

STATES OF JERSEY



BUDGET 2004: AMENDMENT (P.160/2003) – COMMENTS

**Presented to the States on 2nd December 2003
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

It is recognised that the net effect of the proposal to the expenditure of the States in 2004 is nil, and that should the States approve this amendment, the cash limit of the Employment and Social Security Committee would be reduced by £1 million per annum.

The capital expenditure programme was approved by the States in the 2004 Resource Plan, after having been through a prioritisation process involving Committee Presidents. The 2004 and 2005 capital allocation to the Environment and Public Services Committee does provide for some limited extension to the Island's sewer network.

In addition, the revenue expenditure of the States for 2004 has also been the subject of prioritisation through the Fundamental Spending Review process. Whilst the amendment does offer the States the opportunity to at least make a choice between two services, it does so without reference to or comparison with other services provided.

The Finance and Economics Committee is firmly of the view that the Fundamental Spending Review process is the appropriate place to consider the revenue and capital demands of Committees and it is satisfied that the 2004 process has derived the appropriate and achievable savings and growth for the 2004 period.

The Committee appreciates that this amendment, unlike the others lodged at this time, identifies compensatory funding arrangements, however the Committee cannot support *ad hoc* amendments that have not been subject to the rigorous and comprehensive prioritisation process.

Note: this document was originally printed in error as P.166/2003 Com.