



JERSEY
Chamber of Commerce

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For the attention of Scrutiny Panels – Government Plan

We have had the opportunity to review the Government Plan 2021-24 and though the aims would appear to be consistent we do have concerns in the following areas:

- Many of the intended projects lack detail to include an explanation of why the project is being funded, the benefits of the spend, but more importantly the delivery date and specific costings;
- The efficiency programme in relation to the operation of the public sector seems to have been stalled or delayed and we note that many of the efficiencies claimed are not actually efficiencies. We struggle to understand that a transfer to another department, a deferment of implementation, a review or releasing a budget, selling an asset, not increasing something and raising charges are actually efficiencies or cost savings. We would welcome some clarification of these as well as a discussion as to what the Government consider “rebalancing” to mean. It is noted that the phrase “we will resource these activities through base department budgets and / or existing funds and additional investment” is used frequently within the document which would clearly suggest that there is some overfunding within present department budgets.
- We note that the very generous pension scheme which is creating greater long-term liabilities is not being revisited and is actually being further funded.
- It is noted that pre-covid the staffing in the public sector increased rather than decreased (it has increased further during Covid) and the services being provided seem to be increasing (including quangos) and therefore we are concerned that rather than having an efficient public service concentrating on the core services to be provided we are creating a larger public service that is competing with the private sector in relation to many unessential areas;
- Our biggest concern however is that the Government seems to be relying on debt funding to take us through the pandemic and the plans to replenish our finances seem to either rely on economic growth (how this is to be achieved is not addressed) and small insignificant tax rises. The Covid debt will require longer term revenue raising and greater efficiencies, but the plan lacks sufficient detail in both areas. We are concerned that the Government will be saddling future generations with significant debt (and therefore disproportionate tax rises) rather than implementing efficiencies and revenue raising measures during the period 2021-24.

Yours sincerely,

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