

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2012 (P.123/2011): FOURTEENTH AMENDMENT

**Lodged au Greffe on 30th August 2011
by the Deputy of St. Mary**

STATES GREFFE

DRAFT ANNUAL BUSINESS PLAN 2012 (P.123/2011): FOURTEENTH
AMENDMENT

PAGE 2, PARAGRAPH (e) –

After the words “for 2013 and 2014” insert the words –

“except that the indicative total of net revenue expenditure for 2013 set
out in Summary Table E on page 73 shall be increased by £14,801,800”.

DEPUTY OF ST. MARY

REPORT

Inflation

An inflation figure of 2.5% is applied across the board to all departments for the inflation between 2011 and 2012 (see Annual Business Plan Volume 1, page 29, last paragraph).

I have assumed for the purposes of this amendment the same rate of inflation between 2012 and 2013.

Aim of amendment

Table E on page 73 of Volume 1 of the Annual Business Plan shows that net revenue department expenditure is proposed to flatline from 2012 to 2013, and then rise sharply to 2014.

I believe this will cause serious problems to the effective running of this Island. Once again, false economies will be made, and the Island will end up paying dear. Departments too will be on a seesaw.

Page 43 of the Annual Business Plan shows clearly that there are very large unfunded claims on future funding, due to past economising. This is a false strategy – we should spend sensibly, as we go along, setting aside funds for repairs and maintenance as we go (which this Plan at last begins to do).

This we failed to do in the past, and the chickens are now coming home to roost.

I do not think we should be in the business of raising any more of these wayward chickens. Of course genuine savings will always be possible; I am not saying anything different. In fact, we will continue to need to make efficiencies under my amendment, because all I am calling for is that expenditure remains constant in real terms, whilst in fact the pressures on our expenditure continue to grow!

And they are real pressures. Vetting and barring is not something we can shrug and say “we will not do that”. Likewise, if there are more cancer patients, we cannot just say – “sorry chums we are not going to treat you”. And both of these were NEW items with ongoing revenue costs attached.

I will be circulating a more detailed case for this amendment as it is clearly a major one.

Financial and manpower implications

This amendment would increase indicative overall States spending in 2013 by £14,801,800.