

# STATES OF JERSEY



## **STRATEGIC PLAN 2006 TO 2011 (P.40/2006): THIRTEENTH AMENDMENTS (P.40/2006. AMD.(13))– AMENDMENTS**

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**Lodged au Greffe on 13th June 2006  
by the Council of Ministers**

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**STATES GREFFE**

STRATEGIC PLAN 2006 TO 2011 (P.40/2006): THIRTEENTH AMENDMENTS (P.40/2006. AMD.(13))–  
AMENDMENTS

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- (1) *In paragraph (a) of the amendment, in the words to be inserted on page 14, for the words “prior to” substitute the word “in” and for the word “existing” substitute the word “approved”.*
- (2) *In amendment 3(b), after the words “minimum of 3 years” insert the words “unless the States agree further exclusions”.*

COUNCIL OF MINISTERS

## REPORT

### Amendment (1)

The Council of Ministers fully supports the need for government to deliver services that are not only efficient and effective, but are affordable.

However, the Deputy's amendment, as currently worded, would limit the development of new initiatives by requiring full cost and manpower implications to be identified before a sufficient degree of option appraisal and analysis had been undertaken to determine a range of potential feasible solutions. The amendment would result in significant unnecessary work and delay, because a resource analysis would have to be produced before starting to evaluate options. The resource analysis would be undertaken again once options have been determined.

The Council of Ministers seeks to address this deficiency by substituting the word "*in*" for the words "*prior to*" in paragraph (1)(a). This would have the effect of ensuring that robust and supportable cost and manpower implications are developed within the business case to support new initiatives, policies and strategies.

By limiting priority to those initiatives that can be delivered within existing resources, the Deputy's amendment effectively removes from government the flexibility to react to a changing environment within its forward financial forecasts. The Council of Ministers proposes that the Deputy's amendment be varied to require priority to be given to those initiatives that can be achieved within approved resources. The States retain the right to determine significant policies and this will include resourcing. The States must retain the ability to redirect resources to its highest priorities if that is its decision. If they were to decide that those initiatives which can be met from within existing resources are of a higher priority than other initiatives it would be denying themselves the right to determine priorities in the future. This would require government to ensure that expenditure proposals for new initiatives, policies and strategies are linked to corresponding funding approvals.

There are no additional financial or manpower implications arising from this amendment to the amendment

### Amendment (2)

The Council of Ministers is committed to ensuring that, once introduced, the rate of GST will be held for three years. The 3% rate is dependent upon there being minimal exemptions as proposed by the previous Finance and Economics Committee. The States has yet to determine the final form of GST including exemptions.

The original amendment, if approved, would not permit any variations from the position that GST be charged at 3% on all goods and services to which it applied. The proposed amendment by the Council of Ministers would enable the States to agree further exclusions, either exemptions from GST or reduction in its impact, for instance, by zero-rating specific goods or services.

There are no additional financial or manpower implications arising from this amendment to the amendment and the intention of this proposed change is to avoid the resource implications of the original amendment until funding has been approved.

### Note

The Council of Ministers will present its comments on other parts of the Thirteenth Amendment separately to these amendments.