

STATES OF JERSEY



FINANCIAL AND MANPOWER STATEMENTS IN PROPOSITIONS: REVISED PROCEDURES (P.92/2010) – COMMENTS

Presented to the States on 27th September 2010
by the Council of Ministers

STATES GREFFE

COMMENTS

It is more important than ever for States Members to make voting decisions based on complete and accurate information, and the financial and manpower implications section of a proposition is integral to this process. The responsibilities of the Minister for Treasury and Resources, prescribed under the Public Finances (Jersey) Law 2005, mean that any amendments made to Standing Order 21 give both the Minister for Treasury and Resources and the Council of Ministers great cause for concern. In the Council's opinion the Deputy's proposal weakens the procedure in a number of areas –

- (i) In its current form, Standing Order 21 requires the proposer to be fully aware of the financial and manpower implications associated with a proposition before it is lodged. P.92/2010 would permit the removal of this requirement, resulting in members considering propositions without the proper financial and resource information attached. This conflicts with the PAC's recent recommendation following its Financial Review of the Jersey Heritage Trust. In its letter to all States Members dated 11 August 2010, the Privileges and Procedures Committee has referred to the PAC's recommendation requiring that the PPC –

“...examine this issue and review current arrangements, saying ‘There is no point in passing aspirational strategies unless there is some realism in respect of execution of funding.’”

By establishing the financial and manpower implications prior to lodging a proposition, the proposer must research and conclude whether the resources required to achieve the proposal are realistic and attainable. Removing this obligation may lead to a number of propositions being lodged that are subsequently withdrawn or defeated as it becomes apparent they are not achievable. States members' time is valuable and comes at a cost to the taxpayer. Members should only be asked to consider propositions that have been appropriately researched and contain complete information.

- (ii) Another function of Standing Order 21 is to ensure that members receive adequate time to understand and appreciate the financial and manpower implications incurred if they were to approve the proposition. There is a risk that submitting an Addendum, as proposed by the Deputy, could result in members receiving material and complex financial information at the eleventh hour. This would not be conducive to members' busy working schedule, nor does it serve the taxpayer if a proposition is passed with onerous resource implications which members did not have a reasonable period of time to assimilate.
- (iii) The Proposition proposes that a Minister or Ministers provide information on financial or manpower implications within 7 days of being requested in writing to do so. This part of the proposal assumes that assessing the resource implications for propositions is in all cases a relatively simple exercise, or that departments have infinite resources that they may allocate significant time to assessing the financial and manpower implications immediately. Unfortunately this is not the case.

Taking the recently lodged P.117/2010: Social Security Scheme: amendments (Senator A. Breckon) as an example; the Senator's proposal has wide-ranging and long-term financial consequences affecting all States departments, the Consolidated Fund, the Health Insurance Fund, the private sector and the public. In terms of manpower, it may require additional Law Drafting time to develop a new Long-Term Care Insurance Fund. The proposition has been lodged at a time when the Social Security Department is diverting all available resources to the Annual Business Plan process. It would be unreasonable and unfair to expect the Minister for Social Security to provide analysis on the financial and manpower implications on this proposition within 7 days, especially when it requires a cross-departmental approach.

Standing Order 21 already requires Ministers upon request to provide complete and accurate information that is sufficient to enable the proposer to prepare the statement. Ministers are also subject to the recourse of the oral and written question process, should the proposer feel that the quality of information submitted is in question, or that the length of time taken to submit the information is unreasonable.

At a time when we are asking departments and members to be far more diligent with resource implications, the Council feels this Proposition is a step backwards in terms of individual responsibility and therefore strongly urges members to reject this Proposition.

Extract: Standing Order 21

21 How a proposition is lodged

- (1) A member of the States or a body wishing to lodge a proposition shall give a draft of it to the Greffier.
- (2) The draft must be accompanied by the proposer's statement of whether the proposition, if adopted, would have any implications for the financial or manpower resources of the States or any administration of the States and, if there are such implications –
 - (a) set out the proposer's estimate of those implications; and
 - (b) explain how, when and from where, in the proposer's opinion, they could be sourced.
- (3) The proposer may request information from any Minister responsible for the resources in question and a Minister shall, when so requested, ensure that the proposer is provided with complete and accurate information sufficient to enable the proposer to prepare the statement.