

STATES OF JERSEY



ESTABLISHMENT AND FUNDING OF THE FISCAL STIMULUS FUND (P.128/2020): AMENDMENT (P.128/2020 AMD.) – COMMENTS

**Presented to the States on 16th November 2020
by the Minister for Treasury and Resources**

STATES GREFFE

COMMENTS

The establishment of the Fiscal Stimulus Fund is part of a package of proposals to enable the economy to recover from the downturn caused by the impact of COVID-19. The Fund will provide funding for projects that primarily reduce the falls in output and employment in the short-term and those that reduce the damage to the economy in the medium to long-term.

Projects that seek funding need to demonstrate that they are timely, targeted and temporary; align with the Government's strategic priorities and have wider social and environmental benefits which is likely to mean employment at living wage level.

Deputy Kirsten Morel's amendment asks that the expressions of interest include details of which business sectors will derive most value from the project and this is in line with the proposition which states that "It is important that the Fund is operated in a way to ensure the stimulus is appropriately aimed at sectors with spare capacity". The assessment of this will be managed within the drafting of the criteria and through analysis of available data.

Deputy Morel's amendment also seeks to collect summary information about the age and gender of the people most likely to benefit economically from the project. Whilst organisations should be able to provide summary information, we need to ensure that we are not asking for data that smaller entities will have more difficulty in providing due to their level of resource. When reviewing the information, there is likely to be a degree of subjectivity and it might be difficult to match this objective with the over-riding requirement of fiscal stimulus. In addition, there may be some difficulty in ranking and assessing the relative economic benefits of the recipients in a way that gives enough objectivity. In dealing with this matter, the Fiscal Stimulus Oversight Group will ensure that there is consideration of projects across sectors with spare capacity and that the mix of projects gives the right blend of stimulus.

The Minister fully supports the intent of Deputy Morel's amendment in ensuring the gender diversity of projects but would go further and state that all diversity matters should be considered in the evaluation process. These matters will be considered by the Fiscal Stimulus Oversight Group in their recommendation to the Minister.

The Corporate Services Scrutiny Panel is included within the process and will have the opportunity to comment on the recommendation along with Economic Recovery Political Oversight Group.

Finally, the proposition details a requirement to publish a report on the outcome of the funding of projects which will include details of the economic impact. This is not incompatible with the intent of Deputy Morel to ensure that information is available about the projects, including that sector of the economy that has benefitted.

The Minister is happy to support Deputy Morel's amendment on the basis that we will accept a degree of proportionality and uncertainty for smaller entities at the early stages of the process when asking for summary information on sector and diversity benefits (for example age, gender). This information must necessarily be at a summary level to comply with relevant Data Protection legislation.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]

These comments were submitted after the deadline set out in Standing Order 37A due to the Minister's wish to share her comments with Deputy Morel for consideration before sharing with Members.