

STATES OF JERSEY



MEDIUM TERM FINANCIAL PLAN 2013 – 2015

**Lodged au Greffe on 23rd July 2012
by the Council of Ministers**

STATES GREFFE

PROPOSITION

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

to receive the draft Medium Term Financial Plan 2013 – 2015 and, in accordance with the provisions of Article 8 of the Public Finances (Jersey) Law 2005 –

- (a) to approve the intended total amount of States' income for each of the financial years 2013 to 2015 as set out in Summary Table A;
- (b) to approve the total amount of States' net expenditure for each of the financial years 2013 to 2015 as set out in Summary Table A;
- (c) to approve the following amounts (not exceeding in the aggregate the total amount set out in paragraph (b) above) –
 - (i) the appropriation of an amount to a revenue head of expenditure for each States-funded body (other than the States trading operations) being the body's total revenue expenditure less its estimated income for each of the financial years 2013 to 2015 as set out in Summary Table B with, in relation to the head of expenditure of the Health and Social Services Department, the approval of £2,000,000 in 2013, £6,000,000 in 2014 and £6,000,000 in 2015, dependent, in accordance with the provisions of Article 16(4) of the Public Finances (Jersey) Law 2005, on the approval by the States of the transfer of these sums from the Health Insurance Fund to the Health and Social Services Department;
 - (ii) the amount to be allocated for Contingency expenditure for each of the years 2013 to 2015 as set out in Summary Table C;
 - (iii) the total amount, as set out in Summary Table D, that, in the Budget for the financial years 2013 to 2015, may be appropriated to capital heads of expenditure, being an amount that is net of any proposed capital receipts and other funding to be used for capital projects to which the amount may be appropriated, with £8,500,000 of the 2013 allocation, £4,743,000 of the 2014 allocation and £1,757,000 of the 2015 allocation, dependent upon the approval by the States of the redemption of the States' 9% Preference Shares in the JT Group Ltd. as set out in paragraph (f);
- (d) to approve the following, as set out in Summary Table F, in respect of each States trading operation, for the financial years 2013 to 2015 –
 - (i) its estimated income;
 - (ii) its estimated expenditure;

- (iii) its estimated minimum contribution to be made to the Consolidated Fund;
- (e) to approve, in respect of each States trading operation, the total cost of the capital projects that each is scheduled to start during the financial years 2013 to 2015 as set out in Summary Table G;
- (f) to approve, in accordance with Article 32(5)(a) of the Telecommunications (Jersey) Law 2002, the disposal by way of redemption of the States' 9% Preference Shares in the JT Group Ltd. with the redemption value of £20 million being applied, £15 million to the Capital Programme for 2013 to 2015 and the balance of £5 million for the Economic Development Department to provide funding for the proposed Innovation Fund.

COUNCIL OF MINISTERS

Note 1 The Medium Term Financial Plan seeks approval for the amount of capital expenditure in 2013, 2014 and 2015 for each year in total. The approval for the allocation of the capital to individual capital schemes will be sought for each year in the Budget report to the States. The capital schemes for 2013, 2014 and 2015 are therefore indicative and may change according to the needs at the time.

Note 2 The Medium Term Financial Plan assumes that funding of substantial elements of the forward capital programme for both the Housing Department and the Airport and Harbours Trading Operations will be funded from capital receipts, borrowing and other funding sources. Some of these funding sources rely upon the Housing and Ports Authority incorporations and, if these were not successful, or were delayed, the States is likely to have to identify some alternative means of funding.

Note 3 The Medium Term Financial Plan is published as a separate document.