

STATES OF JERSEY



PROPOSED GOVERNMENT PLAN 2022- 2025 (P.90/2021) :FOURTH AMENDMENT (P.90/2021 AMD.(4)) – COMMENTS

REGULATORY SUSTAINABILITY FUNDING

**Presented to the States on 9th December 2021
by the Council of Ministers**

STATES GREFFE

COMMENTS

Recommendation

The Minister for the Environment, and the Council of Ministers as a whole, recommends that the Assembly support this Amendment to the Government Plan.

Ministers would like to thank Senator Vallois for proposing this Amendment.

Background

The Environment Minister presented a business case for regulatory improvement as part of the Government Plan process. Following internal discussions, the bid was reduced as part of wider Government strategy to reduce growth across the board. This Amendment seeks to reinstate the original bid as outlined in the business case.

Detail

The funding provided for by this Amendment will allow for improvements to the delivering of regulatory functions for the Island. As stated by the Proposer in their Amendment, regulation is borne from legislation adopted by the States Assembly and that resourcing is required to meet these decisions. A modern regulator requires funding to allow for, but not limited to proactive inspections; compliance monitoring; meeting external requirements placed on the Island from events such as Brexit; etc. Appropriate funding will allow for IHE, in cases where it acts as a regulator, to be fit for purpose.

Funding will allow for improvements in several areas within the Regulation directorate of the Infrastructure, Housing and Environment department (IHE). These areas include Environment and Consumer Protection, Development and Land, and Regulatory Improvement.

Additionally, funding will enable IHE to meet the recommendations made by the Comptroller and Auditor General in their report – [‘Use of Enforcement Powers’](#) – published in April 2020.

Financial implications

It should be noted that the amendment reduces the General Reserve by £773,000 in 2022, thus reducing the Government’s ability to react to unforeseen events.

If treated as recurring, the amendment increases Consolidated Fund expenditure by £2.23 million over the period of the Plan. If adopted, this amendment will result in lower surpluses in 2023-2025 years of the plan, preventing them being available to be applied to reduce borrowing for Covid. This will be considered in the next Government Plan.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]:

“These comments were submitted to the States Greffe after the noon deadline as set out in Standing Order 37A due to time constraints from the States Meeting being moved forward to Monday 13th December, which in turn affected the final deadline for Comments, and the requirement to undertake final due diligence and review processes.”
