

STATES OF JERSEY



GOVERNMENT PLAN 2021–2024 (P.130/2020): TENTH AMENDMENT (P.130/2020 AMD.(10)) – AMENDMENT

**Lodged au Greffe on 8th December 2020
by the Council of Ministers**

STATES GREFFE

GOVERNMENT PLAN 2021–2024 (P.130/2020): TENTH AMENDMENT
(P.130/2020 AMD.(10)) – AMENDMENT

1 PAGE 2 –

Designate the existing paragraph as paragraph 2 and insert the following paragraph –

“1 PAGE 2, PARAGRAPH (f) –

After the words “Appendix 2 – Summary Tables 5(i) and (ii) of the Report” insert the words –

“, except that, in Summary Table 5(i), the head of expenditure for Treasury and Exchequer shall be increased by £50,000 for the purpose of a review into the funding of public services by the Parishes””

2 PAGE 2 –

In the existing paragraph, for the sub-paragraph that appears after the words “insert the words –” substitute the following sub-paragraph –

“, except that the Minister for Treasury and Resources is requested to work with the Minister for Infrastructure and the Comité des Connétables and firstly agree the Terms of Reference for a review into the funding of public services by the Parishes, as agreed in the Common Strategic Policy, to carry out that work and then to bring forward any recommendations”.

COUNCIL OF MINISTERS

Note: After this amendment, the amendment of the Connétable of St. Helier would read as follows –

“1 PAGE 2, PARAGRAPH (f) –

After the words “Appendix 2 – Summary Tables 5(i) and (ii) of the Report” insert the words –

“, except that, in Summary Table 5(i), the head of expenditure for Treasury and Exchequer shall be increased by £50,000 for the purpose of a review into the funding of public services by the Parishes”.

2 PAGE 3, PARAGRAPH (j) –

After the words “as set out at Appendix 3 to the Report” insert the words –

“, except that the Minister for Treasury and Resources is requested to work with the Minister for Infrastructure and the Comité des Connétables and firstly agree the Terms of Reference for a review into the funding of public services by the Parishes, as agreed in the Common Strategic Policy, to carry out that work and then to bring forward any recommendations”.”

After the amendment of the Connétable of St. Helier, as amended by this amendment, the proposition would read as follows –

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

to receive the Government Plan 2021 – 2024 specified in Article 9(1) of the Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2021 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law;
- (b) to approve the amounts to be transferred from one States fund to another for 2021, in line with Article 9(2)(b) as set out in Appendix 2 – Summary Table 2 to the Report;
- (c) to approve the proposed borrowing to be obtained for 2021, in line with Article 9 (2)(c), up to and including the amount set out in Appendix 2 – Summary Table 3 to the Report;
- (d) to approve each major project that is to be started or continued in 2021 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved government plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 - Summary Table 4 to the Report;
- (e) to endorse the efficiencies and other re-balancing measures for 2021 contained in the Government Plan as set out in Appendix 2 Summary Table 6 and reflected within each gross head of expenditure in Appendix 2 – Summary Table 5(i);
- (f) to approve the proposed amount to be appropriated from the Consolidated Fund for 2021, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report, except that, in Summary Table 5(i), the head of expenditure for Treasury and Exchequer shall be increased by £50,000 for the purpose of a review into the funding of public services by the Parishes;
- (g) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading

fund in 2021 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 7 to the Report;

- (h) to approve the proposed amount to be appropriated from each States trading operation's trading fund for 2021 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 8 to the Report; (i) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2021 as set out in Appendix 2 – Summary Table 9 to the Report;
- (i) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2021 as set out in Appendix 2 – Summary Table 9 to the Report;
- (j) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2021-2024, as set out at Appendix 3 to the Report, except that the Minister for Treasury and Resources is requested to work with the Minister for Infrastructure and the Comité des Connétables and firstly agree the Terms of Reference for a review into the funding of public services by the Parishes, as agreed in the Common Strategic Policy, to carry out that work and then to bring forward any recommendations.

REPORT

The Council of Ministers has considered the Connétable of St. Helier's amendment and agrees to commit to the review as requested but in recognition of those affected has suggested that agreeing Terms of Reference is important before any such review is undertaken and that all those affected by any recommendations need to be involved in agreeing those Terms of Reference.

The review work needs to be carried out in conjunction with the Minister for Infrastructure and the Comité des Connétables in recognition that all the parishes and the Minister have some similar arrangements in place and any recommendations to change those arrangements should be agreed by all involved.

This amendment to the Constable's amendment puts £50,000 into the head of Expenditure for Treasury & Exchequer in order to fund the resources necessary to carry out this work.

The Constable refers to the length of time that this matter has taken to reach an agreed position and that certain elements, such as welfare, have now been resolved. He also refers to the work undertaken by the independent rates working group where the suggested revaluation work was not supported.

In order for a proper understanding of all of the facts and for all affected parties to have an opportunity to express their views a thorough review will need to be undertaken. That can not happen in the timeframe the Constable has suggested; therefore this amendment takes out that deadline. We will commit to the review and report back on the outcomes in 2021.

Financial and manpower implications

The financial implications of this amendment would be that the Treasury & Exchequer head of expenditure as set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report is increased by £50,000 in 2021.

If this amendment is adopted by the Assembly then the reduction in the forecast Consolidated Fund balance for 2021 will be managed in the first instance by adjusting the Consolidated Fund working balance in that year, without proposing to increase the maximum borrowing requirement proposed in part (c) of P.130/2020.

Depending upon which amendments are adopted by the Assembly, the Chief Minister or Minister for Treasury and Resources may request an adjournment of the debate for a specified period to consider the consequences of the amendment under Standing Order 70A. Under Standing Order 80A the Chief Minister or Minister for Treasury and Resources may propose, without notice an amendment to the Government Plan at any time during the debate.

If the funding is required, it will increase the level of borrowing required by an equivalent amount each year over and above the amount of borrowing otherwise required.

The Council of Ministers will be bringing a proposition to the Assembly during 2021 seeking approval for long-term financing relating to Our Hospital. In the event that the maximum Covid-related borrowing requirement as approved in part (c) of P.130/2020 needs to be adjusted as a result of the value of amendments approved by the Assembly and updated forecasts, as well as the 2019 outturn, then approval will be sought for an amendment to the approved Government Plan at that time in accordance with Article 16 of the Public Finances (Jersey) Law 2019.

There are no manpower implications.