodelling works involves the demolition and upgrade of the remaining part of the existing Mont à L'Abbé building, the older part of the school will be replaced with new buildings which reflect the standards attained in previous 1993 extensions and which will enable the school to meet the accommodation and curriculum requirements of its junior pupils.

**Additional Land Required**    No**Land Available**    N/A**Capital Expenditure**

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£2,680,000	£407,000	£621,000	£3,708,000

**Potential Revenue and Manpower implications**

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## EMPLOYMENT AND SOCIAL SECURITY

<b>SUPPORTED EMPLOYMENT TRAINING UNIT</b>	<b>£2,497,000</b>
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### Committee's Submission:

The Supported Employment Training Unit will offer a range of training and rehabilitation to people with health problems and disabilities aimed at developing their skills to enable them to move into supported and open employment. It is anticipated that approximately 40 people would be able to receive training concurrently; it is likely that 20 of these people would be employable at the end of 3 to 6 months. This project will also support changes to the Social Security Incapacity Benefit system which will enable more beneficiaries to return to some work.

In total the Unit is expected to create a flow to employment of between 50 to 100 people annually. Once the facility has cleared the current backlog of those requiring this service, parts of the unit could be used to aid those with more significant support needs, whilst maintaining the capacity to help those with lesser disabilities into the work place.

**Additional Land Required**    Yes                      **Land Available**            Yes

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,867,000	£301,000	£329,000	£2,497,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£312,300	0.00

## HOUSING

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**ANN COURT REDEVELOPMENT (PHASE 1)**

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**£5,322,000**

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### Committee's Submission:

The Ann Court Housing site comprises 76 units built in 1978. The site currently suffers from a number of problems including poor insulation, water ingress and a faulty heating system; without significant remedial works these problems would have significant revenue implications. The refurbishment and redevelopment works include: external wall insulation, replacement windows (double glazed), replacement heating system, new roof, enclosed access stairs, Upgraded plumbing and electrical systems, and improvements to landscaping and car parking.

**Additional**                      **Land**   **Yes**            **Land Available**            **In States Ownership**  
**Required**

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,771,000	£675,000	£876,000	£5,322,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## HEALTH AND SOCIAL SERVICES

<b>TUBE SYSTEM UPGRADE</b>	<b>£654,000</b>
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### Committee's Submission:

The General and Acute Hospital's existing tube system for the rapid transfer of drugs and specimens to and from wards to pathology and Pharmacy was installed in 1992 and has undertaken 1.5 million movements. The system has been very successful but needs to be upgraded and extended to new areas.

**Land Required**            Yes            **Land Available**            In States Ownership

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£525,000	–	£129,000	£654,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## HEALTH AND SOCIAL SERVICES

<b>UPGRADE GENERAL HOSPITAL (PHASE 2)</b>	<b>£1,175,000</b>
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### Committee's Submission:

This section of the General Hospital was built in 1987 and many of the fittings and services need upgrading, including 6 lifts, ward kitchen, bathrooms and showers, ventilation and the provision of staff changing rooms.

**Land Required**      Yes      **Land Available**      In States Ownership

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£950,000	£50,000	£175,000	£1,175,000

### Potential Revenue and Manpower Implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00



## HEALTH AND SOCIAL SERVICES

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<b>REPLACE LAUNDRY WASHER</b>	<b>£500,000</b>
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### Committee's Submission:

The Central Laundry batch washer was installed in 1993 and is now giving problems with wear and tear. It is forecast that by 2008 it will need urgent replacement following 15 years of use.

<b>Land Required</b>	No	<b>Land Available</b>	N/A
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### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£401,000	–	£99,000	£500,000

### Potential Revenue and Manpower Implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
N/A	0.00

## SUMMARY INFORMATION ON CAPITAL PROJECTS

APPENDIX 6

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### PROJECTS RECOMMENDED IN THE 2009 CAPITAL PROGRAMME

As given in Table 6.6

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#### HOME AFFAIRS

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<b>PRISON MALE CELL BLOCK</b>	<b>£9,210,000</b>
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#### Committee's Submission:

The proposed scheme is part of the rolling programme to upgrade prison buildings and facilities in compliance with Human Rights Legislation and other requirements. This revised scheme is for the provision of a 54-bed unit and control area, however, should further funding be identified in future capital programmes the proposed design could be adapted to accommodate the addition of a second wing to house a further 90-bed units, as was anticipated in the Committee's original bid. The proposed accommodation will have galleried first and second floor access landing around an association area, the building will also incorporate an interview room, classrooms, showers, servery and small laundry. A dedicated external exercise area would also be provided.

<b>Land Required</b>	Yes	<b>Land Available</b>	In States Ownership
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#### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£6,925,000</b>	<b>£520,000</b>	<b>£1,765,000</b>	<b>£9,210,000</b>

#### Potential Revenue and Manpower implications

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<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£610,000	8.00

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## HEALTH AND SOCIAL SERVICES

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**CLINIQUE PINEL EXTENSION**

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**£4,558,000**

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### Committee's Submission:

Demographic projections indicate an increase in the number of elderly people with mental health problems requiring residential care in the future. This extension, designed to meet the anticipated growth in elderly patients requiring care, will provide an additional 22 beds with all necessary washing, toilet and lounge facilities. The existing kitchen will also be upgraded.

**Land Required**                      Yes                      **Land Available**                      In States Ownership

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£3,191,000</b>	<b>£439,000</b>	<b>£928,000</b>	<b>£4,558,000</b>

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£1,159,000	34.50

## ENVIRONMENT AND PUBLIC SERVICES

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<b>FOUL SEWERS RECONSTRUCTION AND EXTENSION</b>	<b>£3,000,000</b>
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### Committee's Submission:

Reconstruction work is required to maintain the existing sewerage network in sound working order and prevent deterioration of this fundamental Island asset. Essential work is undertaken to maintain the structural and hydraulic integrity of the sewerage system. Most of the Island's population will benefit from reduced risk of sewer collapse.

The provision of foul sewers, particularly to rural areas, where there is a need for sewerage facilities. The areas are prioritised by the Sewer Working Party, as areas with potential public health problems with a risk of pollution to water supplies and general surface pollution.

<b>Additional Land Required</b>	Yes	<b>Land Available</b>	Identified
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### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,000,000	–	–	£3,000,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## ENVIRONMENT AND PUBLIC SERVICES

<b>SEA DEFENCE STRATEGY</b>	<b>£1,500,000</b>
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### Committee's Submission:

The Island's sea defences are integral to the safe maintenance of the Island's infrastructure and protect and maintain large areas of public and private property. As such, they should be considered a priority in terms of short and long-term maintenance if ultimate failure or collapse is to be avoided in the future. This allocation increases total funding to some £9 million since 2004.

**Additional Land Required**    Yes                      **Land Available**            Identified

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,500,000	–	–	£1,500,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## EDUCATION, SPORT AND CULTURE

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**HIGHLANDS COLLEGE – ‘A’ BLOCK**

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**£5,856,000**

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### Committee’s Submission:

This project is primarily concerned with remedial works to the main original Highlands College Block. It proposes to replace the roof coverings and repair the external facade and fenestration so that the external envelope is wind and weather tight and in doing so eliminate ingress of water that causes long-term damage. It also includes major internal building works to provide fire compartmentalization together with an overhaul of building services. In addition to these repairs, some internal remodelling and modernization of floors plans is required, which will include making better provision for the disabled together with the installation of a new lift.

**Additional Land Required**    No**Land Available**    N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£3,865,000	£761,000	£1,230,000	£5,856,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## EDUCATION, SPORT AND CULTURE

<b>ST. MARTIN'S SCHOOL</b>	<b>£2,048,000</b>
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### Committee's Submission:

This project will address the lack of teaching and non-teaching space in the school in the context of the current primary curriculum. Improvements will include: replacement of 2 temporary classrooms, pupil storage, toilets, circulation and resource area; extensions to a number of classrooms and the Hall; update of mechanical and engineering services, improved administration facilities and additional storage space.

**Additional Land Required**    No                      **Land Available**            N/A

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
£1,340,000	£279,000	£429,000	£2,048,000

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00

## HOUSING

<b>THE CEDARS REFURBISHMENT</b>	<b>£8,717,000</b>
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### Committee's Submission:

The refurbishment of the Cedars high-rise and low-rise blocks, constructed in 1972, will include the following improvements: new roofs, internal heat and sound insulation, external cladding, double-glazed windows, new bathroom and kitchen fittings, upgraded heating, plumbing and electrical systems, new lifts and improved access, landscaping and car parking facilities.

**Land Required**                      Yes                      **Land Available**                      In States Ownership

### Capital Expenditure

<b>Project Cost</b>	<b>Fees</b>	<b>Fluctuations</b>	<b>Total</b>
<b>£5,821,000</b>	<b>£1,179,000</b>	<b>£1,717,000</b>	<b>£8,717,000</b>

### Potential Revenue and Manpower implications

<b>Net Revenue Effect</b>	<b>Permanent FTE</b>
£nil	0.00



**LEGISLATION – WORK COMPLETED 1ST JULY 2003 TO 30TH JUNE 2004**

**APPENDIX 7**

<b>WORK COMPLETED 1ST JULY 2003 TO 30TH JUNE 2004</b>	
<b>1.</b>	<b>PROGRAMME ITEMS</b>
	ANIMAL WELFARE LAW
	BUDGET – FINANCE LAW, INCOME TAX (AMENDMENT No. 23) LAW, 2 ORDERS
	BURIALS AND EXHUMATIONS LAW
	COMMUNITY CUSTOMS (WINE AND SPIRITS) ORDER
	COMPETITION LAW
	DATA PROTECTION LAW
	DRAINAGE LAW
	EXTRADITION LAW
	FINANCIAL SERVICES (AMENDMENT No. 2) LAW (INSURANCE INTERMEDIARIES, PHASE 1)
	HOUSING LAW (CHARGE FOR CONSENT TO PURCHASE)
	LAW SOCIETY OF JERSEY LAW
	MENTAL HEALTH LAW (AMENDMENT)
	POSTAL SERVICES LAW
	SEA FISHERIES – REGULATIONS LICENSING FISHING BOATS – REGULATIONS RE UNDERWATER FISHING
	SHIPPING LAW PHASE 2 – SUBORDINATE LEGISLATION ( x 15)
	NEW STATES OF JERSEY LAW
	TAXATION (IMPLEMENTATION) LAW (IMPLEMENTATION OF AGREEMENTS, PHASE 1)
	TERRORISM SUBORDINATE LEGISLATION ( x 6)
<b>2.</b>	<b>MINOR AND ROUTINE ITEMS</b>
	APPROXIMATELY 155

**LEGISLATION – WORK IN PROGRESS AS AT 30TH JUNE 2004**

**APPENDIX 8**

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
(a) BANKRUPTCY (DESASTRE) LAW amendments	ECONOMIC DEVELOPMENT	Effectively complete, but now incorporated with drafting of other programme items
(b) COMPANIES LAW – amendments (both make provision for insolvent companies)		
COLLECTIVE INVESTMENT FUNDS / BANKING BUSINESS / INSURANCE BUSINESS / FINANCIAL SERVICES LAW – AMENDMENTS provision for EU market abuse	ECONOMIC DEVELOPMENT	Instructions rec'd April 04, 1st draft under preparation
COMPANIES (PROTECTED CELL) LAW	ECONOMIC DEVELOPMENT	2nd draft under preparation
COMPETITION LAW PHASE 2– (Implementing subordinate legislation)	ECONOMIC DEVELOPMENT	Awaits enactment of Law
CONSUMER SAFETY LAW	ECONOMIC DEVELOPMENT	Gone to scrutiny; then consultation
COPYRIGHT LAW	ECONOMIC DEVELOPMENT	LODGED But policy re tribunals under review
DESIGN RIGHT LAW	ECONOMIC DEVELOPMENT	Policy re tribunals under review
DISTANCE SELLING LAW	ECONOMIC DEVELOPMENT	Instructions rec'd June 04, under review
ELECTRONIC COMMUNICATIONS (COMPANIES) (J) ORDER –	ECONOMIC DEVELOPMENT	Instructions rec'd April 04, under review

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
FERTILIZERS AND FEEDING STUFFS – (a) Fertilizers and Feedstuffs (Amendment Law (b) Diseases of Animals (Am 6) Law (c) Community Provisions (Animal Feeding) Regulations (d) Order under Diseases of Animals Law, as amended by (b)	ECONOMIC DEVELOPMENT	READY (awaits transfer of functions)
FINANCIAL SERVICES (COMPENSATION SCHEMES) LAW	ECONOMIC DEVELOPMENT	Awaiting further instructions
FINANCIAL SERVICES (J) LAW 1998 AMENDMENT AND NEW SUBORDINATE LEGISLATION (To extend application of Law to insurance intermediaries)	ECONOMIC DEVELOPMENT	(1) Law complete (lodged) (2) Instructions for Order under review
FINANCIAL SERVICES (J) LAW 1998, BANKING BUSINESS (J) LAW 1991 AND SUBORDINATE LEGISLATION Amendments to regarding – (a) deposit-taking activities; (b) money service business activities	ECONOMIC DEVELOPMENT	(a) instructions not received  (b) amending Law ready; instructions for Order under review
FINANCIAL SERVICES COMMISSION LAW AMENDMENTS (Investigator scheme for complaints against Commission)	ECONOMIC DEVELOPMENT	Awaiting further instructions
FINANCIAL SERVICES COMMISSION LAW AMENDMENTS (Edwards report: giving JFSC greater appearance of independence, enabling to set own fees)	ECONOMIC DEVELOPMENT	READY

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
NETTING OF FINANCIAL CONTRACTS LAW	ECONOMIC DEVELOPMENT	READY, but amalgamated with other programme items
PERFORMERS' PROTECTION LAW	ECONOMIC DEVELOPMENT	Policy on tribunals to be resolved
PLANT BREEDERS' RIGHTS ORDER	ECONOMIC DEVELOPMENT	READY – awaiting decision re tribunals
PLANT HEALTH Phase 2 (Order under Plant Health Law, as amended in Phase 1)	ECONOMIC DEVELOPMENT	Further instructions awaited
PROCEEDS OF CRIME LAW AMENDMENT TO SCHEDULE 2 AND MONEY LAUNDERING (J) ORDER	ECONOMIC DEVELOPMENT	READY – But may be subsumed in more comprehensive review
SEA FISHERIES (SATELLITE MONITORING) REGULATIONS	ECONOMIC DEVELOPMENT	READY
SEA FISHERIES (TRAWLING, NETTING AND DREDGING) (J) REGULATIONS – Amendments x 2	ECONOMIC DEVELOPMENT	READY
SECURITY INTERESTS LAW	ECONOMIC DEVELOPMENT	Instructions rec'd April '04; 1st draft under preparation
PUBLICATIONS DEPOSIT LAW	EDUCATION SPORT AND CULTURE	Preliminary instructions rec'd, under review
EMPLOYMENT LAW – PHASE 2 Implementing subordinate legislation	EMPLOYMENT AND SOCIAL SECURITY	Instructions part received. 1st draft Regulations and Order for review
EMPLOYMENT RELATIONS LAW	EMPLOYMENT AND SOCIAL SECURITY	Further instructions with draftsman
SOCIAL SECURITY SUBORDINATE LEGISLATION – AMENDMENTS (x 14)	EMPLOYMENT AND SOCIAL SECURITY	READY

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
HIGH HEDGES LAW	ENVIRONMENT AND PUBLIC SERVICES	READY
ROAD TRAFFIC LAW AMENDMENTS (PARKING TICKETS)	ENVIRONMENT AND PUBLIC SERVICES	1st draft out June 04
TRAFFIC ORDER CONSOLIDATIONS – (a) Traffic signs (b) Speed limits (c) Pedestrian crossings	ENVIRONMENT AND PUBLIC SERVICES	Revised draft out June 04
WATER RESOURCES LAW	ENVIRONMENT AND PUBLIC SERVICES	READY To scrutiny
BILLS OF EXCHANGE LAW	FINANCE AND ECONOMICS	Discussion draft out for consultation
DATA PROTECTION LAW PHASE 2 (Implementing subordinate legislation)	FINANCE AND ECONOMICS	Awaits enactment of principal Law
INCOME TAX LAW AMENDMENTS (FISCAL REVIEW)	FINANCE AND ECONOMICS	Part instructions rec'd 04, 1st draft under preparation
INCOME TAX LAW AMENDMENTS (IMPLEMENTATION OF EU AND OECD OBLIGATIONS)	FINANCE AND ECONOMICS	Draft Law lodged June 04 Subordinate legislation under preparation
NEW PUBLIC FINANCE ADMINISTRATION LAW AND SUBORDINATE LEGISLATION	FINANCE AND ECONOMICS	Awaiting final instructions on Law
HARBOUR CHARGES LAW	HARBOURS AND AIRPORT	READY

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
PILOTAGE LAW AMENDMENT AND 1. Pensions Regulations 2. General Provisions Regulations 3. Dues and Fees Order	HARBOURS AND AIRPORT	Awaiting final instructions
SHIPPING LAW (PHASE 2) – SUBORDINATE LEGISLATION	HARBOURS AND AIRPORT	Drafting in progress (7 further drafts)
FOOD LABELLING ORDER	HEALTH AND SOCIAL SERVICES	Ready for consultation
HUMAN FERTILIZATION LAW AND SUBORDINATE LEGISLATION	HEALTH AND SOCIAL SERVICES	Awaiting further instructions
MEDICAL PRACTITIONERS (REGISTRATION) LAW	HEALTH AND SOCIAL SERVICES	Awaiting further instructions
MISUSE OF DRUGS (SUBSTANCES USEFUL FOR MANUFACTURE) ORDER (NEW)	HEALTH AND SOCIAL SERVICES	Instructions rec'd April 04, under review
POISONS LAW – AMENDMENT POISONS (GENERAL PROVISIONS) ORDER – AMENDMENT PHARMACISTS (REGISTRATION) LAW To update regarding the sale of non-medicinal poisons	HEALTH AND SOCIAL SERVICES	Drafts with LOD for review
PUBLIC HEALTH (HOUSING STANDARDS) LAW	HEALTH AND SOCIAL SERVICES	Revised draft with department Jan 04

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
TOBACCO STRATEGY IMPLEMENTATION (a) increase minimum age for sale (b) amend Restriction on Smoking Law (c) new Regulations prohibiting smoking in places serving food (d) new Regulations regulating placement of cigarette vending machines (e) new Regulations banning tobacco advertising, sponsorship (f) amend Regulations banning smoking on public transport	HEALTH AND SOCIAL SERVICES	(a) READY (b)-(e) drafts under preparation
CUSTOMS AND EXCISE LAW – AMENDMENT AND NEW ORDER (KYOTO CONVENTION)	HOME AFFAIRS	Instructions rec'd June 04, under review
CRIMINAL JUSTICE (SUPERVISED RELEASE OF OFFENDERS) LAW	HOME AFFAIRS	Awaits policy review
EXPORT CONTROL LAW – AMENDMENT AND NEW REGULATIONS (X3)	HOME AFFAIRS	Instructions rec'd June 04, under review
MOTOR VEHICLES (CONSTRUCTION AND USE) ORDER	HOME AFFAIRS	Instructions rec'd June 04, under review
POLICE SERVICES LAW	HOME AFFAIRS	Instructions rec'd March 04, 1st draft under preparation
PRISON RULES	HOME AFFAIRS	Await policy review
SEXUAL OFFENDERS LAW	HOME AFFAIRS	With LOD
HOUSING ASSOCIATIONS LAW	HOUSING	Further instructions rec'd June 04, under review

<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
RESIDENTIAL TENANCY LAW	HOUSING	Revised draft to Department May 04, further instructions under review
CHILD ABDUCTION LAWS (x 3)	LEGISLATION	1st drafts (x3) out Oct 03
CORRUPTION LAW	LEGISLATION	Policy under review following Convention changes
CRIMINAL JUSTICE (TRANSFER OF CASES INVOLVING CHILDREN) LAW	LEGISLATION	Awaiting LOD advice
DISCRIMINATION LAW	LEGISLATION	1st draft prepared; await further instructions
LEGAL PRACTITIONERS LAW	LEGISLATION	READY
OFFICIAL SECRETS LAW	LEGISLATION	Draft under review by LOD
SUNDAY TRADING LAW	LEGISLATION	Revised draft June 04
MACHINERY OF GOVT – REGULATIONS AMENDING OTHER ENACTMENTS –	POLICY AND RESOURCES	
(1) Policy and Resources		(1) Complete draft out April 04
(2) Finance and Economics		(2) Complete draft out April 04
(3) Environment and Public Services		(3) Complete draft out May 04
(4) Economic Development		(4) Complete draft out April 04
(5) Health and Social Services		(5) Ready (to date)
(6) Education, Sport and Culture		(6) Ready (to date)
(7) Home Affairs		(7) Ready (to date)
(8) Employment and Social Security		(8) Complete draft out
(9) Housing		(9) Complete draft out
(10) Harbours and Airport		(10) Complete draft out April 04
(11) Transitional provisions Regulations		(11) Requirements under consideration



<i>PROGRAMME DESCRIPTION</i>	<i>COMMITTEE</i>	<i>STATUS</i>
PECRS REGULATIONS AMENDMENTS To remove fund deficits	POLICY AND RESOURCES	Instructions rec'd April 04, under review
PUBLIC EMPLOYEES PENSION TRUST LAW	POLICY AND RESOURCES	With Department
MACHINERY OF GOVT – NEW STANDING ORDERS	PRIVILEGES AND PROCEDURES	Instructions awaited

**LEGISLATION – 2003 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS**

**APPENDIX 9**

**2003 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS**

<i>PROGRAMME DESCRIPTION AND DAYS ALLOCATED</i>	<i>COMMITTEE</i>
FINANCIAL SERVICES COMMISSION LAW – Amendments regarding the register of Commissioners’ interests, functions regarding the fight against crime, DG period of appointment (20 days)	Economic Development
PESTICIDES LAW AND SUBORDINATE LEGISLATION (20 days)	Economic Development
POULTRY, GAME AND HATCHING EGGS (IMPORTATION) ORDER (10 days)	Economic Development
REGISTERED BUSINESS NAMES (J) LAW 200- (15 days)	Economic Development
SHELLFISH HYGIENE LAW – Implementing Directive 91/492 (10 days)	Economic Development
BELLOZANNE WASTE SITE (RENEWAL OF COVENANT) LAW (10 days)	Environment and Public Services
MEDICINES LAW – SUBORDINATE LEGISLATION (10 days)	Health and Social Services
LODGING HOUSES LAW – AMENDMENTS (15 days)	Housing

**LEGISLATION – 2004 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS**

**APPENDIX 10**

PROGRAMME DESCRIPTION AND DAYS ALLOCATED <i>* signifies item allocated time from 2004 contingency fund</i>		COMMITTEE
<b>2004 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS</b>		
ANIMAL BY PRODUCTS REGULATIONS (15 days)	To implement the EU Animal By-Products Regulations 1774/002	ECONOMIC DEVELOPMENT
COLLECTIVE INVESTMENT FUNDS (RECOGNISED FUNDS) (GENERAL PROVISIONS) (RULES) ORDER 2003 – AMENDMENTS (5 days)	To reflect changes in U.K. and maintain designated territory status	ECONOMIC DEVELOPMENT
COMPANIES (J) LAW 1991 AND SUBORDINATE LEGISLATION – AMENDMENTS (15 days)	Requirements re disclosure by foreign companies administered in Jersey, Disclosure of changes to beneficial owners, Return and register of Directors, Other changes to annual return Changes to facilitate use of electronic communication	ECONOMIC DEVELOPMENT
DISEASES OF ANIMALS (IMPORTATION OF MISCELLANEOUS GOODS) (J) ORDER 1958 – AMENDMENT (5 days)	Improved control of meat and meat products conforming to EU Directives	ECONOMIC DEVELOPMENT
FINANCIAL SERVICES (CONTROL OF ADVERTISING) (J) ORDER – NEW ORDER (15 days)	To regulate advertising by investment business and trust companies	ECONOMIC DEVELOPMENT

PROGRAMME DESCRIPTION AND DAYS ALLOCATED <i>* signifies item allocated time from 2004 contingency fund</i>		COMMITTEE
<b>2004 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS</b>		
FINANCIAL SERVICES (J) LAW 1998, COLLECTIVE INVESTMENT FUNDS (J) LAW 1988 AND SUBORDINATE LEGISLATION – AMENDMENTS (15 days)	To extend scope of 1998 Law so as to regulate functionaries of collective investment funds, currently regulated under 1988 Law	ECONOMIC DEVELOPMENT
FINANCIAL SERVICES (J) LAW 1998, COLLECTIVE INVESTMENT FUNDS (J) LAW 1998, BANKING BUSINESS (J) LAW 1991, INSURANCE BUSINESS (J) LAW 1996 – AMENDMENTS (20 days)	Establish Tribunal as forum for review of JFSC regulatory decisions and enforcement processes	ECONOMIC DEVELOPMENT
MILK MARKETING SCHEME – AMENDMENT (5 days)		ECONOMIC DEVELOPMENT
PATENTS (J) 1957 AND PATENTS (J) RULES 1958- AMENDMENTS (20 days)	Update to ensure compliance with International conventions and treaties	ECONOMIC DEVELOPMENT
PROCEEDS OF CRIME (J) LAW 1999 AND MONEY LAUNDERING (J) ORDER 1999 – AMENDMENTS (10 days)	Amendments to reflect revised FATF recommendations, EU Directive on money laundering and U.K. changes	ECONOMIC DEVELOPMENT
REGISTERED DESIGN (J) LAW 1957 AND REGISTERED DESIGN (J) RULES 1958 – AMENDMENTS (20 days)	Update to ensure compliance with International conventions and treaties	ECONOMIC DEVELOPMENT
SEA FISHERIES (J) LAW 1994 – AMENDMENT (3 days)	Remove or change SOS consent to Regs	ECONOMIC DEVELOPMENT

PROGRAMME DESCRIPTION AND DAYS ALLOCATED <i>* signifies item allocated time from 2004 contingency fund</i>		COMMITTEE
<b>2004 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS</b>		
SEA FISHERIES (LOG BOOKS AND LANDING DECLARATIONS) (J) REGULATIONS 2001 – (AMENDMENT) (5 days)	To comply with Fisheries management agreements by enabling management of fish stocks	ECONOMIC DEVELOPMENT
SEA FISHERIES (QUOTA MANAGEMENT) REGULATIONS (NEW) (5 days)	To comply with Fisheries management agreements by enabling management of fish stocks	ECONOMIC DEVELOPMENT
SUPPLY OF GOODS AND SERVICES LAW – NEW LAW (20 days)		ECONOMIC DEVELOPMENT
LOW INCOME SUPPORT (J) LAW (25 days)		EMPLOYMENT AND SOCIAL SECURITY
JERSEY HARBOURS LAW – NEW LAW (25 days)		HARBOURS AND AIRPORT
*REGULATION OF CIVIL AVIATION LAW – (20 days)	New law to establish aviation regulator in line with Convention requirements	HARBOURS AND AIRPORT
HEALTH CARE (REGISTRATION) LAW 1995 – AMENDMENTS (10 days)	To introduce authority to investigate and prosecute professional misconduct	HEALTH AND SOCIAL SERVICES
PUBLIC HEALTH (CONTROL OF POLLUTION) (J) LAW – NEW LAW (25 days)		HEALTH AND SOCIAL SERVICES
IMPORT AND EXPORT CONTROL ORDER 1992 – AMENDMENTS (3 days)	To update schedules	HOME AFFAIRS
HOUSING (J) LAW 1949 – AMENDMENT (10 days)	To impose occupation requirements on inherited properties	HOUSING

PROGRAMME DESCRIPTION AND DAYS ALLOCATED <i>* signifies item allocated time from 2004 contingency fund</i>	COMMITTEE	
<b>2004 PROGRAMME ITEMS AWAITING DELIVERY OF DRAFTING INSTRUCTIONS</b>		
HOUSING (J) LAW 1949 – AMENDMENT (5 days)	To enable ‘in principle’ applications for consent to purchase/lease	HOUSING
HOUSING (J) LAW 1949 – AMENDMENT (10 days)	To impose requirement for occupation of certain land by 1st time buyers	HOUSING
HOUSING (J) LAW 1949 AND HOUSING (J) REGULATIONS 1970 – AMENDMENTS (3 days)	For the prosecution of offences relating to exempted transactions	HOUSING
LODGING HOUSES (REGISTRATION) (J) LAW 1962 – AMENDMENT (3 days)	To render powers of entry HR compliant	HOUSING
CRIMINAL LAW PROCEDURE LAW – NEW LAW (20 days)	To replace Loi (1864) sur la procédure criminelle	LEGISLATION
LAW OF TUTELLES – NEW LAW (10 days)	To replace the Loi (1862) sur les tutelles	LEGISLATION
PUBLIC ENTERTAINMENTS LAW (5 days)	To amend legislation regarding the Bailiff’s powers in respect of public entertainment	LEGISLATION
WILLS AND SUCCESSION (J) LAW 1993 – AMENDMENT (15 days)	To make provision for the succession rights of children born out of wedlock	LEGISLATION
*ISLANDWIDE BUSINESS RATE – NEW LAW (30 days)	Part of implementation of the review of the relationship between the Parishes and the States	POLICY AND RESOURCES
FREEDOM OF INFORMATION – NEW LAW (25 days)		PRIVILEGES AND PROCEDURES

**LEGISLATION – 2005 PROPOSED LEGISLATION PROGRAMME AND RESOURCE IMPLICATIONS**

**APPENDIX 11**

<b>NAME OF BID</b> (Including number of law drafting days)	<b>COMMITTEE</b>	<b>FINANCIAL IMPLICATIONS</b>	<b>FTE IMPACT</b>
SEA FISHERIES (MISCELLANEOUS PROVISIONS) (JERSEY) REGULATIONS – AMENDMENT REGARDING MARKING OF FISHING GEAR (10 days)	ECONOMIC DEVELOPMENT	None identified	None identified
SAFETY OF LIFE AT SEA ORDER – IMPLEMENTS CH 5 SOLAS CONVENTION (4 days)	HARBOURS AND AIRPORT	None identified	None identified
SHIPPING (PREVENTION OF POLLUTION) REGULATIONS – TO IMPLEMENT INTERNATIONAL CONVENTIONS (5 days)	HARBOURS AND AIRPORT	None identified	None identified
CIVIL AVIATION (JERSEY) LAW – NEW LAW TO ESTABLISH JERSEY AIRPORT AS SEPARATE ENTITY (25 days)	HARBOURS AND AIRPORT	Compliance costs of £150,000 per year. This cost is shared with Regulation of Civil Aviation (Jersey) Law which is being prepared from the 2004 law drafting contingency allocation	None identified
TAX LAW (GOODS AND SERVICES ETC.) – NEW LAW (25 days)	FINANCE AND ECONOMICS	None identified (but see across for additional FTE impact)	Circa 30 x FTE

<b>NAME OF BID</b> (Including number of law drafting days)	<b>COMMITTEE</b>	<b>FINANCIAL IMPLICATIONS</b>	<b>FTE IMPACT</b>
E-GOVERNMENT LAW – NEW LAW (15 days)	POLICY AND RESOURCES	To be specified at a later date. It is envisaged that the new legislation will result in cash savings.	None identified
HEALTH INSURANCE (JERSEY) LAW) – AMENDMENTS TO REFLECT CHANGES IN HEALTH BENEFIT PROVISION (25 days)	EMPLOYMENT AND SOCIAL SECURITY	No revenue impact except for HIE costs which should be subsumed into Income Support which is part of another legislation bid	None identified
TRUSTS (JERSEY) LAW – AMENDMENTS REGARDING EDWARDS REVIEW AND GENERALLY TO UPDATE LEGISLATION (13 days)	ECONOMIC DEVELOPMENT	None identified	None identified
FOUNDATIONS (JERSEY) LAW – NEW LAW TO CONFER GREATER FLEXIBILITY IN THE RANGE OF FINANCIAL SERVICES (20 days)	ECONOMIC DEVELOPMENT	None identified	None identified
TRANSFER OF NATIVE WELFARE LAW – NEW LAW (15 days)	POLICY AND RESOURCES	Annual total allowance of £25,000	0.25 x FTE
TRANSFER OF FUNCTIONS TO PARISHES LAW – NEW LAW (15 days)	POLICY AND RESOURCES	Annual total allowance of £25,000	0.25 x FTE
CONSEIL DES CONNÉTABLES LAW – NEW LAW (20 days)	POLICY AND RESOURCES	Annual total allowance of £25,000	0.25 x FTE



<b>NAME OF BID</b> (Including number of law drafting days)	<b>COMMITTEE</b>	<b>FINANCIAL IMPLICATIONS</b>	<b>FTE IMPACT</b>
PARISH RATE ADMINISTRATION (JERSEY) LAW – AMENDMENT REGARDING ASSESSMENT OF UTILITIES (15 days)	LEGISLATION	None identified	None identified
PROCEEDS OF CRIME (JERSEY) LAW AND MONEY LAUNDERING ORDER – AMENDMENTS (15 days)	FINANCE AND ECONOMICS	None identified	None identified
REGISTRATION OF CHARITIES LAW – NEW LAW (25 days)	ECONOMIC DEVELOPMENT	None identified	None identified
INSURANCE BUSINESS (JERSEY) LAW – AMENDMENT REGARDING INSURANCE SUPERVISION PRINCIPLES (20 days)	Economic Development	None identified	None identified
COLLECTIVE INVESTMENT FUNDS (RECOGNIZED FUNDS) (PERMIT CONDITIONS) ORDER – AMENDMENTS TO MAINTAIN EQUIVALENCE WITH U.K. LEGISLATION (20 days)	Economic Development	None identified	None identified
COLLECTIVE INVESTMENT FUNDS (RECOGNIZED FUNDS) (GENERAL PROVISIONS) (RULES) ORDER – AMENDMENTS TO MAINTAIN EQUIVALENCE WITH U.K. LEGISLATION (15 days)	Economic Development	None identified	None identified

<b>NAME OF BID</b> (Including number of law drafting days)	<b>COMMITTEE</b>	<b>FINANCIAL IMPLICATIONS</b>	<b>FTE IMPACT</b>
FINANCIAL SERVICES COMMISSION (JERSEY) LAW AND RELATED LEGISLATION – AMENDMENTS IN RESPECT OF IMF RECOMMENDATIONS (20 days)	Economic Development	None identified	None identified