

STATES OF JERSEY



PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): THIRD AMENDMENT (P.51/2024 AMD.(3)) – AMENDMENT

STATISTICS JERSEY FUNDING

**Lodged au Greffe on 19th November 2024
by the Council of Ministers
Earliest date for debate: 26th November 2024**

STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024):
THIRD AMENDMENT (P.51/2024 AMD.(3)) – AMENDMENT

1 PAGE 2, PART 1 –

After the words “will be increased by”, for the remainder of the paragraph substitute –

“£78,000, through the reallocation of other departmental expenditure within the Cabinet Office.””

COUNCIL OF MINISTERS

Note: After this amendment, the proposition would read as follows –

1 PAGE 4, PARAGRAPH (o) –

After the words “as set out in the Appendix to the accompanying Report” insert the words –

“, except that, on page 41, after Table 10, there should be inserted the words “Within the Revenue Head of Expenditure for the Cabinet Office, funding for Statistics Jersey will be increased by £78,000, through the reallocation of other departmental expenditure within the Cabinet Office.””

Note: After this amendment, the proposition would read as follows –

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

to receive the Government Plan 2025 – 2028 (entitled “Budget 2025-2028”) specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2025 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law.
- (b) to approve the proposed Changes to Approval for financing/borrowing for 2025, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.
- (c) to approve the transfers from one States fund to another for 2025 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.

- (d) to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2025 of up to £25 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2024 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2025.
- (e) to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund of up to £2 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2024 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2025;
- (f) to approve each major project that is to be started or continued in 2025 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.
- (g) to approve the proposed amount to be appropriated from the Consolidated Fund for 2025, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.
- (h) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2025 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.
- (i) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2025 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.
- (j) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2025 as set out in Appendix 2 – Summary Table 8 to the Report.
- (k) to approve an updated and consolidated policy of the Strategic Reserve Fund as follows:

“The Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, is a permanent reserve only to be used:

- i. in exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.
- ii. if necessary, for the purposes of providing funding (up to £100 million) for the Bank Depositors Compensation Scheme established under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009, including to meet the States contribution to the Scheme and/or to meet any temporary cash flow funding requirements of the Scheme.

- iii. to support the development of future healthcare facilities and the borrowing costs for such work, in line with a financing strategy agreed by the Assembly;
 - iv. as a holding fund for any or all monies raised through external financing until required, and for any monies related to the repayment of debt raised through external financing used to offset the repayment of debt, as and when required; and
 - v. in accordance with Article 24 of the Public Finances (Jersey) Law 2019, where the Minister for Treasury and Resources is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants of Jersey, to the stability of the economy in Jersey or to the environment, for which no other suitable funding is available.”
- (l) to approve the transfer to the Strategic Reserve of the amounts due as a result of the move from prior-year basis taxation after 31st December 2025, as and when these payments are received (estimated at £280 million).
- (m) in relation to the new Government Headquarters (office), to approve;
- i. the exercising of the option to acquire the new Government Headquarters (estimated at £91 million), by the Public of the Island, in line with the pre-agreed terms; and
 - ii. the acquisition of the new Government Headquarters as an investment of the Social Security (Reserve) Fund (including authorising the meeting of expenses incurred in connection with the acquisition); and
 - iii. the subsequent leasing of the new Government Headquarters by the Public of the Island from the Social Security (Reserve) Fund, with commercial terms to be agreed between the Minister for Infrastructure (on behalf of the Public) and Minister for Social Security and the Minister for Treasury and Resources (both on behalf of the Fund); and
- (n) in relation to the new Government Headquarters, to authorise H.M. Attorney General, the Greffier of the States, the Ministers for Infrastructure, Social Security and Treasury and Resources, and the Public of the Island, to enter into such arrangements, including financing, and pass any contracts as are necessary to put into effect paragraph (m).
- (o) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2025-2028, as set out in the Appendix of the accompanying Report, **except that, on page 41, after Table 10, there should be inserted the words “Within the Revenue Head of Expenditure for the Cabinet Office, funding for Statistics Jersey will be increased by £78,000, through the reallocation of other departmental expenditure within the Cabinet Office.”**

REPORT

The Council of Ministers has already committed to reinstate the Business Tendency Survey at half the cost of this proposed transfer. This amendment reflects this commitment to provide Statistics Jersey with an additional £78,000 from within the Cabinet Office budget.

Steps have already been taken to address the Corporate Services Scrutiny Panel's ("the Panel") concerns, with funding being made available to enable Statistics Jersey to continue to produce the Business Tendency Survey. This has involved allocating £78,000 to recruit a member of Statistics staff to undertake this work from 2025 onwards. These monies are a result of re-prioritisation of the policy and Statistics budgets. The Chief Minister confirmed that the Business Tendency Survey would be reinstated in his letter to the Panel of 31 October. This Amendment to the Panel's Amendment confirms this commitment in the Budget.

In addition to providing Statistics Jersey with £78,000 to continue the Business Tendency Survey (BTS), the Panel's original amendment proposed to provide a further £79,000 to allow the development of quarterly Gross Value Added (GVA) figures and production of the Jersey Opinions and Lifestyle Survey (JOLS) annually (rather than every two years). This would have been achieved by reducing the budget allocated to other services delivered under the Cabinet Office head of expenditure by £157,000 in total.

The Council of Ministers considers that the Business Tendency Survey is the most desirable of these statistical outputs and so the further £79,000 will be applied elsewhere within the Cabinet Office. This decision has taken account of the professional advice of the Chief Statistician and the Fiscal Policy Panel. The Council also received advice from the Chief Economic Advisor on which statistical products provided the most effective data to inform Jersey's economic and fiscal policy.

In 2021 Statistics Jersey had 15 statistician and analyst posts. Since then, it has received a significant increase in its budget so that, in 2023, it had 22 posts. This amendment would provide funding for a 19th post for Statistics Jersey which represents an increase in its capacity of over 25 percent over a 4-year period.

The Panel noted in its report that the States Assembly adopted Proposition [P.29/2024 Draft Statistics and Census \(Jersey\) Amendment Law 202-](#), which will, when it comes into force next year, provide an improved, transparent way of funding Statistics Jersey under the Budget. In future, this will place consideration of Statistics Jersey's budget outside the Government's general budgetary considerations.

However, at present it is incumbent on the Council of Ministers to consider and prioritise funding across the services delivered by the Government, including Statistics Jersey. This means that Council cannot support a further increase in Statistics Jersey's budget of £79,000 that will impact on other important public services, such as the delivery of public health services and the development of policy and legislation to improve our Island.

Background to the Savings required

The savings within Statistics Jersey are required to contribute towards a £2.9 million saving under the previous Government Plan, as amended by the States Assembly. In addition, it is proposed to reduce the overall expenditure on these services in absolute terms from £26.052 million this year to £24.187 million from 2027 onwards. This will affect the following services:

- Public Health
- Policy (Children, young people and Skills; Criminal justice and violence against women and girls; Diversity, equity and inclusion; Environment; Governance and communities; Health; Housing; Placemaking; Population; Social security and employment)
- Safeguarding Partnership
- Care Commission
- Children's Commissioner
- Advice and Conciliation Services
- Ministerial Office and FOI
- Communications

The Government has committed to prioritising front-line services and delivering value for money for Islanders. This has involved re-profiling the budget for other services, requiring significant real-terms savings while ensuring ongoing provision of services that benefit Islanders as far as possible.

Any further budget reductions to these Cabinet Office areas, as proposed by the Panel, would have a negative impact on some important core services. Members are reminded that these include, amongst others:

- delivery of key initiatives to improve the Island's public health, including vaccinations for children;
- development of policy to deliver both the Government's objectives and States propositions to improve outcomes for Islanders in areas including health and social care, education, safeguarding, housing, environment, home affairs (including violence against women and girls and justice policy) and social security;
- regulation of health and social care to keep our most vulnerable citizens safe, including regulation of hospital and ambulance services from 2025 onwards;
- improving, monitoring and challenging Jersey's safeguarding arrangements for children and adults; and
- provision of the Jersey Advisory and Conciliation Service, providing independent, impartial advice to the Island's employers, employees and trade unions on employment matters.

The Panel's amendment should be viewed in this context: while the work of Statistics Jersey is indeed important for Islanders, so too is the work of these other key services that would, under the Panel's amendment, face further reductions to their budgets. This Amendment ensures that the BTS will be restored while protecting other important services from further budget reductions.

Financial and staffing implications

This Amendment would require funding to be made available from within the Head of Expenditure for the Cabinet Office to increase the funding for Statistics Jersey by £78,000, to allow it to produce the Business Tendency Survey from 2025 onwards.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.