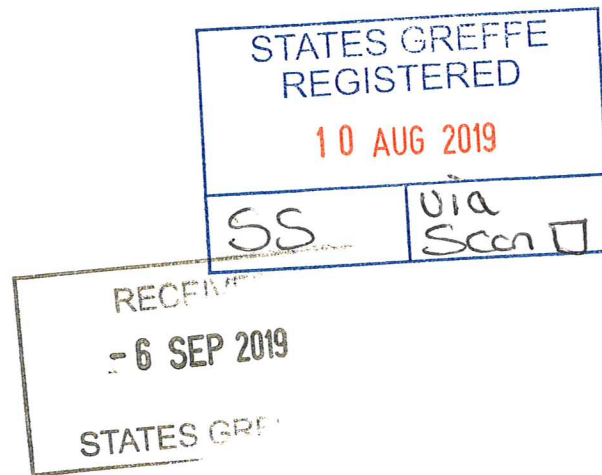


Chief Minister

19-21 Broad Street | St Helier
Jersey | JE2 4WE

Connétable Karen Shenton-Stone
Chair, One Gov Review Panel
States Greffe: Scrutiny
Morier House
St Helier
JE1 1DD



03 Sep 2019

Dear Chair

Karen

OneGov review – Letter dated 28 June 2019

Thank you for your letter dated 28 June 2019. As you are aware officers have been extremely busy over the last few months working on the Government Plan. I, therefore waited to respond to your comments, as I wanted to include the full up to date costs that make up the OneGov Initiative. A schedule of costs and the relevant Ministerial Decisions is now provided in appendix 1, as I had previously promised.

Nonetheless, in noting the contents of your letter, I must disagree with its sentiments and also your interpretation of the One Gov Initiative.

Firstly, to describe the modernisation of the Government of Jersey as a single 'large-scale change management project' is incorrect. I would be interested to understand on what basis you have concluded that officers and ministers have developed a "rhetoric in an attempt to distract Scrutiny, Members and the general public". To me, this would appear to be a matter of opinion rather than one that is evidence based.

The breadth of investment and transformation required to build a modern fit for purpose public service for Jersey could never be achieved through a single solution. The One Gov Initiative is a five-year long programme of activity, made up of a series of interrelated (but not necessarily interdependent) projects and programmes; which due to their scale have independent/separate project management processes. It has been established to improve operational efficiencies and to repair the Government's critical operational infrastructure after a long period of under-investment.

As you and the Panel know, over a number of years, both PAC and C&AG have repeatedly emphasised the scale of improvement required right across government. Recent reports by the C&AG for example on Financial Management (April 2015 and February 2016), Risk Management (September 2017) and Decision Making: Selecting

a site for the Future Hospital (March 2012-February 2016) have all highlighted failings across a wide range of government working practices and the extensive actions required to mitigate them. PAC has also made frequent reference to the need for improved corporate working, planning, and cultural change, as highlighted in its report *Recurring Themes: Organisational Culture and Corporate Learning* issued in May 2019.

Clearly these findings and subsequent recommendations have been largely confirmed by the due diligence undertaken by the Chief Executive, which found major issues right across the organisation. It highlighted outdated infrastructure in a range of government systems in finance, ICT and HR. It uncovered outdated working practices in decision making, performance and financial management, forward planning, policy and prioritisation. It also found the organisational culture, behaviours and leadership were not where they should be for a modern government, as a consequence of substantial underinvestment in our assets and our people. Combined with a lack of progression in a number of key recommendations from the C&AG, the case for change was compelling. All of which necessitated a range of different projects and programmes (under the One Gov Initiative) to address each of the business failings outlined above.

Secondly, I find it disappointing to intimate that either myself, my Ministers or the Chief Executive, has developed a narrative to exaggerate the scale of transformation activity required as a basis to omit requested information relating to costs. Costs of between £8-9 million were initially estimated to implement the various workstreams, based on best practice for similar programmes of activity. This has been referenced in various Scrutiny sessions. Again, as previously referenced to, a schedule of costs and the relevant Ministerial Decisions is attached under Appendix 1. The figure that was initially discussed under the previous Council of Ministers is not, as you can see, significantly different to the costs identified in Appendix 1.

I am not sure if it was your intention to suggest that the Chief Executive “has not taken this opportunity to display best practice financial management for such a large project and programme of work.”? For clarity, I have outlined below the full governance process that sits behind the programme. This should allay any fears that operationally and politically there is clear oversight of a range of projects and programmes. In terms of overall operational governance, contrary to the suggestion in your letter, the Chief Executive is not the ‘project manager’. There are separate project managers for each of the constituent elements of the One Government Initiative, again in accordance with best practice management models¹. Rather, the Chief Executive is the Senior Responsible Officer (SRO) for the whole of the One Gov Initiative, coordinated through a portfolio management approach.

¹ The accepted definitions of portfolio, programme and project management are attached at Appendix B, along with the management functions associated with each. Officers from the Government of Jersey would be pleased to provide a private briefing at the request of the Panel.

The initiative is overseen at officer level by the One Gov Board, who prioritise and challenge the portfolio of work, assign and plan the resources needed to deliver the initiative; monitor performance and lead stakeholder engagement and communications. These responsibilities are set out in the best practice arrangements for portfolio management and are reflected in the Terms of Reference of the Board.

Further political oversight of the governance, development and delivery of the projects and programmes is undertaken by the One Gov Political Oversight Group (OGPOG) on behalf of the Council of Ministers. The Group also determine the appropriate political decision making and reporting procedures for each of the specific workstreams attached to the Programme.

As referenced above, all the programmes and projects of the One Government Initiative have their own individual governance arrangements, in terms of overseeing programme/projects, risk and financial management issues. Again, these arrangements constitute best practice management models. (See diagram 1 below which sets out the strategic governance arrangements for the overall initiative).

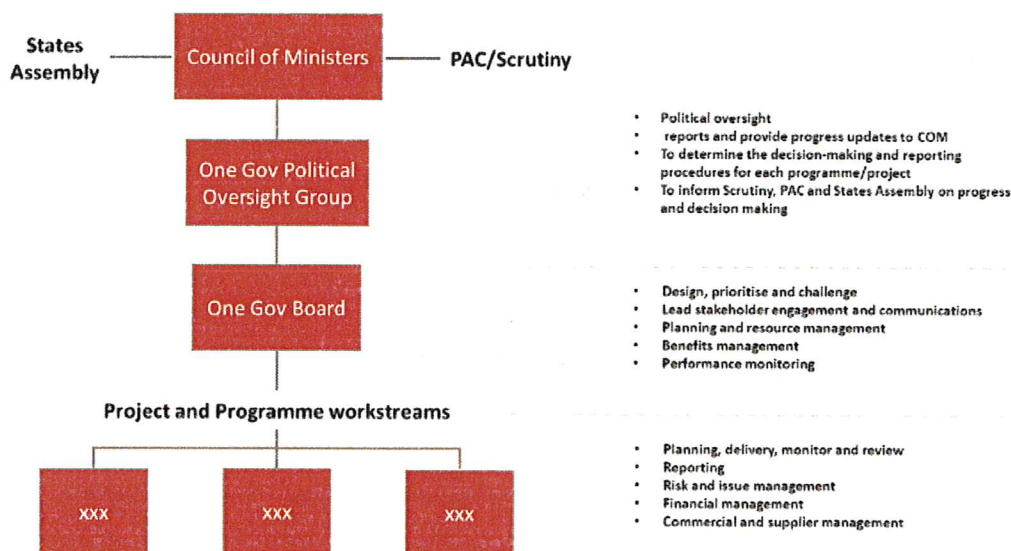


Diagram 1

Performance and progress of the One Government initiative will be actively monitored at all levels of the organisation; to ensure we use public money in a more intelligent way. As outlined in the Government Plan, performance indicators to measure outcomes will be reflected in departmental and corporate performance frameworks (known as the Jersey Standard), the first reporting of which will take place in final quarter of 2019.

More specifically, accountability of the Chief Executive, as you are no doubt aware is covered within Article 41(1) of the Public Finances (Jersey) Law 2019. As Principal Accountable Officer (PAO) he "is answerable to the States' Public Accounts

Committee, and is accountable to the Council of Ministers, for the performance of his or her functions.”

Article 39 of that law also sets out the functions of the PAO, which includes:

- ensuring the propriety and regularity of the finances of –
 - (i) States bodies, other than non-Ministerial States bodies,
 - (ii) specified organisations,
 - (iii) States funds, and
 - (iv) trust assets
- ensuring that the resources of those bodies are used economically, efficiently and effectively
- appointing and determining the functions of Accountable Officers

One of the key elements of the One Gov Initiative is the Finance Transformation Programme, which was established following the Chief Executive’s due diligence findings. The strategic finance review conducted by the “Transition Team” involved a widespread investigation into the overall financial management of the Government of Jersey, in terms of its governance, resource allocation and management, capacity and capability, and the integrity of financial reporting.

The review identified considerable weaknesses right across the business of the organisation and identified 64 action points for addressing these serious issues in areas of:

- The financial landscape;
- Financial management and control;
- Governance; and
- Structure and operation of the finance function.

A significant volume of work has been implemented (and is ongoing) in this area, to address fundamental weaknesses in financial accountability, planning, accounting and reporting. These form part of the necessary upgrade in infrastructure to support the Government of Jersey as an organisation and not just the financial management of change initiatives. Outcomes include:

- P.1/2018 and a principal accounting officer
- A new Public Finances Law and associated manual to replace the outdated financial directions
- The rolling ‘3 +1’ year Government Plan that replaces the rigid 4 year Medium Term Financial Plan process
- Improved financial reporting and forecasting at a corporate level to drive One Government information-based decision making

- Closing Government accounts with a shorter delay, which enables management information earlier in the year to influence strategic decision making.

I am sure the C&AG's imminent follow-up report on Financial Management and Internal Control will identify significant improvements in the government's financial arrangements more generally, but in particular in accountability lines for financial management.

To conclude, the One Gov Initiative is the framework for the necessary changes to our Public Services in order that the Government of Jersey can discharge its duties efficiently and effectively; and in an open, transparent and accountable way. It is not just about changes to strategic finance management, nor is it just about Target Operating Models. It is about the cumulative effect of all the necessary enablers, including investment into a more positive organisational culture, staff development and ICT and digital services. For clarity, diagram 2, set out overleaf, illustrates the drivers for the One Government initiative, its outputs and component parts, and the outcomes, with respect to the recurring themes identified by the previous Public Accounts Committee in its Legacy Report in April 2018².

I hope the above helps the Panel better understand the interrelationships with the One Government Initiative. In particular, how operational and political oversight and governance arrangements are being discharged and where projects and programmes also link to previous recommendations made to both Government and Scrutiny via the C&AG reports, going back a number of years.

Should you need any further information, please do not hesitate to contact me.

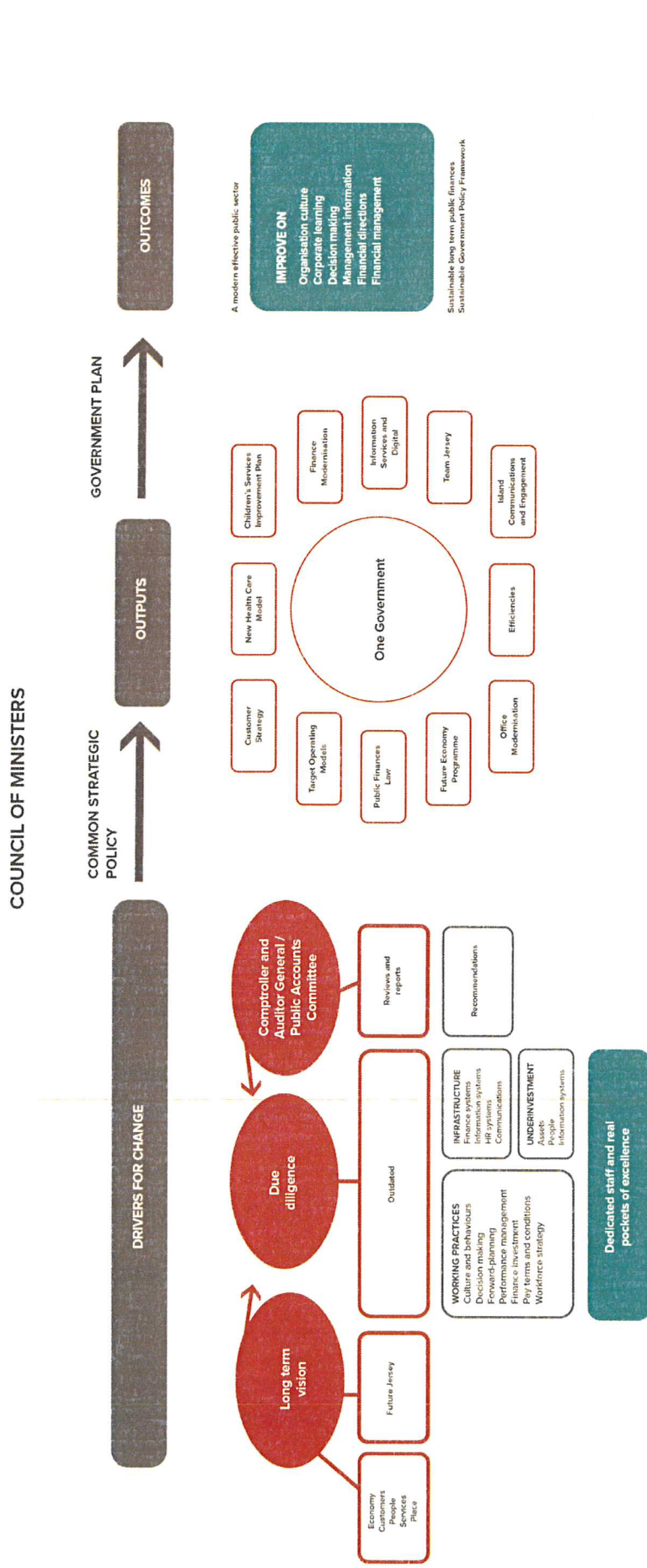
Yours Sincerely



Senator John Le Fondré
Chief Minister

D +44 (0)1534 440636
E j.lef@gov.je

² <https://statesassembly.gov.je/scrutinyreports/2018/p.a.c.4.2018%20-%20legacy%20report.pdf>



The drivers for the One Government initiative, its outputs and component parts, and the outcomes, with respect to the PAC recurring themes

Diagram

Appendix 1

| Area of Work | Ministerial Direction(s) | 2017 | | 2018 | | 2019 | | Total | |
|--|---|-----------------|----------------|-----------------|----------------|-----------------|-----------------|-----------------|----------------|
| | | Budget £'000 | Spend £'000 | Budget £'000 | Spend £'000 | Budget £'000 | Spend* £'000 | Budget £'000 | Spend £'000 |
| 1. Team Jersey | MD-TR-2018-0064, MD-TR-2018-0152 | - | - | 495 | 478 | 1,745 | 1,138 | 2,240 | 1,616 |
| 2. Finance Transformation | MD-TR-2018-0060, MD-TR-2018-0061, MD-TR-2018-0131, MD-TR-2018-0152 | - | - | 1,752 | 2,103 | 2,050 | 1,610 | 3,802 | 3,713 |
| 3. Modernisation & Digital | MD-TR-2018-0131 | - | - | 400 | 400 | 1,800 | 1,786 | 2,200 | 2,186 |
| 4. Resourcing partner for new Target Operating Model | MD-TR-2018-0001, MD-TR-2018-0062, MD-TR-2018-0065 | - | - | 1,092 | 642 | - | 223 | 1,092 | 865 |
| 5. Transition Team | MD-TR-2018-0048 | ** | 230 | 535 | 307 | - | - | 535 | 537 |
| Total | | - | 230 | 4,274 | 3,930 | 5,595 | 4,758 | 9,869 | 8,917 |

* Spend to mid August 2019

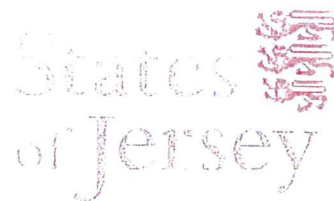
** The appointment of the Transition team was approved by the States Employment Board in October 2017. Costs in 2017 were met from existing cash limits and the intention was always to fund 2018 costs from unspent budgets in 2017. The funding allocation for 2018 supports that intent.

The above represents the cost of the One Government Initiative, the terms of reference of the One Government Board clearly expand the One Government work into business as usual going forward.

Decision Summary

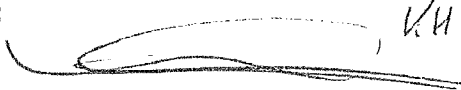
Treasury & Resources Department

Ministerial Decision



| | | | |
|--|---|--|--|
| Decision reference: MD-TR-2018-0064 | | | |
| Decision Summary Title: | Contingency Funding to the Chief Minister's Department for Cultural Change - Delivering Team Jersey | Date of Decision Summary: | 25 th April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Exempt (Article 33 – Commercial Sensitivity) |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Contingency Funding to the Chief Minister's Department for Cultural Change - Delivering Team Jersey | Date of Written Report: | 19 th April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Exempt (Article 33 – Commercial Sensitivity) |
| Subject: The transfer of up to £495,000 in 2018 from Central Contingencies to the Chief Minister's Department revenue head of expenditure to fund Cultural Change - Delivering Team Jersey. | | | |
| Decision(s): The Minister approved the transfer of up to £495,000 in 2018 from the £10.4 million transferred to Central Contingencies from unspent budgets in 2017, to the Chief Minister's Department revenue head of expenditure to fund Cultural Change - Delivering Team Jersey. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. | | | |
| Resource Implications: The Chief Minister's Department revenue head of expenditure to increase by up to £495,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. The £495,000 in total is proposed to be drawn down in 2018 but unspent amounts will be available in 2019. | | | |
| Action required: The Head of Decision Support to advise the Finance Director – Chief Minister's Department that this decision has been approved. | | | |

Decision Summary

| | |
|---|--|
| Signature:  KH | Position: Senator A J H Maclean Minister for Treasury and Resources |
| Date Signed: 01 - 05 - 2018 | Date of Decision: |

CONTINGENCY FUNDING TO THE CHIEF MINISTER'S DEPARTMENT FOR CULTURAL CHANGE - DELIVERING TEAM JERSEY

1. Purpose of Report

To enable the Minister for Treasury and Resources to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £495,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund Cultural Change - Delivering Team Jersey.

2. Background

A vital strand of transformation is creating 'Team Jersey'. This is a programme that will define and deliver how teams develop, work together and perform for Jersey. This will involve embedding the right behaviours and values alongside improved leadership capability, to enable our people to be confident and energised and deliver excellent services to islanders.

Developing Team Jersey is about co-designing, with our people, the right culture and behaviours, enabling collective responsibility, and demonstrating these in everything we do and say. Early thinking has started to shape what the desired culture may include: teamwork and collaboration, openness and transparency, learning, innovation and risk-taking, and respect for customers and for each other. We have an ambition to become a learning organisation, with the right values that positively influence attitudes and behaviours.

This supports the next stage of implementing the vision for a modern, customer-focused, value-for-money and joined up public service.

3. Recommendation

The Treasury and Resources Minister is recommended to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £495,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund Cultural Change - Delivering Team Jersey.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

5. Resource Implications

The Chief Minister's Department revenue head of expenditure to increase by up to £495,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

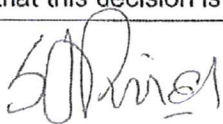
The £495,000 in total is proposed to be drawn down in 2018, but unspent amounts will be available in 2019.

| | |
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| Report author : Head of Decision Support | Document date : 25 th April 2018 |
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| Quality Assurance / Review : <i>Director of Financial Planning and Performance</i> | |
| MD sponsor : <i>Treasurer of the States</i> | |

States Treasury and Exchequer
Ministerial Decision



| | | | |
|---|---|---|--------------------------------|
| Decision Reference: MD-TR-2018-0152 | | | |
| Decision Summary Title: | Allocations from Contingency to various departments – Modernisation | Date of Decision Summary: | 20 th December 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Allocations from Contingency to various departments - Modernisation | Date of Written Report: | 20 th December 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The allocation of up to £870,000 in 2018 and up to £3,795,000 in 2019 from Central Contingencies to various departments as detailed in the attached report. | | | |
| Decision(s): The Minister approved the allocation of up to £870,000 in 2018 and up to £3,795,000 in 2019 from Central Contingencies to various departments as detailed in the attached report. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. The current Contingency Allocation Policy (published as R.112/2018) sets the requirement for all allocations from contingency over £50,000 to be considered by the Investment Appraisal Board, Principal Accountable Officer and States Treasurer prior to submission to the Minister for approval. The Board has recommended these requests for approval. The requests have also been recommended for approval by the Principal Accountable Officer and States Treasurer. | | | |
| Resource Implications: The revenue heads of expenditure of various departments as detailed in the attached report to increase by a total of up to £870,000 in 2018 and up to £3,795,000 in 2019 and Central Contingencies to decrease by the same amount. Any unspent amounts from 2018 will be available to be drawn down in 2019 for the purposes for which the funding was allocated. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. | | | |
| Action required: The Head of Decision Support to advise the Finance Directors of the receiving departments that this decision is approved. | | | |
| Signature:  | | Position: Deputy Susie Pinel Minister for Treasury and Resources | |
| Date Signed: 21 December 2018 | | Date of Decision: | |

Allocations from Contingency to various departments –Modernisation

1. Purpose of Report

To enable the Minister to approve the allocation of up to £870,000 in 2018 and up to £3,795,000 in 2019 from Central Contingencies to various departments as detailed below.

2. Background

In August 2018, all States departments were asked to submit requests for funding for the remainder of 2018 and 2019. The Investment Appraisal Board (IAB) has been established to review all funding requests and support the development of best practice in project development and evaluation, enabling better prioritisation and value for money across the States. This is an important step in the development of a new investment framework across the States underpinned by leading best practice.

All funding requests require a business case which has been designed using principles of HM Treasury's Five Case Model to ensure that a proportional and risk-focused approach can be applied across the States. A single business case template now replaces several funding application routes that previously existed across the States, providing a simpler, more efficient and more transparent approach.

The IAB is not a decision-making body. It considers evidence to support a funding request and makes a recommendation for funding to the Chief Executive Officer (CEO) and States Treasurer before the Minister for Treasury and Resources makes a funding decision and approval.

Business as usual activities continue and there is a requirement to ensure that urgent matters can be escalated for funding as required. All funding requests have been subject to a review to identify high priority cases that could be considered by the IAB as part of its first phase of meetings. Following the review of high priority cases, the IAB recommended a number of projects for funding to the CEO and the States Treasurer.

Based upon the evaluation of business cases and responses to further questions, the IAB recommends funding of £875,000 in 2018 and £3.8 million in 2019 (£4.66 million for 2018 and 2019). The table below summarises the funding recommendations from the IAB on a project-by-project basis. Funding will be made available from Unallocated Reserves (Contingency). Funding is available for these decisions based on the assumption that 2018 departmental underspends and unallocated contingencies are transferred into general contingencies.

Further to the agreement of the Minister earlier in 2018 to fund the Finance Transformation and Team Jersey programmes this decision confirms that funding now the exact level is known. The allocation for the pay and reward strategy makes available funding in 2018 that had previously been allocated for the same purpose in 2017.

| Department | Description | 2018 £ | 2019 £ | Total £ |
|----------------------|--|----------------|------------------|------------------|
| Modernisation | | | | |
| STE | Finance transformation | 600,000 | 2,050,000 | 2,650,000 |
| COO | Supporting One Government - Team Jersey | - | 1,745,000 | 1,745,000 |
| COO | Development of a new pay and rewards strategy for the States | 270,000 | - | 270,000 |
| Total | | 870,000 | 3,795,000 | 4,665,000 |

3. Recommendation

The Minister is recommended to approve the allocation of up to £870,000 in 2018 and up to £3,795,000 in 2019 from Central Contingencies to various departments as detailed above.

4. Reasons for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

The current Contingency Allocation Policy (published as R.112/2018) sets the requirement for all allocations from contingency over £50,000 to be considered by the Investment Appraisal Board, Principal Accountable Officer and States Treasurer prior to submission to the Minister for approval. The Board has recommended these requests for approval. The requests have also been recommended for approval by the Principal Accountable Officer and States Treasurer.

5. Resource Implications

The revenue heads of expenditure of various departments as detailed above to increase by a total of up to £870,000 in 2018 and up to £3,795,000 in 2019 and Central Contingencies to decrease by the same amount.

Any unspent amounts from 2018 will be available to be drawn down in 2019 for the purposes for which the funding was allocated.

This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

| | |
|--|---|
| Report author : <i>Head of Decision Support</i> | Document date : 20th December 2018 |
| Quality Assurance / Review: Director of Financial Planning and Performance | File name and path: L:\Treasury\Sections\Corporate Finance\Ministerial Decisions\DS, WR and SD\2018-0152 - Allocations from Contingency December 2018 - Modernisation |
| MD sponsor : Treasurer of the States | |


Decision Summary

Treasury & Resources Department

Ministerial Decision

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|--|---|--|-----------------------------|
| Decision reference: MD-TR-2018-0060 | | | |
| Decision Summary Title: | Contingency Funding to the Treasury and Resources Department for review and reorganisation of Public Finances Law and structure | Date of Decision Summary: | 25 th April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Funding the Repositioning and Long-Term Transformation of Public Services in Jersey | Date of Written Report: | 25 th April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The transfer of up to £372,000 in 2018 from Central Contingencies to the Treasury and Resources Department revenue head of expenditure to fund review and reorganisation of Public Finances Law and structure. | | | |
| Decision(s): The Minister approved the transfer of up to £372,000 in 2018 from the £10.4 million transferred to Central Contingencies from unspent budgets in 2017, to the Treasury and Resources Department revenue head of expenditure to fund review and reorganisation of Public Finances Law and structure. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. | | | |
| Resource Implications: The Treasury and Resources Department revenue head of expenditure to increase by up to £372,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. The £372,000 in total is proposed to be drawn down in 2018 but unspent amounts will be available in 2019. | | | |
| Action required: | | | |

Decision Summary

| | |
|---|---|
| The Head of Decision Support to advise the Finance Director – Treasury and Resources Department that this decision has been approved. | |
| Signature:  KH | Position: Senator A J H Maclean Minister for Treasury and Resources |
| Date Signed: 27th Apr 2018 | Date of Decision: 25th Apr 2018 |

Treasury and Resources Ministerial Decision Report



CONTINGENCY FUNDING TO THE TREASURY AND RESOURCES DEPARTMENT FOR REVIEW AND REORGANISATION OF PUBLIC FINANCES LAW AND STRUCTURE

1. Purpose of Report

To enable the Minister for Treasury and Resources to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £372,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund review and reorganisation of Public Finances Law and structure.

2. Background

Implementing a new structure for the Finance Function will be an enabler to changing the role of finance professionals to reduce the level of transactional activity, and focus on more strategic decision support. External resource will be engaged to help develop a structure and role profiles based on best practice, to ensure that any new structure will facilitate reform.

Finance reform will be supported by a fundamental review of the Public Finances Law and the overall statutory accountability framework against best practice, and the updating of the public finances law in line with findings of this review. In particular, it will focus on accountability for public finances and the administration of public services, and accountability of public servants to the public, the States Assembly and Ministers.

This supports the next stage of implementing the vision for a modern, customer-focused, value-for-money and joined up public service.

3. Recommendation

The Treasury and Resources Minister is recommended to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018 of up to £372,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund review and reorganisation of Public Finances Law and structure.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

5. Resource Implications

The Chief Minister's Department revenue head of expenditure to increase by up to £372,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

The £372,000 in total is proposed to be drawn down in 2018, but unspent amounts will be available in 2019.

| | |
|--|---|
| Report author : Head of Decision Support | Document date : 25 th April 2018 |
| Quality Assurance / Review : | |

| | |
|--|--|
| Director of Financial Planning and Performance | |
| MD sponsor : Treasurer of the States | |

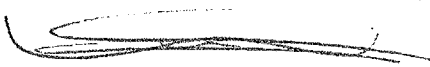
Decision Summary

Treasury & Resources Department

Ministerial Decision

| | | | |
|--|--|--|-----------------------------|
| Decision reference: MD-TR-2018-0061 | | | |
| Decision Summary Title: | Contingency Funding to the Treasury and Resources Department for first stage in finance transformation | Date of Decision Summary: | 25 th April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Contingency Funding to the Treasury and Resources Department for first stage in finance transformation | Date of Written Report: | 25 th April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The transfer of up to £480,000 in 2018 from Central Contingencies to the Treasury and Resources Department revenue head of expenditure to fund the first stage in finance transformation. | | | |
| Decision(s): The Minister approved the transfer of up to £480,000 in 2018 from the £10.4 million transferred to Central Contingencies from unspent budgets in 2017, to the Treasury and Resources Department revenue head of expenditure to fund the first stage in finance transformation. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. | | | |
| Resource Implications: The Treasury and Resources Department revenue head of expenditure to increase by up to £480,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. The £480,000 in total is proposed to be drawn down in 2018 but unspent amounts will be available in 2019. | | | |
| Action required: The Head of Decision Support to advise the Finance Director – Treasury and Resources Department that this decision has been approved. | | | |

Decision Summary

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|---|---|
| Signature:  NH | Position: Senator A J H Maclean Minister for Treasury and Resources |
| Date Signed: 27th April 2018 | Date of Decision: 28th April 2018 |

Treasury and Resources Ministerial Decision Report



CONTINGENCY FUNDING TO THE TREASURY AND RESOURCES DEPARTMENT FOR FIRST STAGE IN FINANCE TRANSFORMATION

1. Purpose of Report

To enable the Minister for Treasury and Resources to approve the transfer, to the Treasury and Resources Department revenue head of expenditure in 2018, of up to £480,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund the first stage in finance transformation.

2. Background

The transformation of the Finance Function will take several years. Early funding is required to finance a small team through the first phase of this wider programme, which will include leadership and planning, and the resource to develop improved investment and business case governance, alongside the work to develop the new structure for the Treasury and Exchequer Department. Change of this scale requires proper planning and support, including more detailed costing work and benefits articulation, and resource is required to support these activities.

This supports the next stage of implementing the vision for a modern, customer-focused, value-for-money and joined up public service.

3. Recommendation

The Treasury and Resources Minister is recommended to approve the transfer, to the Treasury and Resources Department revenue head of expenditure in 2018, of up to £480,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund the first stage in finance transformation.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

5. Resource Implications

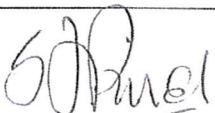
The Treasury and Resources Department revenue head of expenditure to increase by up to £480,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

The £480,000 in total is proposed to be drawn down in 2018, but unspent amounts will be available in 2019.

| | |
|---|---|
| Report author : Head of Decision Support | Document date : 25 th April 2018 |
| Quality Assurance / Review : <i>Director of Financial Planning and Performance</i> | |
| MD sponsor : <i>Treasurer of the States</i> | |

States Treasury and Exchequer
Ministerial Decision



| | | | |
|---|---|---|-------------------------------|
| Decision Reference: MD-TR-2018-0131 | | | |
| Decision Summary Title: | Allocations from Contingency to various departments | Date of Decision Summary: | 26 th October 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Allocations from Contingency to various departments | Date of Written Report: | 26 th October 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The allocation of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 from Central Contingencies to various departments as detailed in the attached report. | | | |
| Decision(s): The Minister approved the allocation of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 from Central Contingencies to various departments as detailed in the attached report. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. The current Contingency Allocation Policy (published as R.112/2018) sets the requirement for all allocations from contingency over £50,000 to be considered by the Investment Appraisal Board, Principal Accountable Officer and States Treasurer prior to submission to the Minister for approval. The Board has recommended these requests for approval. The requests have also been recommended for approval by the Principal Accountable Officer and States Treasurer. | | | |
| Resource Implications: The revenue heads of expenditure of various departments as detailed in the attached report to increase by a total of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 and Central Contingencies to decrease by the same amount. Any unspent amounts from 2018 will be available to be drawn down in 2019 for the purposes for which the funding was allocated. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. | | | |
| Action required: The Head of Decision Support to advise the Finance Directors of the receiving departments that this decision is approved. | | | |
| Signature:  | | Position: Deputy Susie Pinel Minister for Treasury and Resources | |
| Date Signed: 9 th November 2018 | | Date of Decision: | |

Allocations from Contingency to various departments

1. Purpose of Report

To enable the Minister to approve the allocation of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 from Central Contingencies to various departments as detailed below.

2. Background

In August 2018, all State departments were asked to submit requests for funding for the remainder of 2018 and 2019. The Investment Appraisal Board (IAB) has been established to review all funding requests and support the development of best practice in project development and evaluation, enabling better prioritisation and value for money across the States. This is an important step in the development of a new investment framework across the States underpinned by leading best practice.

All funding requests require a business case which has been designed using principles of HM Treasury's Five Case Model to ensure that a proportional and risk-focused approach can be applied across the States. A single business case template now replaces several funding application routes that previously existed across the States, providing a simpler, more efficient and more transparent approach.

The IAB is not a decision-making body. It considers evidence to support a funding request and makes a recommendation for funding to the Chief Executive Officer (CEO) and States Treasurer before the Minister for Treasury and Resources makes a funding decision and approval.

| Budget Request Details: | Recommended £ 2018 | Recommended £ 2019 | Total £ 2018 & 2019 |
|--|-------------------------------|-------------------------------|--|
| <i>Brexit</i> | | | |
| Review of UN Vienna Convention on Road Traffic (Brexit Preparation) | 120,000 | | 120,000 |
| International growth activities in direct response to Brexit | | 400,000 | 400,000 |
| <i>Long-term strategy</i> | | | |
| New Island Plan 2020 (10 yr Review) | 50,000 | 300,000 | 350,000 |
| <i>Environment, Culture and Sport</i> | | | |
| Options review - Sustainable professional rugby on the Island | 40,000 | | 40,000 |
| Sports (Jersey Reds) - bridge funding | | 150,000 | 150,000 |
| Culture Review - Sustainability across sector | 50,000 | | 50,000 |
| Art House Jersey - The Jersey Arts Trust | | 160,000 | 160,000 |
| <i>Agriculture</i> | | | |
| Dairy sector - drought relief funding | 100,000 | 0 | 100,000 |
| <i>Modernisation and digital</i> | | | |
| Modernisation and digital strategic partner | 400,000 | 1,800,000 | 2,200,000 |
| Corporate intranet | 50,000 | 50,000 | 100,000 |
| New finance law | 300,000 | | 300,000 |
| Data protection and information security | 880,000 | 390,000 | 1,270,000 |
| <i>Health and Wellbeing</i> | | | |
| Wellbeing support | 63,000 | 63,000 | 126,000 |
| | 2,053,000 | 3,313,000 | 5,366,000 |

Business as usual activities continue and there is a requirement to ensure that urgent matters can be escalated for funding as required. All funding requests have been subject to a review to identify high priority cases that could be considered by the IAB as part of its first phase of meetings. Following the review of high priority cases, the IAB recommended eleven projects for funding to the CEO and the States Treasurer.

Based upon the evaluation of business cases and responses to further questions, the IAB recommends funding of £2.05 million in 2018 and £3.31 million in 2019 (£5.3 million for 2018 and 2019). The table below summarises the funding recommendations from the IAB on a project-by-project basis. Funding will be made available from Unallocated Reserves (Contingency).

3. Recommendation

The Minister is recommended to approve the allocation of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 from Central Contingencies to various departments as detailed above.

4. Reasons for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

The current Contingency Allocation Policy (published as R.112/2018) sets the requirement for all allocations from contingency over £50,000 to be considered by the Investment Appraisal Board,

Principal Accountable Officer and States Treasurer prior to submission to the Minister for approval. The Board has recommended these requests for approval. The requests have also been recommended for approval by the Principal Accountable Officer and States Treasurer.

5. Resource Implications

The revenue heads of expenditure of various departments as detailed above to increase by a total of up to £2,053,000 in 2018 and up to £3,313,000 in 2019 and Central Contingencies to decrease by the same amount.

Any unspent amounts from 2018 will be available to be drawn down in 2019 for the purposes for which the funding was allocated.


This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

| | |
|--|---|
| Report author : <i>Head of Decision Support</i> | Document date : 26th October 2018 |
| Quality Assurance / Review: Director of Financial Planning and Performance | File name and path: <i>L:\Treasury\Sections\Corporate Finance\Ministerial Decisions\DS, WR and SD\2018-00xx - Allocations from Contingency October 2018</i> |
| MD sponsor : Treasurer of the States | |

Decision Summary

Treasury & Resources Department
Ministerial Decision



| | | | |
|--|--|--|------------------------------|
| Decision Reference: MD-TR-2018-0001 | | | |
| Decision Summary Title: | Allocation from the Restructuring Provision to Chief Minister's Department for funding of an Interim Resourcing Specialist | Date of Decision Summary: | 3 rd January 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | |
| Written Report Title: | Allocation from the Restructuring Provision to Chief Minister's Department for funding of an Interim Resourcing Specialist | Date of Written Report: | 3 rd January 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: Request for a non-recurring allocation of up to £135,200 during 2018 from the Restructuring Provision to the Chief Minister's Department (CMD) revenue head of expenditure to fund an Interim Resource Specialist for up to 6 months. | | | |
| Decision(s): The Minister approved a non-recurring allocation of up to £135,200 during 2018 from the Restructuring Provision to the Chief Minister's Department (CMD) revenue head of expenditure to fund an Interim Resource Specialist for up to 6 months. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. The current Contingency Allocation Policy (published as R.110/2017) sets the requirement for all allocations from Contingency over £100,000 to be considered by the Council of Ministers prior to submission to the Minister for approval. For Public Sector Reform (PSR) funding the Council of Ministers has approved the delegation of its role described above to the Minister for Treasury and Resources to consider and, if appropriate, approve restructuring provision funding bids under £500,000 during the MTFP Addition period (2017 – 2019). The PSR Investment Committee approved the request by email on 21 st December 2017. | | | |
| Resource Implications: The CMD revenue head of expenditure to increase by up to £135,200 during 2018 and the Restructuring Provision within Contingency to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States for 2017-2019 in the Medium Term Financial Plan. | | | |
| Action required: Head of Decision Support to advise the Management Accountant – Treasury and Resources once this decision has been approved. | | | |
| Signature:  | | Position: Senator A J H Maclean, | |

Decision Summary

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|---------------------------|-------------------------------------|
| | Minister for Treasury and Resources |
| Date Signed: 29 / 01 / 18 | Date of Decision: |

Treasury and Resources Ministerial Decision Report



ALLOCATION FROM THE RESTRUCTURING PROVISION TO CHIEF MINISTER'S DEPARTMENT FOR FUNDING OF AN INTERIM RESOURCING SPECIALIST

1. Purpose of Report

To approve a non-recurring allocation of up to £135,200 during 2018 from the Restructuring Provision to the Chief Minister's Department (CMD) revenue head of expenditure to fund an Interim Resource Specialist for up to 6 months.

2. Background

Following the appointment of a new Chief Executive, the States of Jersey is undergoing a radical review of its current operating model led by an interim transition team working with the business.

The HR Department has moved to a centralised model over the last 3 years with an operational transactional hub, areas of expertise and business partnering. Resourcing has, up until this time, been devolved to departments, supported by Business Partners from HR, but with no central resource accountable for organisation wide resourcing and talent management.

With the change in direction signalled, this is one of the areas that HR will be required to address. This has been identified and validated by the Transition team.

The provision of a strategic resourcing and talent plan for the States is congruent with the stated aims of creating one organisation.

The funding will be allocated in two tranches of up to £67,600 for each phase. Phase 1 will assess the work already underway in departments over 3 months and will inform the work required in Phase 2.

3. Recommendation

The Minister is recommended to approve an allocation of up to £135,200 during 2018 from the Restructuring Provision to the Chief Minister's Department revenue head of expenditure to fund an Interim Resource Specialist for up to 6 months.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

The current Contingency Allocation Policy (published as R.110/2017) sets the requirement for all allocations from Contingency over £100,000 to be considered by the Council of Ministers prior to submission to the Minister for approval. For Public Sector Reform (PSR) funding the Council of Ministers has approved the delegation of its role described above to the Minister for Treasury and Resources to consider and, if appropriate, approve restructuring provision funding bids under £500,000 during the MTFP Addition period (2017 – 2019). The PSR Investment Committee approved the request by email on 21st December 2017.

5. Resource Implications

The CMD revenue head of expenditure to increase by up to £135,200 during 2018 and the Restructuring Provision within Contingency to decrease by an identical amount.

This decision does not change the total amount of expenditure approved by the States for 2017-2019 in the Medium Term Financial Plan.

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| Report author : Head of Decision Support | Document date 3 rd January 2018 |
| Quality Assurance / Review : Director of Financial Planning and Performance | File name and path: L:\Treasury\Sections\Corporate Finance\Ministerial Decisions\DS, WR and SD\2018-0001 - C21 PSR funding to CMD for Resourcing Specialist £135k |
| MD sponsor : Director of Financial Planning and Performance | |


Decision Summary

Treasury & Resources Department
Ministerial Decision



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|--|---|-------------------------------------|-----------------------------|
| Decision reference: MD-TR-2018-0062 | | | |
| Decision Summary Title: | Contingency Funding to the Chief Minister's Department for Increasing Human Resources and Organisational Development capacity and capability to drive organisational change | Date of Decision Summary: | 25 th April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Contingency Funding to the Chief Minister's Department for Increasing Human Resources and Organisational Development capacity and capability to drive organisational change | Date of Written Report: | 25 th April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The transfer of up to £467,000 in 2018 from Central Contingencies to the Chief Minister's Department revenue head of expenditure to fund Increasing Human Resources and Organisational Development capacity and capability to drive organisational change. | | | |
| Decision(s): The Minister approved the transfer of up to £467,000 in 2018 from the £10.4 million transferred to Central Contingencies from unspent budgets in 2017, to the Chief Minister's Department revenue head of expenditure to fund Increasing Human Resources and Organisational Development capacity and capability to drive organisational change. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. | | | |
| Resource Implications: The Chief Minister's Department revenue head of expenditure to increase by up to £467,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. The £467,000 in total is proposed to be drawn down in 2018 but unspent amounts will be available in 2019. | | | |

Decision Summary

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| Action required: The Head of Decision Support to advise the Finance Director – Chief Minister's Department that this decision has been approved. | |
| Signature:  | Position: Senator A J H Maclean Minister for Treasury and Resources |
| Date Signed: 01-05-2018 | Date of Decision: |

CONTINGENCY FUNDING TO THE CHIEF MINISTER'S DEPARTMENT FOR INCREASING HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT CAPACITY AND CAPABILITY TO DRIVE ORGANISATIONAL CHANGE

1. Purpose of Report

To enable the Minister for Treasury and Resources to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £467,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund Increasing Human Resources and Organisational Development capacity and capability to drive organisational change.

2. Background

A central team responsible for the people aspects of transformation is needed to support the implementation of a proposed new organisational structure for the States of Jersey. This is made up of internal and external experts, who together will oversee phase one of the implementation of all activities related to the new organisational structure and the development of a people plan to support change.

This supports the next stage of implementing the vision for a modern, customer-focused, value-for-money and joined up public service.

3. Recommendation

The Treasury and Resources Minister is recommended to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £467,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund Increasing Human Resources and Organisational Development capacity and capability to drive organisational change.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

5. Resource Implications

The Chief Minister's Department revenue head of expenditure to increase by up to £467,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

The £467,000 in total is proposed to be drawn down in 2018, but unspent amounts will be available in 2019.

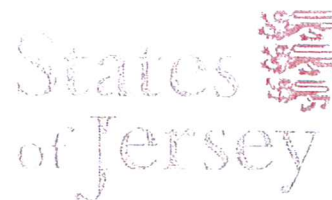
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|---|---|
| Report author : Head of Decision Support | Document date : 25 th April 2018 |
| Quality Assurance / Review : <i>Director of Financial Planning and Performance</i> | |

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| MD sponsor : <i>Treasurer of the States</i> | |
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Decision Summary

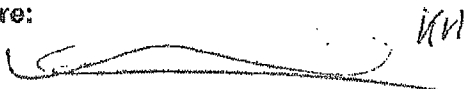
Treasury & Resources Department

Ministerial Decision



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|--|---|--|-----------------------------|
| Decision reference: MD-TR-2018-0065 | | | |
| Decision Summary Title: | Contingency Funding to the Chief Minister's Department for Resourcing Partner for implementing the new organisational structure | Date of Decision Summary: | 25 th April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | N/A |
| Written Report Title: | Contingency Funding to the Chief Minister's Department for Resourcing Partner for implementing the new organisational structure | Date of Written Report: | 25 th April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: The transfer of up to £490,000 in 2018 from Central Contingencies to the Chief Minister's Department revenue head of expenditure to fund Resourcing Partner for implementing the new organisational structure. | | | |
| Decision(s): The Minister approved the transfer of up to £490,000 in 2018 from the £10.4 million transferred to Central Contingencies from unspent budgets in 2017, to the Chief Minister's Department revenue head of expenditure to fund Resourcing Partner for implementing the new organisational structure. | | | |
| Reason(s) for Decision: Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year. | | | |
| Resource Implications: The Chief Minister's Department revenue head of expenditure to increase by up to £490,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019. The £490,000 in total is proposed to be drawn down in 2018 but unspent amounts will be available in 2019. | | | |
| Action required: The Head of Decision Support to advise the Finance Director – Chief Minister's Department that this decision has been approved. | | | |

Decision Summary

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| Signature:  <i>KH</i> | Position: Senator A J H Maclean Minister for Treasury and Resources |
| Date Signed: 31/05/2018 | Date of Decision: |

CONTINGENCY FUNDING TO THE CHIEF MINISTER'S DEPARTMENT FOR RESOURCING PARTNER FOR IMPLEMENTING THE NEW ORGANISATIONAL STRUCTURE

1. Purpose of Report

To enable the Minister for Treasury and Resources to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £490,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund a Resourcing Partner for implementing the New Organisational Structure.

2. Background

As part of the proposed new organisational structure, the States of Jersey is undertaking an unprecedented programme of transformation, which includes a recruitment and selection exercise for the most senior tiers of leadership.

This restructuring of the senior leadership will ensure that the right people with the right skills are appointed to these leadership posts. The States of Jersey does not have the internal capacity or capability to do this. A resourcing partner is therefore required, which has the capacity and capability to support this exercise and ensure that the proper and appropriate best practice and validation is utilised as part of the sourcing and selection processes of States of Jersey senior leaders.

This supports the next stage of implementing the vision for a modern, customer-focused, value-for-money and joined up public service.

3. Recommendation

The Treasury and Resources Minister is recommended to approve the transfer, to the Chief Minister's Department revenue head of expenditure in 2018, of up to £490,000 from the £10.4 million of unspent budgets in 2017 that were transferred to Central Contingencies, to fund a Resourcing Partner for implementing the New Organisational Structure.

4. Reason for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

5. Resource Implications

The Chief Minister's Department revenue head of expenditure to increase by up to £490,000 in 2018 and Central Contingencies to decrease by an identical amount. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

The £490,000 in total is proposed to be drawn down in 2018, but unspent amounts will be available in 2019.

| | |
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| Quality Assurance / Review : <i>Director of Financial Planning and Performance</i> | |
| MD sponsor : <i>Treasurer of the States</i> | |

Decision Summary

Treasury & Resources Department

Ministerial Decision

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|--|------------------------------|---|----------------------------|
| Decision Reference: MD-TR-2018-0048 | | | |
| Decision Summary Title: | 2017 Year End Carry Forwards | Date of Decision Summary: | 3 rd April 2018 |
| Decision Summary Author: | Head of Decision Support | Decision Summary: Public or Exempt? | Public |
| Type of Report: Oral or Written? | Written | Person Giving Oral Report: | |
| Written Report Title: | 2017 Year End Carry Forwards | Date of Written Report: | 3 rd April 2018 |
| Written Report Author: | Head of Decision Support | Written Report : Public or Exempt? | Public |
| Subject: 2017 Year End Carry Forwards | | | |
| <p>Decision(s): The Minister approved the request to :</p> <ul style="list-style-type: none"> • transfer £26.3 million into contingencies from departmental revenue heads of expenditure; • transfer from contingency to departmental revenue heads of expenditure £12.2 million as summarised in the attached report; • ring-fence within contingency £3.6 million as summarised in the attached report; • carry forward unused central contingencies to provide additional flexibility over the remainder of the MTFP period. | | | |
| <p>Reason(s) for Decision:</p> <p>Under Article 18 of the Public Finances (Jersey) Law 2005 the Minister for Treasury and Resources can permit all or any part of the amount appropriated by a head of expenditure to:</p> <ul style="list-style-type: none"> • 18(1A) - be transferred from the head of expenditure to contingency expenditure, within or after the end of the relevant financial year. <p>Under Article 17(2) of the Public Finances (Jersey) Law 2005 the Minister for Treasury and Resources is authorised to approve transfer from contingency expenditure to heads of expenditure.</p> | | | |
| <p>Resource Implications: Other than those detailed in the report there are no further financial or manpower implications</p> | | | |
| <p>Action required: Head of Decision Support to advise the Head of Financial Performance once this decision has been approved.</p> | | | |
| <p>Signature:</p>  | | <p>Position: Senator A J H Maclean, Minister for Treasury and Resources</p> | |
| <p>Date Signed: 6th Apr 2018</p> | | <p>Date of Decision:</p> | |



Council of Ministers Report

28th March 2018
Agenda Item B3

CARRY FORWARD REPORT

1. Purpose of the Report

The purpose of this report is to provide a summary of, and seek the agreement to, the proposed use of unspent budget from 2017 by department and a proposal to transfer unspent contingency sums as at the end of 2017 into 2018.

2. Overview

The original Budget allocated to departments for 2017 was just over £700 million. Throughout the year departments have received further allocations, including £22 million of carry forward from 2016, £7 million for pay awards and more than £7 million from other contingency allocations such as Restructuring and Economic Productivity Growth Drawdown Provision. £7 million was also transferred to capital.

The final approved budget amounted to £730 million, £26 million of which remained unspent at the end of the 2017, including departmental income in excess of budget.

Departments were asked to provide an explanation of underspends in order to understand our outturn position. The larger variances come from, £5 million from excess income, £7 million from reduced benefit payments, £6 million from reduced staff costs and £9 million from unspent supplies and services budgets. This was then offset by premises and maintenance costs being £5 million more than budgeted.

As a result of information provided by departments in relation to commitments made and potential 2018 funding pressures, the following carry forwards of funds are proposed:

3. Carry Forwards to departments - £12,205,016

Chief Minister's - £1,864,596

Children's Service IT System - £672,000

Business change implementation enabled by new Children's Service system (Mosaic). Procurement and mobilisation commenced in 2016, and implementation began Q2 2017. This is expected to be completed by Q3 2018.

NB. Accountability for the Children's Service has now transferred to the Chief Executive's Office (CMD) from Health and Social Services Department (HSSD). This budget was part of HSSD underspend but will need to be issued directly to CMD.

Transition Team - £535,000

The appointment of the Transition team was approved by the States Employment Board in October 2017. Costs in 2017 were met from existing cash limits and the intention was always to fund 2018 costs from unspent budgets in 2017. This funding allocation for 2018 supports that intent.

Digital Jersey Grant - £412,638

Digital Jersey Grant for 2018. This is proposed to be funded by windfall income of £412,638 from Ofcom monies in 2017 for which the Minister for Treasury and Resources in MD-TR-2017-0151 approved this income to be retained and used for this purpose.

It is recommended that the funds are approved in principle, subject to the production of a business case to be approved by the Treasurer.

Changeover of CEO - £105,000

The previous Chief Executive's payments reflect fulfilment of the requirements of his employment contract and the voluntary redundancy payment due to him under that contract.

Data Protection - EPGDP - £97,275

This unspent money funded from the Economic Productivity and Growth Drawdown Provision is to prepare for new legislation. It is intended to bring the Office of the Information Commissioner up to speed and pay for the review of the fee model. It will also be used to develop policy and procedures.

Emerging Managers - £28,000

Emerging Managers course (CMI Level 2) was delayed by focussing resources on Workforce Modernisation but the pilot finally began in December 2017 and will continue for nine months. This has been committed to with Highlands.

Middle Management Programmes - £14,683

This is the balance required to complete the current programme which was delayed due to focus on Workforce Modernisation.

Jersey Overseas Aid - £39,972

Funding is requested to be Carried Forward to fund approved Grant funded projects.

External Relations - £233,954

Given the importance of the work undertaken by External Relations, arising principally from Brexit and the relatively small budget of the department, it is important that sufficient funds are available.

Jersey London Office - £127,000

The Jersey London Office was set up in 2014 and an annual grant is required. There is a shortfall in 2018 of £127,000 to cover permanent staff salaries, rent and other costs.

Restructure of International Agreements - £86,954

The Head of International Agreements was transferred from Financial Services to the newly formed External Relations however the corresponding staff and non-stuff budgets were not transferred therefore there is a shortfall in External Relations. The department is partially funding this in 2018 but there is still a shortfall, which will also occur in 2019.

Channel Islands Brussels Office - £20,000

The Channel Islands Brussels Office was established in 2011 and there is a budget shortfall in relation to the currency risk estimated at £20,000 per annum.

Community and Constitutional Affairs - £192,709

Safeguarding Partnership Board - Multi Agency Development Plan - £85,074

Funding for 2 year Multi Agency Development Plan agreed as part of 2015 carry forward process in 2016 however implementation has been rescheduled. The project commenced in Q3 2016 and will be completed by Q4 2018.

States of Jersey Police - HMICFRS Inspection - £80,000

The Jersey Police Authority (JPA) has invited Her Majesty's Inspectorate of Constabularies and Fire & Rescue Services (HMICFRS, formerly known as HMIC), to carry out an external inspection of the States of Jersey Police this Autumn. This decision is endorsed by the C&AG in her report issued 22nd March 2018 in respect of the Governance of the States of Jersey Police.

Mobile Data Project - £27,635

Digital transformation of the States of Jersey Police:

Re-engineering existing police processes and developing new technology and Apps to deliver straight-through-processing, significantly reducing both operating costs and the administrative burden on police officers.

Issuing officers with mobile devices to give them remote access to information and enabling them to spend more time in the community. This enhances services to the public, officer visibility and safety, as well also delivering modest efficiencies. The total project cost is £1.45 million and it commenced in 2016 but some slippage has occurred and £27,635 is the unspent balance of funds drawn down in 2017.

Economic Development, Tourism, Sport & Culture - £181,000

Sports Travel Grants Funding - £125,000

To provide subsidy to travel costs for Clubs and Associations who meet the relevant grant criteria and have teams travelling off island to compete and gain greater international experience. Historically until 2014, grant funding of £125,000 was made available to the Sports Advisory Council for them to support Islanders competing off-Island. This budget was removed as part of the reduction in growth funding from £750,000 to £450,000 in 2017, and Council has previously agreed to replace the funding through carry forwards through the period of the Medium Term Financial Plan.

Governance support - £56,000

As a positive response to recent Internal and External Audits, which identified significant weaknesses in governance, control and assurance frameworks, the Department has taken on an additional fixed term support.

Education - £1,278,085

Schools and Colleges - Delegated Financial Management - £520,000

Historically schools and colleges have been able to carry forward up to 3% of budgets under the delegated financial management arrangement to manage the differential between the academic and financial year. The carry forward allows schools and colleges to react to demographic changes, minimise fee increases, build funds for improvement works, maintenance and one off minor capital which is generally undertaken during the school Summer holidays.

A few examples of proposed schemes are St John - replacement of furniture and develop a shady sun shelter and develop forest school, Plat Douet - purchase new Maths scheme, Trinity - access to engaging outdoor learning environment and playhouse for the new Nursery, Mont à L'Abbé – fund a pupil with intensive needs and requires 2:1 care which will avoid the pupil being off island at a greater cost, Hautlieu - changes in 'A' level subjects and new specifications and text books published, 15 schools' minor capital to include carpeting, flooring and decoration.

2017 YEAR END CARRY FORWARD REPORT



It is recommended to approve this allocation in principle subject to consideration and approval of individual business cases by the Treasurer.

Schools and Colleges - Jersey Pupil Premium - £495,707

Pupil premium programme trialled in 2016 in selected primary and secondary schools and was rolled out across the Island but not until September 2017. The uptake was higher than expected so the carry forward will partially be used to maintain the rates as per the model even though the pupil numbers are higher, and also to provide intensive 'catch ups' for pupils due to the delay in implementation.

Nursery – St Lukes - £100,000

A joint project with Jersey Property Holdings (JPH) to make essential building changes to St Lukes Primary School, to include a Nursery. Phased programme started in 2017 and depending on planning, £100,000 will be spent in 2018 and the balance of the total project costing of £200,000 from within JPH budget will be completed in 2019. The carry forward will fund essential refurbishment, furniture and equipment as a result of the reconfiguration of the classrooms.

Newly Qualified Teachers (NQT) starting pay - £80,000

Carry forward will bridge the gap in timing of NQT savings which will reduce NQT pay scales to mid UK rates. Savings of £525,000 by 2019 have been targeted from NQT salaries and negotiations with the unions are ongoing.

Modern Language Review - £61,901

To continue the teachers 1 year review into modern language teaching including the feasibility of creating a bi-lingual school in the Island, as requested and agreed by CoM.

E-Rostering contribution to States Workforce Modernisation project - £20,477

Carry forward will cover the department's contribution to the States wide e-Rostering project.

Department of the Environment - £673,727

Climate Risk Assessment Work - £450,000

The funding will be used to carry out climate risk assessments of the most vulnerable areas to coastal and pluvial flooding and to develop shoreline management plans for these areas of coastline; identify at risk areas and prepare options for consideration in strategic planning and allocation of funds in MTFP3. Project will be managed by DoE and implemented by Dfl through a tender process.

Tenders and appointment of consultants will be in Q1 with forecasted spend of £450,000.

Digitally Integrated Planning Process (DiPP) Development Control and Roll Out - £125,000

As part of the States Public Sector Reform and e-Gov projects, the Department of the Environment (DOE) secured funding from Public Sector Reform to deliver a completely digital (online) planning application service during 2017. This project is a States of Jersey pilot which if successful could be the chosen platform for a States-wide strategic digital solution.

Bringing the service online will reduce the manual inputting and paper based service delivery, enabling the team to continue with this service in the future.

Water Management Plan (WMP) - £57,427

The Water Plan was agreed by the States Assembly in December 2016. The funding is required to progress the preparatory work for the Water Plan that started in 2017:

- i) Continued law drafting time and external consultancy in 2017 to implement the WMOs and the Code of Good Practise (water code).
- ii) To update the Pesticides (Jersey) Law 1991 and the Code of Good Practise (pesticide code).
- ii) Further monitoring requirements to monitor and underpin the Plan.
- iii) Develop a code of practice for domestic sewage systems.

IBL Visual Weather software development and training - £35,000

A software contract expired in 2016 and a new IBL software contract had to be agreed. The department need to carry out this work to improve efficiently in future years, and to manage their systems better, to allow them to cope with the reduction of 1.6 FTE in 2016/2017. They are committed to this spend but were unable to do this during 2017 due to the office move of the Met Service.

Water quality monitoring in St Aubin's Bay - £3,500

Targeted and accurate monitoring is vital to ensure the correct regulation and future States capital expenditure on the replacement Waste Water Treatment Works, to assess the impact in St Aubin's Bay of the Water Plan. The first half of the work is complete and receipted. The second half of the work will be completed by 31 March 2018 and will be paid for by the carry forward bid.

Preparation of new draft 'Water Code' - £2,800

The Water Code is a Code of Practice which will provide guidance to land users on how to comply with the new regulations being introduced to underpin the Water Plan.

Planned delivery was for the majority to be finished in 2016. However, workload in respect of the Water Management Plan for the project manager has meant that the output received from the supplier had not been reviewed in time for year end 2017. The supplier has already undertaken all the preparatory work (with project plan) etc. and therefore the department is committed to progressing the project and spend.

Health & Social Services - £5,819,215

Sustainable measures to replace Health Insurance Fund transfer - £5,000,000

Following the rejection of the proposed Health charge in the MTFP Addition, the associated transfers from the HIF were also withdrawn leaving a shortfall of £5 million per annum in the Health and Social Services net expenditure allocations for 2017-2019. This will address the 2018 shortfall.

Doctors Pay Award for 2017 and 2018 - £648,807

The States Employment Board has agreed pay awards for Doctors for 2017-2019, subject to agreement of funding by Council of Ministers. This allocation will fund the excess required for 2017 and 2018.

It is also proposed that additional funds of £1,255,110 transferred to contingency reserves, will be ringfenced for the purposes of the financial impact in 2019.

Primary Care Project - £170,408

Three pilot projects; COPD, Diabetes and Community Pharmacy – these projects commenced in 2017 following a rigorous process of identifying suitable schemes which are planned to be completed in 2018.

The Project was awarded £611,000 from Social Security Department's Carry Forwards from 2015, but it was always intended that the Project would run over 2016 and 2017 and potentially 2018.

Department for Infrastructure - £372,000

Sea weed remediation - £147,000

A new surf rake and modifications to the existing one to allow for removing seaweed directly from the sea instead of off the beach. Modifications to existing (redundant) equipment to provide for dewatering the seaweed allowing it to be put to land or compost, hire of local landing equipment to allow dumping at sea, temporary additional staffing to undertake the work in the summer and support for additional research work.

New "contactless" ticket machines – Liberty Bus- £125,000

States contribution to replacement of existing ticket machines on LibertyBus fleet in order to facilitate "contactless" payment by debit and credit cards and speed up boarding times for AvanchiCard holders. Total project cost likely to be in order of £250,000, part funded by States, part by LibertyBus. They will commence procurement once funding is available. Initial works have included specification of machines, pricing and roll-out plan and procurement of new ticket machines and installation will be undertaken during 2018 with the project finished before Q3.

2017 YEAR END CARRY FORWARD REPORT



It is recommended to approve this in principle subject to agreement of the Business Case by the Treasurer.

Odour Control Measures - £100,000

Odour Measurement equipment and software modelling for mitigating and monitoring odours around the existing and proposed new Sewage Treatment Works (STW) at Bellozanne in accordance with the conditions on the planning approval for the STW and the States decision on P.115/2017. The Proposition called on the Minister for Treasury and Resources to make funds available once the new works were constructed, however, DfI believe that it would be more advantageous to undertake this work now in order to establish the current situation as a "control" baseline reading and to double check the source of odours. This request will also reduce the call on contingency in future years. Equipment is being specified at present and it is expected that orders could be raised as soon as funding is approved and that the procurement and installation of monitoring equipment will complete in 2018 along with commencement of initial odour monitoring.

Social Security - £300,000

Skills Development - £300,000

Planning started in 2017 when proposition P.53/2017 was approved, but income wasn't collected until November, which delayed the spending of the money until January 2018.

There are 6 main work streams:

- Various short courses (coaching, customer service, Excel etc)
- Hospitality sector (initiatives to attract more people to the industry and upskilling staff to support recruitment, retention and increases in productivity)
- Retail sector (detailed plans to be formulated in conjunction with the industry)
- Construction sector (detailed plans to be formulated in conjunction with the industry)
- Care sector (detailed plans to be formulated in conjunction with the industry)
- Sector Body/Skills Jersey/Jersey Business funding

The plan is to spread the costs throughout the year, with the likelihood of spending 2018 income in Q3 to minimise the need for carry forward into 2019. This will be an annual ongoing initiative, in line with income collection.

Treasury and Resources - £829,457

Financial Management Improvement Programme - £130,000

Funding was previously approved budget from Restructuring Provision. This will fund the cost of the work commissioned of KPMG Financial Management to assess the maturity of the Finance Function and make recommendations for its transformation project with the initial phase, to be completed in 2018.

Supply Jersey Maintenance and License Cost - £120,000

There is an ongoing structural budget shortfall for annual maintenance costs associated with Supply Jersey. The system maintenance costs were funded in 2017 from a 2016 carry

2017 YEAR END CARRY FORWARD REPORT



forward and need to be met in 2018 and beyond. ISD have highlighted that they are unable to fund these costs.

Supply Jersey - £111,852

Completion of the gap analysis and licence to buy training material and virtual college. This is the remainder of the original bid of £205,000 from the Restructuring Provision in 2017.

Income Tax Office BEPS - £120,000

To deal with Base Erosion and Profit Shifting rules and is the unspent balance drawn down in 2017 from Central Contingency.

Debt Management Consultant- £104,000

Contracting a HMRC debt management specialist to lead in the consolidation of the Taxes and Shared Services debt management function. This commenced in 2017 and will continue to December 2018.

Work to date has already more than paid for itself through improvements to the collection of debt.

Corporate Procurement - £100,000

Data analyst required to work with team on Supply Jersey reports to provide MI on the performance of various contracts and enable decision making. In addition procurement specialist to deal with increasing quantity of contract preparation.

Income Tax Office Modernisation - £79,335

The programme contains a set of projects including:

- The creation of a new Taxes Management Law and a new Income Tax Law,
- The Taxes Office approach to tax compliance and improve customer service,
- Development of new compliance techniques and products,
- Work with Jersey Financial Crimes Unit to create a legal gateway with the States of Jersey Police; and
- Work on Nudge activities.

This carry forward is the unspent balance drawn down in 2017 from Restructuring Provision for two projects.

Taxes Transformation Programme - £45,000

£105,600 was carried forward from 2016 to fund the multiyear Taxes Transformation Programme project. Due to other commitments and resource issues the funding was not utilised. However, following recruitment the TIEA team are ready to implement the next phase to manage the requirements outlined by the Automatic Exchange of Information (AEOI).

Travel Review - £19,270

2017 YEAR END CARRY FORWARD REPORT



An independent review of States Travel arrangements has been undertaken by specialist travel management consultancy Opteva from which a number of recommendations were made. This represents the balance of the review in preparation for the retender of travel management services.

States Assembly - £119,998

Voter Registration Project - £80,401

The voter registration project aims to actively promote voter registration across the whole island and, in particular, to ensure that an effective island-wide voter registration campaign is carried out in time for the next elections in 2018. Work preparing for the 2018 election has begun but the majority of the costs will occur in the first four months of 2018. The voter registration and election awareness campaign will aim to encourage greater participation in the election process both registration and voter turnout, giving practical information on where, when and how to vote, as well as information for prospective candidates, filmed hustings and candidates' videos and the production and circulation of a full manifesto document to all Island households.

Commonwealth Youth Parliament - £22,000

States Assembly have agreed to step in at short notice and host the Commonwealth Youth Parliament in late February. This involves accommodating and feeding over 60 delegates for a week and the budget has been worked out, based on plans and on the most recent experience of hosting a conference of this sort, is £44,000. £20,000 will be contributed by the Commonwealth Parliamentary.

Webcasting - £17,597

Following on from the successful introduction of the webcasting of States Assembly meetings it has been agreed to install webcasting of public hearings. This will include the purchase and install of webcasting equipment and services. It also requires refurbishment of the Le Capelain Room to a multi-use facility.

Non Ministerial Departments - £300,303 made up of:-

Law Officers' - £97,546

Reglant la Procedure Criminelle - £97,546

Due to slippage in work being undertaken there is an underspend of ring-fenced funds, originally £500,000 received from COCF. Further work is required to draft rules and procedures as the Criminal Justice law comes into effect.

Judicial Greffe - £90,000

Contract post - £70,000

This contract post continues to provide essential support for FOI, data management and data protection (including preparation for GDPR) functions.

Family Division database - £20,000

This essential IT project (which involves replacement of legacy systems which are no longer supported) commenced in 2017 and will be completed by May 2018.

Viscount's Department - £52,000

Phoenix - £52,000

Due to the lengthy and complex procurement process at the start of this IT project in 2017, the go-live date has been extended into 2018 and essential project management support is required prior to implementation. In addition overtime costs for staff are required. This will allow testing of the system, as operationally it is impossible to do during normal working hours due to resource constraints. This was not included in the original project budget.

Official Analyst - £18,237

Specialist equipment - £18,237

Two specialist laboratory glassware washers are required and although ordered in 2017 are not expected to arrive until March 2018.

Office of the Lieutenant Governor - £42,520

Grounds and Premises Maintenance and Improvement - £42,520

This will supplement existing funds to maintain and make improvements to the grounds and premises at Government House.

4. Transfer to Reserves & Contingencies - £3,613,858

The amounts to be transferred to reserves or contingencies to be ring fenced include:

Waterfront Master Plan - Department of the Environment - £100,000

If the development framework is adopted in Q2 201/8 there will be a requirement to undertake future studies and development briefs which remain to be scoped and costed. It is envisaged to cost a further £100,000 and would be completed at the end of 2019.

Doctors Pay Award for 2019 - Health & Social Services Department - £1,255,110

To fund the pay award for Doctors, agreed by States Employment Board.

The States paying Rates – Department for Infrastructure - £1,700,000

The £900,000 originally allocated to Department for Infrastructure to pay Parish Rates was allocated to help cover their shortfall in income in 2018 due to the delay in introducing non-domestic liquid waste charging. Due to the States deciding that Government should pay both Parish Rates and Island Wide Rates in Budget 2018, the department now needs that funding replaced albeit reduced by the element they are collecting by means of increasing car park charges.

Health and Safety Benchmarking – Department for Infrastructure - £75,000

Following a presentation to the Executive Management Team, the Department for Infrastructure has been requested to submit a business case to embark upon a Corporate Health and Safety benchmarking and capability review.

Security Measures – Bailiff's Chambers - £95,000

This is required towards future security costs including updating the entrance area and additional equipment which will result in additional recurring annual revenue implications. It is proposed to return this budget to contingency and ring fence until a full business case and costs have been submitted.

Office refurbishment and Health & Safety - Viscount's - £85,000

A rolling programme has been established for office refurbishment, workstation assessments and replacement furniture. These funds will be ring-fenced subject to delivery of a business case.

Court and Case Costs - £309,748

The Court and Case Costs Contingency balance was used to help the Consolidated Fund balance in 2014. Court and Case costs are difficult to predict and historically affected Departments have felt exposed ensuring they have sufficient budgets to carry out the work whilst also not wanting to request excessive base budgets. It is proposed to transfer this sum of money centrally to be made available when needed, from what is known as the Court & Case costs smoothing reserves, held within contingencies.

The transfer is coming from the following areas:

Judicial Greffe - £63,030

Law Officers' - £45,830

Probation and After Care Services - £45,096

Viscounts - £155,792

5. Transfer to Contingency - £10,438,674

The balance of the departmental underspends of £7,714,362 and the balance of underspends in department from Growth funding of £2,213,055 to be carried forward to Central Contingency. The underspends in departments from Restructuring Provision and ring fenced budgets within Central Contingency of £511,257 to be returned to their respective budgets held centrally.

6. Carry forward of Contingency

The balance of the provision for Central Reserves and Restructuring Provision of £58,979,893 are also to be requested for carry forward to 2018.

Balances Remaining to Draw Down

Central Reserves - £22,676,562

Redundancy Provision - £6,925,558

This is the remaining balance of the Redundancy Provision at the end of 2017, to be carried forward for settlements agreed in 2018.

Pay Provision - £2,951,745

To cover the result of any pay negotiations in 2018.

AME Provision for 2018 and 2019 - £4,000,000

The MTFP Addition proposed using underspends in Social Benefits to build a central AME contingency for 2017-2019. This is the current amount ring-fenced for 2018 and 2019. An update on the benefit forecast for 2018 is due from Social Security department by the end of March 2018.

Restructuring Provision - £11,426,344

This is the available balance available to fund projects identified from the Restructuring Provision.

Project Omega Balance - £640,945

This is the available balance to fund cost on the Historical Child Abuse redress scheme.

Child Protection - £690,246

In 2017, £1.7 million was earmarked in contingency for initiatives to support vulnerable children. This funding will be utilised to continue this work.

Court and Case Costs Smoothing Reserve - £1,538,335

Due to the uncertain nature of such expenditure, it was agreed that a smoothing reserve be created which would hold unspent balances from years where expenditure was less than base budgets and be available to be drawn from in years when expenditure was more than base budgets. This is the balance from previous years and will be added to the 2017 underspend of £309,748.

EPGDP Balance - £7,263,784

The Economic and Productivity Growth Draw-down Provision available balance as at 31st December 2017.

Independent Jersey Care Inquiry - £866,374

This is the remaining balance of the funds allocated to this piece of work.

7. Recommendation

The Council of Ministers is recommended to approve the proposals in this report for the use of underspends in 2017 and the carryforward of contingencies and to give effect to the decision by agreeing to and recommending to the Treasury & Resources Minister:

The transfer to contingency of all departmental underspends, inclusive of excess departmental income, totalling £26,275,548;

The transfer from contingency to Departments totalling £ 12,205,016, summarised in Appendix 1;

The ring-fencing within Contingency of £3,613,858, summarised in Appendix1; and

To agree the carry forward of unspent Contingency sums from 2017 to 2018, in addition to the above, and as summarised in section 6 of this report, totalling £58,979,983.

| Appendix 1 | | Recommended to Carry Forward | Ringfenced in Contingency | Returned to Contingency | Total |
|--|------------|------------------------------|---------------------------|-------------------------|-------|
| Chief Minister's Department | 1,884,596 | - | (212,030) | | |
| - Overseas Aid | 39,972 | - | - | | |
| External Relations | 233,954 | - | 183,705 | | |
| Community and Constitutional Affairs | 192,709 | - | 300,413 | | |
| Economic Development, Tourism, Sport and Culture | 181,000 | - | 355,824 | | |
| Education | 1,278,085 | - | 339,669 | | |
| Department of the Environment | 673,727 | 100,000 | 595,785 | | |
| Health and Social Services | 5,819,215 | 1,255,110 | (3,090,790) | | |
| Department for Infrastructure | 372,000 | 1,769,000 | (377,212) | | |
| Social Security | 300,000 | - | 10,670,388 | | |
| Treasury and Resources | 829,457 | - | 506,324 | | |
| Non Ministerial States Funded | 420,301 | 489,748 | 1,166,598 | | |
| Bailiff's Chamber | - | 95,000 | 42 | | |
| Law Officers' | 97,546 | - | 539,577 | | |
| Judicial Greffe | 90,000 | - | 460,123 | | |
| Data Protection | - | - | 24 | | |
| Viscount's | 52,000 | 85,000 | 292,637 | | |
| Official Analyst | 18,237 | - | 92,023 | | |
| Lieutenant Governor | 42,520 | - | - | | |
| Probation | - | - | 45,263 | | |
| C&AG | - | - | 46,870 | | |
| Dean of Jersey | - | - | 16,446 | | |
| States Assembly | 119,998 | - | (16,659) | | |
| TOTALS | 12,205,016 | 3,613,858 | 10,438,674 | 26,257,548 | |

